

REGISTRAR'S COPY

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016
FOR
MALA SPECIAL WORKS LIMITED**



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FOR THE YEAR ENDED 31 MARCH 2016**

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MALA SPECIAL WORKS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2016

DIRECTORS:

K Crane
P Zumeris
L Spong

REGISTERED OFFICE:

Nicholas House
River Front
Enfield
Middlesex
EN1 3FG

REGISTERED NUMBER:

01477730 (England and Wales)

AUDITORS:

Moore Stephens Northern Home Counties Limited
Statutory Auditor
Nicholas House
River Front
Enfield
Middlesex
EN1 3FG

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2016**

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year continued to be the construction of air conditioning and refrigeration installations.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

K Crane
P Zumeris

Other changes in directors holding office are as follows:

L Spong was appointed as a director after 31 March 2016 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
K Crane - Director

Date: **14 DEC 2016**
.....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MALA SPECIAL WORKS LIMITED**

We have audited the financial statements of Mala Special Works Limited for the year ended 31 March 2016 on pages four to eight. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

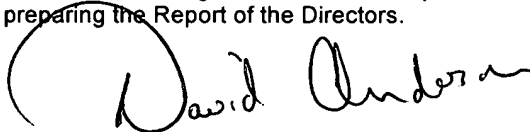
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.



David Anderson (Senior Statutory Auditor)
for and on behalf of Moore Stephens Northern Home Counties Limited
Statutory Auditor
Nicholas House
River Front
Enfield
Middlesex
EN1 3FG

14 DEC 2016

Date:

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	31.3.16 £	31.3.15 £
Turnover		4,131,330	283,628
Cost of sales		<u>(3,385,499)</u>	<u>(199,321)</u>
Gross profit		745,831	84,307
Administrative expenses		<u>(595,830)</u>	<u>(175,911)</u>
Operating profit/(loss) and Profit/(loss) on ordinary activities before taxation	2	150,001	(91,604)
Tax on profit/(loss) on ordinary activities	3	<u>(30,024)</u>	<u>-</u>
Profit/(loss) for the financial year		<u><u>119,977</u></u>	<u><u>(91,604)</u></u>

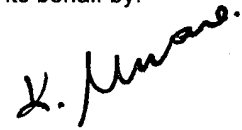
The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2016

	Notes	31.3.16 £	31.3.15 £
Fixed assets			
Tangible assets	4	671	790
Current assets			
Stocks		61,255	19,861
Debtors	5	1,510,867	77,411
Cash in hand		1,065,120	310,117
		<u>2,637,242</u>	<u>407,389</u>
Creditors			
Amounts falling due within one year	6	(2,413,105)	(303,348)
Net current assets		<u>224,137</u>	<u>104,041</u>
Total assets less current liabilities		<u><u>224,808</u></u>	<u><u>104,831</u></u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account	8	224,708	104,731
Shareholders' funds		<u><u>224,808</u></u>	<u><u>104,831</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on **14 DEC 2016** and were signed on its behalf by:



.....
K Crane - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Turnover represents amounts receivable in respect of work undertaken or goods delivered during the year net of value added tax in accordance with applicable accounting standards.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	- 15% reducing balance
Computer equipment	- 25% straight line
Leasehold improvements	- Over the period of the lease

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred tax

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gain and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Long term contract work in progress

Amounts receivable on long term contracts, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are deducted from debtors.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. OPERATING PROFIT/(LOSS)

The operating profit (2015 - operating loss) is stated after charging:

	31.3.16	31.3.15
	£	£
Depreciation - owned assets	119	140
Pension costs	2,863	-
	<u>2,982</u>	<u>-</u>
Directors' remuneration and other benefits etc	107,166	-
	<u>107,166</u>	<u>-</u>

As in previous years, the audit fee was paid through the related company Mala Engineering.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.16 £	31.3.15 £
Current tax:		
UK corporation tax	30,024	-
Tax on profit/(loss) on ordinary activities	30,024	-

4. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery etc £	Totals £
COST			
At 1 April 2015 and 31 March 2016	53,208	8,192	61,400
DEPRECIATION			
At 1 April 2015	53,208	7,402	60,610
Charge for year	-	119	119
At 31 March 2016	53,208	7,521	60,729
NET BOOK VALUE			
At 31 March 2016	-	671	671
At 31 March 2015	-	790	790

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.16 £	31.3.15 £
Trade debtors	1,510,867	63,434
Other debtors	-	13,977
	1,510,867	77,411

Included within trade debtors is an amount of £375,206 which is due from Mala Engineering Limited, a company in which K Crane and P F Zumeris are directors and shareholders.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.16 £	31.3.15 £
Trade creditors	1,650,051	160,022
Amounts owed to group undertakings	130,000	130,000
Taxation and social security	50,566	-
Other creditors	582,488	13,326
	2,413,105	303,348

Included within trade creditors are trade balances of £609,786 (2015: £74,876) owed to its fellow subsidiaries and Mala Engineering Limited, a company in which K Crane and P F Zumeris are directors and shareholders.

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.16 £	31.3.15 £
100	Ordinary	£1	100	100

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016**

8. RESERVES

	Profit and loss account £
At 1 April 2015	104,731
Profit for the year	119,977
At 31 March 2016	<u>224,708</u>

9. CONTINGENT LIABILITIES

The company has given a cross guarantee and debenture securing the bank borrowings of Mala Investments Limited and its subsidiaries and Mala Engineering Limited, a company in which K Crane and P F Zumeris are directors and shareholders. At 31 March 2016, the borrowings amounted to £nil (2015: £nil).

10. RELATED PARTY DISCLOSURES

The company's parent undertaking is Mala Investments Limited. The company's ultimate controlling party is K Crane and M A Crane jointly.

During the year, the company undertook the following transactions with its fellow subsidiaries and Mala Engineering Limited, a company in which K Crane and P F Zumeris are directors and shareholders:

Subcontract works provided: £671,412 (2015: £2,028)
Subcontracted turnover: £715,632 (2015: £182,686)
Group service charge paid: £385,748 (2015: £135,738)

At 31 March 2016, the net amount due to its fellow subsidiaries and Mala Engineering Limited was £364,580(2015: £142,576).