

Company Registration No. 01477730 (England and Wales)

MALA SPECIAL WORKS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
PAGES FOR FILING WITH REGISTRAR

MALA SPECIAL WORKS LIMITED

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MALA SPECIAL WORKS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	5		1,363		486
Current assets					
Stocks		34,271		24,284	
Debtors	6	624,197		440,662	
Cash at bank and in hand		382,962		1,305,428	
		<u>1,041,430</u>		<u>1,770,374</u>	
Creditors: amounts falling due within one year	7	<u>(696,531)</u>		<u>(1,246,218)</u>	
Net current assets			344,899		524,156
Total assets less current liabilities			<u>346,262</u>		<u>524,642</u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss reserves			346,162		524,542
Total equity			<u>346,262</u>		<u>524,642</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 22 November 2019 and are signed on its behalf by:

P F Zumeris
Director

Company Registration No. 01477730

MALA SPECIAL WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Mala Special Works Limited is a private company limited by shares incorporated in England and Wales. The registered office is Nicholas House, River Front, Enfield, Middlesex, EN1 3FG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

1.2 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.

1.3 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:

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

1.4 Stocks

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

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

MALA SPECIAL WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Taxation

Current tax

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

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.

1.7 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.

1.8 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.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

MALA SPECIAL WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2018: 3).

4 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	-	25,647
Adjustments in respect of prior periods	(25,647)	-
	<u>(25,647)</u>	<u>25,647</u>
Total current tax	<u>(25,647)</u>	<u>25,647</u>

5 Tangible fixed assets

	Leasehold land and buildings £	Plant and machinery £	Total £
Cost			
At 1 April 2018	53,208	8,192	61,400
Additions	-	1,118	1,118
	<u>53,208</u>	<u>9,310</u>	<u>62,518</u>
At 31 March 2019	<u>53,208</u>	<u>9,310</u>	<u>62,518</u>
Depreciation and impairment			
At 1 April 2018	53,208	7,706	60,914
Depreciation charged in the year	-	241	241
	<u>53,208</u>	<u>7,947</u>	<u>61,155</u>
At 31 March 2019	<u>53,208</u>	<u>7,947</u>	<u>61,155</u>
Carrying amount			
At 31 March 2019	-	1,363	1,363
	<u>-</u>	<u>1,363</u>	<u>1,363</u>
At 31 March 2018	-	486	486
	<u>-</u>	<u>486</u>	<u>486</u>

6 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	588,303	440,662
Corporation tax recoverable	25,647	-
Other debtors	10,247	-
	<u>624,197</u>	<u>440,662</u>
	<u>624,197</u>	<u>440,662</u>

Included within trade debtors is an amount of £20,816 (2018: £40,141) and £325,600 (2018: £19,581) which is due from Mala Engineering Limited and its fellow subsidiaries respectively.

MALA SPECIAL WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	527,959	737,118
Amounts owed to group undertakings	130,000	130,000
Corporation tax	-	25,647
Other taxation and social security	-	45,367
Other creditors	38,572	308,086
	<u>696,531</u>	<u>1,246,218</u>

Included within trade creditors are trade balances of £281,044 (2018: £274,404) owed to its fellow subsidiaries and Mala Engineering Limited, a company in which K Crane and P F Zumeris are directors and shareholders.

8 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Francis Corbishley.

The auditor was Moore Northern Home Counties Limited.

10 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 2019, the borrowings amounted to £nil (2018: £nil).

MALA SPECIAL WORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

11 Related party disclosures

The company's parent undertaking is Mala Investments Limited whose registered office is Nicholas House, River Front, Enfield, EN1 3FG. 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: £89,290 (2018: £967,168)

Subcontracted turnover: £353,784 (2018: £209,396)

Group service charge paid: £501,374 (2018: £540,457)

At 31 March 2019, the net amount due from its fellow subsidiaries and Mala Engineering Limited was £2,145,874 (2018: £344,682, due to).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.