

REGISTRAR'S COPY

**MALA INVESTMENTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001**



A12
COMPANIES HOUSE

ADZ3W6RI

0401
20/12/01

Mala Investments Limited

Directors

K Crane
M A Crane
P F Zumeris

Secretary and Registered Office

M A Crane
57 London Road
Enfield
Middlesex
EN2 6SW

Auditors

Moore Stephens
Chartered Accountants
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 2001.

Review of Activities

The principal activity of the company continued to be that of a holding and property investment company.

Directors' Interests

The interests as defined by the Companies Act 1985 of the directors in the share capital of the company at the beginning of the year and end of the year were:

Ordinary Shares of £1 each

	31 March 2001	1 April 2000
K Crane	30	30
M A Crane	30	30
P F Zumeris	59	59

Preference Shares of £1 each

	31 March 2001	1 April 2000
K Crane	59,211	59,211
M A Crane	59,211	59,211
P F Zumeris	-	-

Mala Investments Limited**Report of the Directors for the Year Ended 31 March 2001**

continued

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

Director

M. CRANE

12 DEC 2001

Mala Investments 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 Investments Limited**Auditors' Report to the Shareholders of Mala Investments Limited**

We have audited the financial statements on pages 5 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (Effective March 2000), under the historical cost convention (or valuation) and the accounting policies set out on page 7.

Respective Responsibilities of Directors and Auditors

As described on page 3 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 disclosures 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 2001 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


MOORE STEPHENS
Registered Auditor &
Chartered Accountants
18 DEC 2001

Mala Investments Limited

Profit and Loss Account for the Year Ended 31 March 2001

	Note	2001 £	2000 £
Turnover		40,476	40,002
Cost of Sales		(25,000)	(25,000)
Gross Profit		15,476	15,002
Administrative Expenses		(1,514)	(1,350)
Operating Profit		13,962	13,652
Investment Income		-	307,000
Profit on Ordinary Activities Before Taxation		13,962	320,652
Taxation	3	(2,871)	(2,994)
Profit on Ordinary Activities After Taxation		11,091	317,658

Mala Investments Limited

Balance Sheet at 31 March 2001

	Note	£	2001	£	£	2000	£
Fixed Assets							
Tangible Assets	4			150,000			150,000
Investments	5			150,597			150,597
				<u>300,597</u>			<u>300,597</u>
Current Assets							
Debtors	6	386,140			369,875		
Cash at Bank and in Hand		35,500			39,031		
				<u>421,640</u>		<u>408,906</u>	
Creditors: Amounts Falling Due Within One Year	7	4,599			2,956		
				<u>417,041</u>			<u>405,950</u>
Net Current Assets				<u>417,041</u>			<u>405,950</u>
Total Assets Less Current Liabilities				<u><u>£717,638</u></u>			<u><u>£706,547</u></u>
Capital and Reserves							
Called Up Share Capital	8			118,541			118,541
Share Premium	9			28,436			28,436
Revaluation Reserve	9			109,398			109,398
Profit and Loss Account	9			461,263			450,172
				<u>£717,638</u>			<u>£706,547</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

K. Crane

Director

K. CRANE 12 DEC 2001

Mala Investments Limited**Notes to the Financial Statements for the Year Ended 31 March 2001****1 Accounting Policies****Basis of Accounting**

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and in accordance with the Financial Reporting Standard for Smaller Entities (Effective March 2000).

Turnover

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

Tangible Fixed Assets

In the directors' opinion the residual value of the company's freehold property is equal to the valuation as stated. The company's policy is to fully maintain and improve such property. As a result no depreciation is charged. This is a departure from the requirements of the Companies Act 1985.

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.

Deferred tax assets and liabilities are recorded only where it is expected that an asset or liability will crystallise in the foreseeable future.

Investments

Fixed asset investments are stated at cost, less any provisions required where there has been a permanent diminution in their value.

Group Accounts

The company forms part of a medium sized group. The company has taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Directors' Emoluments

The directors did not receive any emoluments during the year.

Mala Investments Limited

Notes to the Financial Statements for the Year Ended 31 March 2001

continued

3 Taxation

	2001 £	2000 £
UK Corporation Tax - Current Year	2,900	2,700
UK Corporation Tax - Adjustment to Prior Years	(29)	294
	<u>£2,871</u>	<u>£2,994</u>

4 Tangible Fixed Assets

	Land and Buildings £	Motor Vehicles £	Total £
Cost (or valuation)			
At 1 April 2000	150,000	-	150,000
Additions	-	40,631	40,631
Disposals	-	(40,631)	(40,631)
At 31 March 2001	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Net Book Value			
At 31 March 2001	<u>£150,000</u>	<u>-</u>	<u>£150,000</u>
At 1 April 2000	<u>£150,000</u>	<u>-</u>	<u>£150,000</u>

In 1996, the properties were revalued to increase the historic cost of £40,602 by £109,398 to £150,000.

Mala Investments Limited

Notes to the Financial Statements for the Year Ended 31 March 2001

continued

5 Fixed Asset Investments

	2001 £	2000 £
Shares in Group Undertakings	<u>150,597</u>	<u>150,597</u>

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Mala Engineering Limited	England and Wales	Ordinary	100%
Mala Electrical Limited	England and Wales	Ordinary	100%
Mala Mechanical Services Limited	England and Wales	Ordinary	100%
Mala Special Works Limited	England and Wales	Ordinary	100%
Mala Maintenance Limited	England and Wales	Ordinary	90%
Mala Designs Limited	England and Wales	Ordinary	100%
Mala Management Limited	England and Wales	Ordinary	80%

The aggregate amount of capital and reserves and the results of these undertakings for the year ended 31 March 2001 were as follows:

	Capital and reserves £	Profit for the year £
Mala Engineering Limited	462,988	46,775
Mala Electrical Limited	284,040	45,395
Mala Mechanical Services Limited	149,493	40,191
Mala Special Works Limited	22,946	(12,132)
Mala Maintenance Limited	28,338	19,401
Mala Designs Limited	12,630	-
Mala Management Limited	100	-

Mala Management Limited and Mala Designs Limited do not trade. All of the other companies trade in the installation, sale or maintenance of commercial air conditioning refrigeration and heating equipment or provide services complementary to these trades.

6 Debtors

	2001 £	2000 £
Group Balances	376,140	359,875
Other Debtors	10,000	10,000
	<u>£386,140</u>	<u>£369,875</u>

Mala Investments Limited

Notes to the Financial Statements for the Year Ended 31 March 2001

continued

7 Creditors: Amounts Falling Due Within One Year

	2001 £	2000 £
Amounts Owed to Group Undertakings	60	60
Other Creditors	4,539	2,896
	<u>£4,599</u>	<u>£2,956</u>

8 Share Capital

	2001 £	2000 £
Authorised		
119 Ordinary Shares of £1 each	119	119
118,422 Preference Shares of £1 each	118,422	118,422
	<u>£118,541</u>	<u>£118,541</u>

	2001 £	2000 £
Allotted, Called Up and Fully Paid		
119 Ordinary Shares of £1 each	119	119
118,422 Preference Shares of £1 each	118,422	118,422
	<u>£118,541</u>	<u>£118,541</u>

The preference shares are irredeemable and carry a dividend at a rate of 2% below the base rate of National Westminster Bank plc.

These shares carry no voting rights and rank prior to the ordinary shares on winding up for the amounts paid up on preference shares together with any arrears of the fixed dividend calculated to the date of such repayment.

There are no restrictions on the distribution or other rights attached to the ordinary shares. Each ordinary share carries the right to one vote.

9 Reserves

	Revaluation Reserve £	Share Premium £	Profit and Loss Account £	Total £
At 1 April 2000	109,398	28,436	450,172	588,006
Retained for the year	-	-	11,091	11,091
At 31 March 2001	<u>£109,398</u>	<u>£28,436</u>	<u>£461,263</u>	<u>£599,097</u>

Mala Investments Limited**Notes to the Financial Statements for the Year Ended 31 March 2001**

continued

10 Related Parties

The controlling party is K Crane and M A Crane jointly.

During the year, the company charged Mala Engineering Limited, a subsidiary, rent of £40,000 (2000: £40,000).

The company was charged rent of £25,000 (2000: £25,000) by the Mala Directors' Pension Fund. There were no amounts outstanding at the period end (2000: £nil).

The company acquired two vehicles in the period at a total cost of £40,631. One vehicle with a cost of £19,370 was sold to Mala Mechanical Limited, a subsidiary. One vehicle with a cost of £21,261 was sold to Mala Electrical Limited, a subsidiary.