

Registration number 03636550

# Quantum Heating Ltd

Abbreviated Accounts  
for the Year Ended 31 August 2007

K M  
Chartered Accountants & Registered Auditors  
4 - 6 Grimshaw Street  
Burnley  
Lancs  
BB11 2AZ

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## **Quantum Heating Ltd**

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**Independent Auditors' Report to  
Quantum Heating Ltd  
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of Quantum Heating Ltd, set out on pages 2 to 5, together with the financial statements of the company for the year ended 31 August 2007 prepared under section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts are properly prepared in accordance with those provisions.



K M  
Chartered Accountants & Registered Auditors

4 - 6 Grimshaw Street  
Burnley  
Lancs  
BB11 2AZ

29 April 2008

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**Quantum Heating Ltd**  
**Abbreviated Balance Sheet as at 31 August 2007**

|   |      | 2007      |           | 2006      |           |
|---|------|-----------|-----------|-----------|-----------|
|   | Note | £         | £         | £         | £         |
| <b>Fixed assets</b>                                   |      |           |           |           |           |
| Intangible assets                                     | 2    |           | -         |           | -         |
| Tangible assets                                       | 2    |           | -         |           | 3,600     |
|   |      |           | -         |           | 3,600     |
| <b>Current assets</b>                                 |      |           |           |           |           |
| Stocks  |      | 5,529     |           | 18,156    |           |
| Debtors   |      | 33,179    |           | 311,768   |           |
| Cash at bank and in hand                              |      | 9,200     |           | 89,175    |           |
|   |      | 47,908    |           | 419,099   |           |
| <b>Creditors: Amounts falling due within one year</b> |      | (529,983) |           | (808,165) |           |
| <b>Net current liabilities</b>                        |      |           | (482,075) |           | (389,066) |
| <b>Total assets less current liabilities</b>          |      |           | (482,075) |           | (385,466) |
| <b>Provisions for liabilities</b>                     |      |           | -         |           | (425)     |
| <b>Net liabilities</b>                                |      |           | (482,075) |           | (385,891) |
| <b>Capital and reserves</b>                           |      |           |           |           |           |
| Called up share capital                               | 3    |           | 100       |           | 100       |
| Profit and loss reserve                               |      |           | (482,175) |           | (385,991) |
| <b>Shareholders' deficit</b>                          |      |           | (482,075) |           | (385,891) |

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the Board on 29 April 2008 and signed on its behalf by



C T Graham  
Director

The notes on pages 3 to 5 form an integral part of these financial statements

## **Quantum Heating Ltd**

### **Notes to the abbreviated accounts for the Year Ended 31 August 2007**

#### **1 Accounting policies**

##### **Basis of preparation**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

##### **Going concern**

These financial statements have been prepared on a going concern basis

##### **Turnover and revenue recognition**

Turnover and profits are recognised when products are invoiced which corresponds to their delivery to customers. Turnover is exclusive of Value Added Tax

##### **Amortisation**

Amortisation is provided on intangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

|                                  |              |
|----------------------------------|--------------|
| Deferred development expenditure | over 5 years |
|----------------------------------|--------------|

##### **Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

|                     |                                |
|---------------------|--------------------------------|
| Plant and machinery | 10% per annum reducing balance |
|---------------------|--------------------------------|

##### **Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

##### **Deferred development expenditure**

Development expenditure on clearly defined projects whose outcome can be assessed with reasonable certainty is capitalised and amortised over the lesser of the period the company expects to benefit from the expenditure or five years from the commencement of the benefit

Any other research and development is written off as incurred

##### **Deferred taxation**

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted

**Quantum Heating Ltd**  
**Notes to the abbreviated accounts for the Year Ended 31 August 2007**

*continued*

**2 Fixed assets**

|   | Intangible<br>assets<br>£ | Tangible assets<br>£ | Total<br>£     |
|---|---------------------------|----------------------|----------------|
| <b>Cost</b>                               |                           |                      |                |
| As at 1 September 2006 and 31 August 2007 | <u>148,313</u>            | <u>10,700</u>        | <u>159,013</u> |
| <b>Depreciation</b>                       |                           |                      |                |
| As at 1 September 2006                    | 148,313                   | 7,100                | 155,413        |
| Charge for the year                       | <u>-</u>                  | <u>3,600</u>         | <u>3,600</u>   |
| As at 31 August 2007                      | <u>148,313</u>            | <u>10,700</u>        | <u>159,013</u> |
| <b>Net book value</b>                     |                           |                      |                |
| As at 31 August 2007                      | <u>-</u>                  | <u>-</u>             | <u>-</u>       |
| As at 31 August 2006                      | <u>-</u>                  | <u>3,600</u>         | <u>3,600</u>   |

**3 Share capital**

|   | 2007<br>£  | 2006<br>£  |
|---|------------|------------|
| <b>Authorised</b>                         |            |            |
| <b>Equity</b>                             |            |            |
| 100 Ordinary shares of £1 each            | <u>100</u> | <u>100</u> |
| <b>Allotted, called up and fully paid</b> |            |            |
| <b>Equity</b>                             |            |            |
| 100 Ordinary shares of £1 each            | <u>100</u> | <u>100</u> |

## **Quantum Heating Ltd**

### **Notes to the abbreviated accounts for the Year Ended 31 August 2007**

*continued*

#### **4 Related parties**

##### **Controlling entity**

The company is under the control of Mr C T Graham, one of its directors, who owns 89% of the issued share capital of its parent undertaking, Graham Engineering Limited

##### **Related party transactions**

During the year the company made purchases from its parent company, Graham Engineering Limited, amounting to £345,324

The parent company expended £9223 on behalf of Quantum Heating Limited

All these transactions were on normal commercial terms

At 31st August 2007 the company owed Graham Engineering Limited £526,715