

AMENDED

REGISTERED NUMBER: 04144158 (England and Wales)

MCL INVESTMENTS LIMITED
REPORT OF THE DIRECTORS AND
REVISED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2003

Ormerod Rutter Limited
Registered Auditor
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY



MCL INVESTMENTS LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 2003**

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MCL INVESTMENTS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2003

DIRECTORS:	Mr D R Williams Mr S S John
SECRETARY:	Mr S S John
REGISTERED OFFICE:	Mercury House Unit 15, Harris Industrial Park Stoke Prior Bromsgrove Worcestershire B60 4AD
REGISTERED NUMBER:	04144158 (England and Wales)
AUDITORS:	Ormerod Rutter Limited Registered Auditor The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY

MCL INVESTMENTS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2003

The directors present their report with the financial statements of the company for the year ended 31st December 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company. The principal activity of the subsidiary companies are as disclosed in the notes to the financial statements.

DIRECTORS

The directors during the year under review were:

Mr D R Williams

Mr S S John

The beneficial interests of the directors holding office on 31st December 2003 in the issued share capital of the company were as follows:

	31.12.03	1.1.03
Ordinary £1 shares		
Mr D R Williams	396	396
Mr S S John	-	-

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.

AUDITORS

The auditors, Ormerod Rutter Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

ON BEHALF OF THE BOARD:



Mr D R Williams - Director

13th May 2004

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF MCL INVESTMENTS LIMITED

We have audited the financial statements of MCL Investments Limited for the year ended 31st December 2003 on pages five to ten. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

The revised financial statements replace the original financial statements approved on 13th May 2004.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 an auditors' report 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 described on page two the company's directors are responsible for the preparation of 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 Report of the Directors 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 Report of the Directors 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 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. The audit of revised financial statements includes the performance of additional procedures to assess whether the revisions made by the directors are appropriate and have been properly made.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
MCL INVESTMENTS LIMITED**

Opinion

In our opinion the revised financial statements give a true and fair view, seen at the date the original financial statements were approved, of the state of the companies affairs as at 31st December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 1990. In our opinion the original financial statements for the year ended 31st December 2003 failed to comply with the requirements of the Companies Act 1985 in the respects identified by the directors in the statement contained in note 11 to the financial statements.



Ormerod Rutter Limited
Registered Auditor
The Oakley
Kidderminster Road
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Worcestershire
WR9 9AY

26th October 2004

Under Section 245 of the Companies Act 1985 the directors have the authority to revise financial statements or a directors' report if they do not comply with the Act.

The revised financial statements must be amended in accordance with the Companies (Revision of Defective Accounts and Reports) Regulations 1990 and in accordance therewith do not take account of events which have taken place after the date on which the original financial statements were approved. The regulations require that the revised financial statements show a true and fair view as if they were prepared and approved by the directors as at the date of the original financial statements.

MCL INVESTMENTS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2003

	Notes	2003 £	2002 £
TURNOVER		209,569	270,000
Administrative expenses		<u>165,062</u>	<u>204,540</u>
OPERATING PROFIT	2	44,507	65,460
Income from shares in group undertakings		406,258	-
Income from participating interests		-	150,000
Interest receivable and similar income		<u>2,206</u>	<u>9,346</u>
		<u>408,464</u>	<u>159,346</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		452,971	224,806
Tax on profit on ordinary activities	3	<u>8,876</u>	<u>16,909</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		444,095	207,897
Dividends	4	<u>-</u>	<u>150,000</u>
RETAINED PROFIT FOR THE YEAR		<u>444,095</u>	<u>57,897</u>

The notes form part of these financial statements

MCL INVESTMENTS LIMITED

**BALANCE SHEET
31ST DECEMBER 2003**

	Notes	2003 £	2002 £
FIXED ASSETS			
Investments	5	187	787
CURRENT ASSETS			
Debtors	6	1,530,736	965,813
Cash at bank		<u>199,261</u>	<u>69,017</u>
		1,729,997	1,034,830
CREDITORS			
Amounts falling due within one year	7	<u>554,999</u>	<u>304,527</u>
NET CURRENT ASSETS		<u>1,174,998</u>	<u>730,303</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,175,185</u>	<u>731,090</u>
CAPITAL AND RESERVES			
Called up share capital	8	400	400
Profit and loss account	9	<u>1,174,785</u>	<u>730,690</u>
SHAREHOLDERS' FUNDS		<u>1,175,185</u>	<u>731,090</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



Mr D R Williams - Director

Approved by the Board on 26th October 2004

The notes form part of these financial statements

MCL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2003

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 June 2002).

Exemption from preparing consolidated financial statements

The financial statements contain information about MCL Investments Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Investments

Investments in subsidiary undertakings are included at cost.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2003 £	2002 £
Pension costs	<u>3,253</u>	<u>3,077</u>
Directors' emoluments	<u>26,345</u>	<u>38,126</u>

3. TAXATION

Analysis of the tax charge

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

	2003 £	2002 £
Current tax:		
UK corporation tax	<u>8,876</u>	<u>16,909</u>
Tax on profit on ordinary activities	<u>8,876</u>	<u>16,909</u>

UK corporation tax has been charged at 19%

MCL INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2003**

4. DIVIDENDS

	2003 £	2002 £
Dividend	<u>-</u>	<u>150,000</u>

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Interest in associate undertakings £	Totals £
COST			
At 1st January 2003	785	2	787
Disposals	<u>(600)</u>	<u>-</u>	<u>(600)</u>
At 31st December 2003	<u>185</u>	<u>2</u>	<u>187</u>
NET BOOK VALUE			
At 31st December 2003	<u>185</u>	<u>2</u>	<u>187</u>
At 31st December 2002	<u>785</u>	<u>2</u>	<u>787</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

Mercury Climatic Limited

Country of incorporation: England and Wales

Nature of business: Management services

Class of shares:	%
Ordinary	holding 100.00

	2003 £	2002 £
Aggregate capital and reserves	100	562,099
Loss for the year	<u>(561,999)</u>	<u>(148,266)</u>

MCL INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2003**

5. FIXED ASSET INVESTMENTS - continued

Mercury Packaged Water Chillers Limited

Country of incorporation: England and Wales

Nature of business: Air conditioning and heat control systems

	%		
Class of shares:	holding		
Ordinary	85.00		
		2003	2002
		£	£
Aggregate capital and reserves		11,068	100
Profit for the year		<u>10,968</u>	<u>-</u>

Disposals of shares in group undertakings represent Lamont Group Limited, Mercury Climatic Control Limited and Mercury Air Products Limited, all companies which have been dissolved.

The company also holds a 50% investment in Cool Solutions Limited, a company incorporated in the UK.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003	2002
	£	£
Amounts owed by group undertakings	781,520	581,738
Amounts owed by participating interests	639,216	384,075
Other debtors	<u>110,000</u>	<u>-</u>
	<u>1,530,736</u>	<u>965,813</u>

Included in other debtors is an amount of £110,000 owed from Mr D R Williams, a director of the company. The highest amount outstanding was at the year end.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003	2002
	£	£
Bank loans and overdrafts	2,770	1,685
Trade creditors	11,202	6,555
Amounts owed to group undertakings	100	700
Amounts owed to participating interests	509,983	273,282
Taxation and social security	28,859	22,220
Other creditors	<u>2,085</u>	<u>85</u>
	<u>554,999</u>	<u>304,527</u>

MCL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2003

8. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2003	2002
Number:	Class:		£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:		Nominal value:	2003	2002
Number:	Class:		£	£
400	Ordinary	£1	<u>400</u>	<u>400</u>

9. RESERVES

	Profit and loss account £
At 1st January 2003	730,690
Retained profit for the year	<u>444,095</u>
At 31st December 2003	<u>1,174,785</u>

10. RELATED PARTY DISCLOSURES

During the year the company received management charges of £140,000 from Mercury Packaged Water Chillers Limited, a group company. The company also received £35,000 from Discovery Marine Limited, a company in which Mr D R Williams held an interest.

All transactions were undertaken under normal commercial trading terms.

11. REVISION OF FINANCIAL STATEMENTS

The financial statements have been revised to incorporate a dividend received from a group company and to include an investment not previously reflected in the original financial statements.

MCL INVESTMENTS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2003

	2003		2002
	£	£	£
Sales		209,569	270,000
Other income			
Shares in group undertakings	406,258		-
Income from investments	-		150,000
Bank interest receivable	<u>2,206</u>		<u>9,346</u>
		<u>408,464</u>	<u>159,346</u>
		618,033	429,346
Expenditure			
Directors' salaries	26,345		38,126
Wages, salaries and NIC	82,096		124,063
Pensions	3,253		3,077
Advertising	16,137		-
Motor and travel expenses	19,314		34,355
Equipment hire	-		4,698
Commissions	15,817		-
Accountancy	2,000		-
Legal and professional fees	<u>15</u>		<u>65</u>
		<u>164,977</u>	<u>204,384</u>
		453,056	224,962
Finance costs			
Bank charges	85		100
Bank interest	<u>-</u>		<u>56</u>
		<u>85</u>	<u>156</u>
NET PROFIT		<u><u>452,971</u></u>	<u><u>224,806</u></u>