

REGISTRAR'S COPY

MOORE STEPHENS

COMPANY NUMBER: 1477730

**MALA SPECIAL WORKS LIMITED
(FORMERLY MALA CONSTRUCTION LIMITED)**

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1995



MALA SPECIAL WORKS LIMITED (FORMERLY MALA CONSTRUCTION LIMITED)**DIRECTORS' REPORT**

Page 1

The directors present their report and the audited financial statements of the company for the year ended 31 March 1995.

DIRECTORS

The following directors have served during the year:-

Mr. K. Crane
Mrs. M. A. Crane
Mr. P. F. Zumeris
Mr. R. E. Kitchener

According to the register maintained as required under the Companies Act 1985, beneficial interests of the directors and their families in the shares of the company in the year were:-

	<u>Number of shares</u>	
	<u>31.3.95</u>	<u>1.4.94</u>
Mr. R. E. Kitchener	-	40

Mr. K. Crane, Mrs. M.A. Crane and Mr. P.F. Zumeris have no beneficial interest in the shares of the company.

The directors' interests in the shares of the holding company are disclosed in the accounts of that company.

CHANGE OF NAME

The company changed its name on the 19th June 1994 from Mala Construction Limited to Mala Special Works Limited.

PRINCIPAL ACTIVITY

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

FIXED ASSETS

Movements in fixed assets are summarised in note 5 to the financial statements.

AUDITORS

A resolution for the re-appointment of the auditors, Moore Stephens, will be proposed at the next Annual General Meeting.

In preparing this report, advantage has been taken of the exemptions applicable to small companies.

REGISTERED OFFICE

57 London Road
Enfield
Middlesex
EN2 6SW

BY ORDER OF THE BOARD



M. A. CRANE

9 AUGUST 1995Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES

To the members of MALA SPECIAL WORKS LIMITED (FORMERLY MALA CONSTRUCTION LIMITED)

Page 2

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

To the members of MALA SPECIAL WORKS LIMITED (FORMERLY MALA CONSTRUCTION LIMITED)

Page 3

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies as set down on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosure in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

57 London Road
Enfield
Middlesex
EN2 6SW

9 AUGUST 1995

Moore Stephens
MOORE STEPHENS
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

MALA SPECIAL WORKS LIMITED (FORMERLY MALA CONSTRUCTION LIMITED)

PROFIT AND LOSS ACCOUNT
for the year ended 31 MARCH 1995

Page 4

	<u>Note</u>	<u>1995</u>	<u>1994</u>
		£	£
TURNOVER	2	414,477	1,900
COST OF SALES		280,513	(150)
GROSS PROFIT		133,964	2,050
ADMINISTRATIVE EXPENSES		83,673	571
PROFIT ON ORDINARY ACTIVITY BEFORE TAXATION		50,291	1,479
Tax on profit on ordinary activity	4	13,000	(1,496)
PROFIT ON ORDINARY ACTIVITY AFTER TAXATION		37,291	2,975
Retained profit brought forward		17,314	14,339
RETAINED PROFIT CARRIED FORWARD		54,605	17,314

STATEMENT OF RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit for the year.

MOORE STEPHENS

MALA SPECIAL WORKS LIMITED (FORMERLY MALA CONSTRUCTION LIMITED)

BALANCE SHEET
31 MARCH 1995

Page 5

	<u>Note</u>	<u>1995</u>	<u>1994</u>
		£	£
FIXED ASSETS			
Tangible assets	5	245	289
CURRENT ASSETS			
Stocks	6	8,239	-
Debtors	7	161,263	20,838
Cash at bank and in hand		52,350	809
		<u>221,852</u>	<u>21,647</u>
CREDITORS amounts falling due within one year	8	(167,392)	(4,522)
NET CURRENT ASSETS		<u>54,460</u>	<u>17,125</u>
		<u>54,705</u>	<u>17,414</u>
CAPITAL AND RESERVES			
Called up equity share capital	9	100	100
Profit and loss account		54,605	17,314
SHAREHOLDERS' FUNDS		<u>54,705</u>	<u>17,414</u>

In preparing these accounts, advantage has been taken of the exemptions applicable to small companies on the grounds that the directors believe that the company is a small company.

Approved by the Board of Directors :-

K. CRANE

) *V. Moore.*
) Director
)

9 AUGUST 1995

1. ACCOUNTING POLICIES

a Accounting convention

The financial statements are prepared under the historical cost convention.

b Work in progress

Work in progress is valued at the lower of cost and net realisable value.

c Fixed assets and depreciation

Provision for depreciation is made at rates calculated to write off the cost of fixed assets down to a minimum economic value over their anticipated useful lives as follows:-

Plant and machinery	25 % on reducing balance
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2. TURNOVER AND PROFIT

Turnover is based on the invoiced value of goods and services provided within the company's ordinary activities and net of trade discounts and value added tax.

The turnover arises entirely in the U.K.

3. OPERATING PROFIT

Operating profit is stated after charging:-

	<u>1995</u>	<u>1994</u>
Directors' remuneration	9,460	-
Auditors' remuneration	2,000	392
Depreciation - owned assets	44	95
	<u> </u>	<u> </u>

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

Based on the profit for the year:

Corporation tax at 25% (1994:nil)

	<u>1995</u>	<u>1994</u>
	13,000	(1,496)
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
31 MARCH 1995

Page 7

5. TANGIBLE FIXED ASSETS

	<u>Plant and equipment</u>
Cost:	
At 1 April 1994 &	
At 31 March 1995	2,695
Depreciation:	
At 1 April 1994	2,406
Charge for year	44
At 31 March 1995	2,450
Net book value:	
At 31 March 1995	245
At 31 March 1994	289

6. STOCKS

	<u>1995</u>	<u>1994</u>
Work in progress	8,239	-

7. DEBTORS

	<u>1995</u>	<u>1994</u>
Trade debtors	151,957	2,600
Amounts owed by group undertakings	9,306	18,238
	<u>161,263</u>	<u>20,838</u>

8. CREDITORS amounts falling due within one year

	<u>1995</u>	<u>1994</u>
Trade creditors	69,135	2,619
Amounts owed to group undertakings	61,157	-
Other creditors	27,640	1,203
Accruals and deferred income	9,460	700
	<u>167,392</u>	<u>4,522</u>

MALA SPECIAL WORKS LIMITED (FORMERLY MALA CONSTRUCTION LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 1995

Page 8

9. EQUITY SHARE CAPITAL	<u>1995</u>	<u>1994</u>
AUTHORISED		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
ALLOTTED, ISSUED AND FULLY PAID		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

10. COMMITMENTS AND CONTINGENT LIABILITIES

The bank holds a cross guarantee and debenture between the company and seven related companies.

11. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Mala Investments Limited, a company incorporated in England.