

M5 Group Limited
Abbreviated Accounts
30 April 2004



M5 Group Limited

Abbreviated Accounts

Year Ended 30 April 2004

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M5 Group Limited

Abbreviated Balance Sheet

30 April 2004

	Note	2004 £	2003 £
Fixed Assets	2		
Tangible assets		29,237	11,268
Investments		1,200	200
		<u>30,437</u>	<u>11,468</u>
Current Assets			
Debtors		38,003	51,230
Cash at bank and in hand		85,142	71,319
		<u>123,145</u>	<u>122,549</u>
Creditors: Amounts falling due within one year	3	108,264	59,125
Net Current Assets		14,881	63,424
Total Assets Less Current Liabilities		45,318	74,892
Creditors: Amounts falling due after more than one year	4	6,481	-
Provisions for Liabilities and Charges		1,562	1,685
		<u>37,275</u>	<u>73,207</u>

The Balance sheet continues on the following page.
The notes on pages 3 to 6 form part of these abbreviated accounts.

M5 Group Limited

Abbreviated Balance Sheet *(continued)*

30 April 2004

	Note	2004 £	2003 £
Capital and Reserves			
Called-up equity share capital	5	1,000	1,000
Profit and loss account		<u>36,275</u>	<u>72,207</u>
Shareholders' Funds		<u><u>37,275</u></u>	<u><u>73,207</u></u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on11/10/04..... and are signed on their behalf by:



K F Kleinstuber

The notes on pages 3 to 6 form part of these abbreviated accounts.

M5 Group Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2004

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	25% per annum, straight line
Motor Vehicles	-	25% per annum, straight line
Equipment	-	25% to 33% per annum, straight line

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

M5 Group Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2004

1. Accounting Policies *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Fixed Assets

	Tangible Assets £	Investments £	Total £
Cost			
At 1 May 2003	16,353	200	16,553
Additions	31,716	1,000	32,716
At 30 April 2004	<u>48,069</u>	<u>1,200</u>	<u>49,269</u>
Depreciation			
At 1 May 2003	5,085	—	5,085
Charge for year	13,747	—	13,747
At 30 April 2004	<u>18,832</u>	<u>—</u>	<u>18,832</u>
Net Book Value			
At 30 April 2004	<u>29,237</u>	<u>1,200</u>	<u>30,437</u>
At 30 April 2003	<u>11,268</u>	<u>200</u>	<u>11,468</u>

M5 Group Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2004

2. Fixed Assets *(continued)*

The company owns 100% of the issued share capital of the companies listed below, except for M5 Software Limited (80%). The subsidiary undertakings are as follows:

Name	Activity	Country of incorporation	2004 £	2003 £
M5 Software Limited	Sale of debt collection software	Great Britain	11,116	5,652
M5 Consulting Limited	Dormant	Great Britain	100	100
Aggregate capital and reserves				
M5 Software Limited			11,116	5,652
M5 Consulting Limited			100	100
Profit and (loss) for the year				
M5 Software Limited			5,464	5,527
M5 Consulting Limited			-	-

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

Other investments comprise a 50% interest in Atlantic Capital LLP. This entity has been established to purchase debt portfolios and collect in the debts.

3. Creditors: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2004 £	2003 £
Secured debt: Hire purchase	<u>5,907</u>	<u>-</u>

4. Creditors: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2004 £	2003 £
Secured debt: Hire purchase	<u>6,481</u>	<u>-</u>

M5 Group Limited

Notes to the Abbreviated Accounts

Year Ended 30 April 2004

5. Share Capital

Authorised share capital:

	2004 £	2003 £
5,000 Ordinary shares of £1 each	5,000	5,000
1,000 "A" Ordinary shares of £1 each	1,000	1,000
1,000 "B" Ordinary shares of £1 each	1,000	1,000
1,000 "C" Ordinary shares of £1 each	1,000	1,000
1,000 "D" Ordinary shares of £1 each	1,000	1,000
1,000 "E" Ordinary shares of £1 each	1,000	1,000
	<u>10,000</u>	<u>10,000</u>

Allotted and called up:

	2004		2003	
	No	£	No	£
Ordinary shares fully paid of £1 each	200	200	200	200
"A" Ordinary shares fully paid of £1 each	375	375	375	375
"B" Ordinary shares fully paid of £1 each	25	25	25	25
"C" Ordinary shares fully paid of £1 each	375	375	375	375
"D" Ordinary shares fully paid of £1 each	25	25	25	25
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

All classes of ordinary share rank equally, except that the directors may decide to declare a dividend on one or more classes and not the other classes.