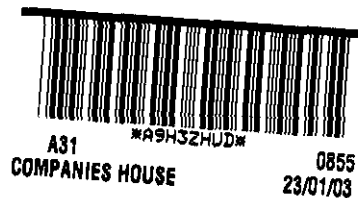


Registered Number: 1477730

**REGISTRAR'S
COPY**

**MALA SPECIAL WORKS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**



Mala Special Works Limited**Directors**

K Crane
M A Crane
P F Zumeris
D Crane
M F Yates

Secretary and Registered Office

M A Crane
57 London Road
Enfield
Middlesex, EN2 6SW

Auditors

Moore Stephens
Registered Auditor
57 London Road
Enfield
Middlesex, EN2 6SW

Report of the Directors

The directors present their report and the audited financial statements for the year ended 31 March 2002.

Review of Activities

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

Directors' Interests

None of the directors had any interests in the share capital of the company during the year.

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

Auditors

The auditors, Moore Stephens, have expressed their willingness to continue in office. A resolution for their re-appointment and authorising the directors to fix their remuneration will be proposed at the forthcoming annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board



M A Crane
Secretary

03 JAN 2007

Mala Special Works Limited

Statement of Directors' Responsibilities

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.

Mala Special Works Limited**Independent Auditors' Report to the Shareholders of Mala Special Works Limited**

We have audited the financial statements of Mala Special Works Limited for the year ended 31 March 2002 set out on pages 4 to 8. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (Effective March 2000), under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

57 London Road
Enfield
Middlesex, EN2 6SW

03 JAN 2003


MOORE STEPHENS
Registered Auditor &
Chartered Accountants

Mala Special Works Limited

Profit and Loss Account for the Year Ended 31 March 2002

	Note	2002 £	2001 £
Turnover		845,089	546,478
Cost of Sales		<u>(620,581)</u>	<u>(441,910)</u>
Gross Profit		224,508	104,568
Administrative Expenses		<u>(151,216)</u>	<u>(117,127)</u>
Operating Profit/Loss		73,292	(12,559)
Investment Income		<u>472</u>	<u>408</u>
Profit/Loss on Ordinary Activities Before Taxation		73,764	(12,151)
Taxation	3	<u>(18,700)</u>	<u>19</u>
Profit/Loss on Ordinary Activities After Taxation		<u><u>55,064</u></u>	<u><u>(12,132)</u></u>

Mala Special Works Limited

Balance Sheet at 31 March 2002

	Note	£	2002	£	£	2001	£
Current Assets							
Stocks			71,427			29,844	
Debtors	4		166,904			106,850	
Cash at Bank and in Hand			91,982			118,759	
			<u>330,313</u>			<u>255,453</u>	
Creditors: Amounts Falling Due Within One Year	5		252,303			232,507	
Net Current Assets				78,010			22,946
Total Assets Less Current Liabilities				<u>£78,010</u>			<u>£22,946</u>
Capital and Reserves							
Called Up Share Capital	6			100			100
Profit and Loss Account	7			77,910			22,846
				<u>£78,010</u>			<u>£22,946</u>

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

Approved by the Board on 03 JAN 2003

K. Crane

K Crane
Director

Mala Special Works Limited

Notes to the Financial Statements for the Year Ended 31 March 2002

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 March 2000).

Turnover and Profits

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract.

Long Term Contract Work in Progress

Amounts recoverable on long term contract, 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.

Deferred Taxation

Deferred taxation is provided for at anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods that differ from those in which they are included in the financial statements.

Group Accounts

The company forms part of a large group. The ultimate parent company has taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts due to the fact that the group qualified as a medium sized group in the previous financial year.

2 Directors' Emoluments

The directors did not receive any emoluments during the year.

3 Taxation

	2002 £	2001 £
UK Corporation Tax - Current Year	18,700	-
UK Corporation Tax - Adjustment to Prior Years	-	(19)
	<u>£18,700</u>	<u>(£19)</u>

Mala Special Works Limited

Notes to the Financial Statements for the Year Ended 31 March 2002

continued

4 Debtors

	2002 £	2001 £
Trade Debtors	1,313	(2,312)
Group Balances	165,591	109,162
	<u>£166,904</u>	<u>£106,850</u>

5 Creditors: Amounts Falling Due Within One Year

	2002 £	2001 £
Trade Creditors	79,125	67,770
Amounts Owed to Group Undertakings	149,394	158,835
Other Creditors	23,784	5,902
	<u>£252,303</u>	<u>£232,507</u>

6 Share Capital

	2002 £	2001 £
Authorised		
Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
	2002 £	2001 £
Allotted, Called Up and Fully Paid		
Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

7 Reserves

	Profit and Loss Account £
At 1 April 2001	22,846
Retained for the year	55,064
At 31 March 2002	<u>£77,910</u>

8 Contingent Liabilities

The company has given a cross guarantee and debenture securing the bank borrowings of all group companies. At the year end, these liabilities amounted to £208,898 (2001: £112,163).

Mala Special Works Limited**Notes to the Financial Statements for the Year Ended 31 March 2002**

continued

9 Related Parties

The company's parent company 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: Subcontract works provided: £853,754 (2001: £545,900); Subcontracted turnover: £188,243 (2001: £200,827); Group service charge paid £133,441 (2001: £110,128).