

REGISTERED NUMBER: 855486 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2002

FOR

THE MACKIE ENGINEERING CO LIMITED



THE MACKIE ENGINEERING CO LIMITED

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FOR THE YEAR ENDED 30 NOVEMBER 2002

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THE MACKIE ENGINEERING CO LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2002

DIRECTORS:

Mrs P Foster
Mrs G V Foster
T Lane

SECRETARY:

G W Foster

REGISTERED OFFICE:

9 Wimpole Street
London
W1G 9SR

REGISTERED NUMBER:

855486 (England and Wales)

AUDITORS:

Sochalls
Registered Auditors
Chartered Accountants
9 Wimpole Street
London
W1G 9SR

BANKERS:

Barclays Bank plc
Sutton Business Centre
P O Box 843
Sutton
Surrey
SM1 1EF

THE MACKIE ENGINEERING CO LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 30 NOVEMBER 2002**

The directors present their report with the financial statements of the company for the year ended 30 November 2002.

CHANGE OF NAME

The company passed a special resolution on 26 March 2002 changing its name from Mackie Holdings Limited to The Mackie Engineering Co Limited.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of ventilation, air conditioning and heating contractors.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 30 November 2002.

DIRECTORS

The directors during the year under review were:

Mrs P Foster
Mrs G V Foster
T Lane

The beneficial interests of the directors holding office on 30 November 2002 in the issued share capital of the company were as follows:

	30.11.02	1.12.01
Ordinary shares £1 shares		
Mrs P Foster	99	99
Mrs G V Foster	1	1
T Lane	-	-

THE EURO

The impact of the eor has been considered generally by the company. Although the impact of the change over to the euro is not currently anticipated to be significant, this issue is being closely monitored.

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.

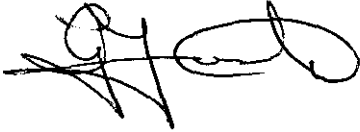
THE MACKIE ENGINEERING CO LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 NOVEMBER 2002

AUDITORS

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'G W Foster', written in a cursive style.

G W Foster - SECRETARY

Dated: 28 April 2003

THE MACKIE ENGINEERING CO LIMITED
REPORT OF THE INDEPENDENT AUDITORS TO
THE MACKIE ENGINEERING CO LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages five to fourteen, together with the full financial statements of the company for the year ended 30 November 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to fourteen are properly prepared in accordance with that provision.



Sochalls
Registered Auditors
Chartered Accountants
9 Wimpole Street
London
W1G 9SR

Dated: 28 April 2003

THE MACKIE ENGINEERING CO LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2002

		<u>30.11.02</u>	<u>30.11.01</u>
	Notes	£	£
GROSS PROFIT		615,407	548,389
Administrative expenses		<u>323,140</u>	<u>313,086</u>
OPERATING PROFIT	3	292,267	235,303
Interest receivable and similar income		<u>40,184</u>	<u>61,529</u>
		332,451	296,832
Interest payable and similar charges	4	<u>-</u>	<u>132</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		332,451	296,700
Tax on profit on ordinary activities	5	<u>71,075</u>	<u>57,505</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		261,376	239,195
Retained profit brought forward		<u>1,562,740</u>	<u>1,323,545</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>£1,824,116</u></u>	<u><u>£1,562,740</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

THE MACKIE ENGINEERING CO LIMITED

ABBREVIATED BALANCE SHEET
30 NOVEMBER 2002

		<u>30.11.02</u>		<u>30.11.01</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		408,239		228,059
Investments	7		<u>2</u>		<u>2</u>
			408,241		228,061
CURRENT ASSETS:					
Stocks	8	202,412		285,786	
Debtors	9	639,058		652,412	
Cash at bank and in hand		<u>1,374,041</u>		<u>1,481,726</u>	
		2,215,511		2,419,924	
CREDITORS: Amounts falling due within one year	10	<u>789,536</u>		<u>1,075,145</u>	
NET CURRENT ASSETS:			<u>1,425,975</u>		<u>1,344,779</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£1,834,216</u>		<u>£1,572,840</u>
CAPITAL AND RESERVES:					
Called up share capital	12		100		100
Revaluation reserve	13		10,000		10,000
Profit and loss account			<u>1,824,116</u>		<u>1,562,740</u>
SHAREHOLDERS' FUNDS:	15		<u>£1,834,216</u>		<u>£1,572,840</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



Mrs P Foster - DIRECTOR

Approved by the Board on 28 April 2003

THE MACKIE ENGINEERING CO LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2002

		<u>30.11.02</u>	<u>30.11.01</u>
	Notes	£	£
Net cash inflow from operating activities	1	94,566	677,735
Returns on investments and servicing of finance	2	40,184	61,397
Taxation		(57,505)	(79,533)
Capital expenditure	2	(184,930)	(203,298)
		(107,685)	456,301
Financing	2	-	(445)
(Decrease)/Increase in cash in the period		<u>£(107,685)</u>	<u>£455,856</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		<u>(107,685)</u>	<u>455,856</u>
Change in net funds resulting from cash flows		<u>(107,685)</u>	<u>455,856</u>
Movement in net funds in the period		<u>(107,685)</u>	<u>455,856</u>
Net funds at 1 December		<u>1,481,726</u>	<u>1,025,870</u>
Net funds at 30 November		<u>£1,374,041</u>	<u>£1,481,726</u>

The notes form part of these financial statements

THE MACKIE ENGINEERING CO LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2002

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30.11.02	30.11.01
	£	£
Operating profit	292,267	235,303
Depreciation charges	4,751	3,283
Decrease/(Increase) in stocks	83,374	(130,243)
Decrease/(Increase) in debtors	13,353	(172,141)
(Decrease)/Increase in creditors	<u>(299,179)</u>	<u>741,533</u>
Net cash inflow from operating activities	<u><u>94,566</u></u>	<u><u>677,735</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30.11.02	30.11.01
	£	£
Returns on investments and servicing of finance		
Interest received	40,184	61,529
Interest paid	<u>-</u>	<u>(132)</u>
Net cash inflow for returns on investments and servicing of finance	<u><u>40,184</u></u>	<u><u>61,397</u></u>
Capital expenditure		
Purchase of tangible fixed assets	<u>(184,930)</u>	<u>(203,298)</u>
Net cash outflow for capital expenditure	<u><u>(184,930)</u></u>	<u><u>(203,298)</u></u>
Financing		
Amount withdrawn by directors	<u>-</u>	<u>(445)</u>
Net cash outflow from financing	<u><u>-</u></u>	<u><u>(445)</u></u>

THE MACKIE ENGINEERING CO LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2002

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.12.01 £	Cash flow £	At 30.11.02 £
Net cash:			
Cash at bank and in hand	<u>1,481,726</u>	<u>(107,685)</u>	<u>1,374,041</u>
	<u>1,481,726</u>	<u>(107,685)</u>	<u>1,374,041</u>
Total	<u>1,481,726</u>	<u>(107,685)</u>	<u>1,374,041</u>
Analysed in Balance Sheet			
Cash at bank and in hand	<u>1,481,726</u>		<u>1,374,041</u>
	<u>1,481,726</u>		<u>1,374,041</u>

THE MACKIE ENGINEERING CO LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 15% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 10% on reducing balance

No depreciation is provided on investment property as per SSAP 19 "Accounting for Investment Properties" in order for the financial statements to provide a true and fair view. This represents a true and fair override of the Companies Act, in so far as no depreciation is provided on such assets.

Stocks

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

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

The pension cost charged in the financial statements represent the contribution payable by the company during the year in accordance with SSAP 24.

Consolidation

The company is a parent undertaking and therefore takes advantage of the exemption under s248 of the Companies Act 1985, as amended, not to prepare consolidated financial statements. These financial statements therefore presents information about the company as an individual and not about its group.

2. STAFF COSTS

	30.11.02	30.11.01
	£	£
Wages and salaries	68,016	76,645
Social security costs	6,300	6,348
Other pension costs	<u>1,200</u>	<u>1,200</u>
	<u>75,516</u>	<u>84,193</u>

The average monthly number of employees during the year was as follows:

	30.11.02	30.11.01
Office and Management	<u>4</u>	<u>4</u>

THE MACKIE ENGINEERING CO LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2002

3. OPERATING PROFIT

The operating profit is stated after charging:

	30.11.02	30.11.01
	£	£
Hire of plant and machinery	33,399	15,159
Depreciation - owned assets	4,751	3,283
Auditors' remuneration	<u>5,150</u>	<u>5,000</u>
 Directors' emoluments	 <u>29,900</u>	 <u>28,040</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	30.11.02	30.11.01
	£	£
Interest on Overdue tax	<u>-</u>	<u>132</u>

5. TAXATION

Analysis of the tax charge

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

	30.11.02	30.11.01
	£	£
Current tax:		
UK corporation tax	<u>71,075</u>	<u>57,505</u>
Tax on profit on ordinary activities	<u>71,075</u>	<u>57,505</u>

UK corporation tax has been charged at 22.76%

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.11.02	30.11.01
	£	£
Profit on ordinary activities before tax	<u>332,451</u>	<u>296,700</u>
 Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2001 - 30%)	 99,735	 89,010
 Effects of:		
Expenses not deductible for tax purposes	3,470	40
Capital allowances in excess of depreciation	(839)	(159)
Other adjustments including marginal relief	(30,936)	(28,753)
Wear and Tear allowance	(355)	-
Utilisation of tax losses brought forward	<u>-</u>	<u>(2,633)</u>
 Current tax charge	 <u>71,075</u>	 <u>57,505</u>

THE MACKIE ENGINEERING CO LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2002

6. TANGIBLE FIXED ASSETS

	Freehold property	Improvements to property	Plant and machinery	Fixtures and fittings	Totals
	£	£	£	£	£
COST:					
At 1 December 2001	200,038	24,450	6,044	22,536	253,068
Additions	<u>177,796</u>	<u>-</u>	<u>7,134</u>	<u>-</u>	<u>184,930</u>
At 30 November 2002	<u>377,834</u>	<u>24,450</u>	<u>13,178</u>	<u>22,536</u>	<u>437,998</u>
DEPRECIATION:					
At 1 December 2001	-	4,890	2,779	17,339	25,008
Charge for year	<u>-</u>	<u>1,630</u>	<u>2,600</u>	<u>521</u>	<u>4,751</u>
At 30 November 2002	<u>-</u>	<u>6,520</u>	<u>5,379</u>	<u>17,860</u>	<u>29,759</u>
NET BOOK VALUE:					
At 30 November 2002	<u>377,834</u>	<u>17,930</u>	<u>7,799</u>	<u>4,676</u>	<u>408,239</u>
At 30 November 2001	<u>200,038</u>	<u>19,560</u>	<u>3,264</u>	<u>5,197</u>	<u>228,059</u>

Freehold properties are held for investment purposes. The directors consider that the market value of these are as per the purchase price.

7. FIXED ASSET INVESTMENTS

	£	
COST:		
At 1 December 2001		
and 30 November 2002		<u>2</u>
NET BOOK VALUE:		
At 30 November 2002		<u>2</u>
At 30 November 2001		<u>2</u>
	30.11.02	30.11.01
	£	£
Unlisted investments	<u>2</u>	<u>2</u>

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

Mackie (UK) Limited

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

	30.11.02	30.11.01
	£	£
Aggregate capital and reserves	2	2

THE MACKIE ENGINEERING CO LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2002

8. STOCKS

	30.11.02	30.11.01
	£	£
Work in progress	92,412	175,786
Property for resale	<u>110,000</u>	<u>110,000</u>
	<u>202,412</u>	<u>285,786</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.02	30.11.01
	£	£
Trade debtors	608,160	626,187
Other debtors	17,016	17,016
Prepayments & accrued income	11,110	6,706
Social Security & Other Taxes	<u>2,772</u>	<u>2,503</u>
	<u>639,058</u>	<u>652,412</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.02	30.11.01
	£	£
Trade creditors	702,807	989,336
Directors current accounts	220	220
Social security & other taxes	2,227	13,190
Mackie Eng. Co. Ltd	2	2
Corporation tax	71,075	57,505
Accrued expenses	<u>13,205</u>	<u>14,892</u>
	<u>789,536</u>	<u>1,075,145</u>

11. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

	Land and buildings operating leases	30.11.01
	30.11.02	£
	£	
Expiring:		
In more than five years	<u>30,000</u>	<u>30,000</u>

THE MACKIE ENGINEERING CO LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2002

12. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	30.11.02	30.11.01
		value:	£	£
1,000	Ordinary shares	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	30.11.02	30.11.01
		value:	£	£
100	Ordinary shares	£1	<u>100</u>	<u>100</u>

13. REVALUATION RESERVE

	30.11.02	30.11.01
	£	£
Brought forward	<u>10,000</u>	<u>10,000</u>

14. TRANSACTIONS WITH DIRECTORS

During the year the company paid rent to Mrs P Foster and G Foster of £30,000 (2001-£24,000)

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.11.02	30.11.01
	£	£
Profit for the financial year	261,376	239,195
Revaluation reserves		
Net addition to shareholders' funds	261,376	239,195
Opening shareholders' funds	<u>1,572,840</u>	<u>1,333,645</u>
Closing shareholders' funds	<u>1,834,216</u>	<u>1,572,840</u>
Equity interests	<u>1,834,216</u>	<u>1,572,840</u>