MORGAN COOPER LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 31ST MAY 2001



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MORGAN COOPER LIMITED

REPORT AND ACCOUNTS
YEAR ENDED 31ST MAY 2001

DIRECTORS	R G Cooper S E Cooper
SECRETARY	S E Cooper
REGISTERED OFFICE	Unit D Salmon Road Great Yarmouth Norfolk NR30 3QS
REGISTERED NUMBER	2194821

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REPORT OF THE DIRECTORS
YEAR ENDED 31ST MAY 2001

PRINCIPAL ACTIVITY

The principal activity of the company continues to be that of welding and fabrication engineers.

DIRECTORS

The directors during the year, and their beneficial shareholdings, were as follows:-

	Ordinary Shares	
	31st May 2001	31st May 2000
R G Cooper	17,850	17,850
S E Cooper	17,150	17,150

DIRECTORS' RESPONSIBILITIES

Company law requires directors to prepare accounts 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 accounts, directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether the Financial Reporting Standard for Smaller Entities has been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 accounts 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 report of the directors is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

S E COOPER

Secretary

25th January 2002

BALANCE SHEET
AT 31ST MAY 2001

	Note	2001 £	2001 £	2000 £	2000 £
FIXED ASSETS					
Tangible assets	2		**33,042**		32,044
CURRENT ASSETS					
Stocks	3	**50,429**		49,668	
Debtors	4	**89,607**		57,743	
Cash at bank and in hand		**27**		644	
		140,063		108,055	
CREDITORS					
Amounts falling due within one year	5	**136,979**		120,406	
NET CURRENT ASSETS/(LIABILITIES)			**3,084**		(12,351)
TOTAL ASSETS LESS CURRENT LIABILITIES			**36,126**		19,693
CREDITORS					
Amounts falling due after more than one year	6		**1,408**		-
			34,718		19,693
CAPITAL AND RESERVES					
Called up share capital	7		**35,000**		35,000
Profit and loss account	8		**(282)**		(15,307)
			34,718		19,693

For the financial year ended 31st May 2001, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985 and no notice has been deposited under section 249B (2).

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company at the end of each financial year and of its profit or loss for each year in accordance with the requirements of section 226 of the Act and which otherwise comply with its requirements, so far as is applicable to the company.

The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board of directors

R G COOPER Director

The accounts were approved by the board on 25th January 2002

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST MAY 2001

	Note	2001 £	2001 £	2000 £	2000 £
TURNOVER	9		**314,102**		221,540
COST OF SALES			**200,606**		136,155
GROSS PROFIT			**113,496**		85,385
Administrative expenses			**96,271**		100,511
OPERATING PROFIT/(LOSS)	10		**17,225**		(15,126)
Interest receivable		**(35)**		(14)	
Interest payable		**2,231**		2,567	
			2,196		2,553
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION			**15,029**		(17,679)
Taxation charge/(credit)	11		**4**		(515)
RETAINED PROFIT/(LOSS) ON ORDINARY ACTIVITIES TRANSFERRED TO RESERVES	8		**15,025**		(17,164)

NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MAY 2001

1. ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000). There have been no changes during the year in the accounting policies which, where material, are disclosed under the appropriate headings in the following notes.

2. TANGIBLE FIXED ASSETS

	Plant and machinery £	Office equipment £	Computer equipment £	Total £
Cost:				
1st June 2000	55,673	10,655	7,740	74,068
Additions	4,303	2,348	-	6,651
31st May 2001	59,976	13,003	7,740	80,719
Depreciation:				
1st June 2000	32,633	4,847	4,544	42,024
Charge for year	3,423	1,166	1,064	5,653
31st May 2001	36,056	6,013	5,608	47,677
Net book value:				
31st May 2001	23,920	6,990	2,132	33,042
31st May 2000	23,040	5,808	3,196	32,044

Tangible fixed assets are depreciated over their anticipated useful lives at the following annual rates:

Plant and machinery	15% reducing balance
Office equipment	15% reducing balance
Computer equipment	33.3% reducing balance

The net book value includes £2,054 (2000: £nil) in respect of an asset held under a finance lease contract.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31ST MAY 2001

3. STOCKS

Stocks are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

	2001	2000
	£	£
Raw materials	**35,272**	35,024
Work-in-progress	**15,157**	14,644
	50,429	49,668

4. DEBTORS

	£	£
Trade debtors	**84,683**	52,700
Other debtors	**4,924**	5,043
	89,607	57,743

All amounts shown under debtors are receivable within one year.

5. CREDITORS: Amounts falling due within one year

	£	£
Bank overdraft (secured)	**44,958**	40,434
Trade creditors	**36,222**	41,083
Directors' loan accounts	**19,218**	18,684
Finance lease obligations	**469**	-
Corporation tax	**4**	-
Other taxation and social security	**34,334**	11,038
Other creditors	**1,774**	9,167
	136,979	120,406

6. CREDITORS: Amounts falling due after more than one year

	£	£
Finance lease obligations	**1,408**	-

7. SHARE CAPITAL

Authorised shares of £1 each:	£	£
Authorised	**100,000**	100,000
Issued and fully paid	**35,000**	35,000

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31ST MAY 2001

8. PROFIT AND LOSS ACCOUNT	2001 £	2000 £
Balance brought forward	**(15,307)**	1,857
Retained profit/(loss) for the year	**15,025**	(17,164)
Balance carried forward	**(282)**	(15,307)

9. TURNOVER

Turnover represents the invoiced value of sales to third parties, excluding Value Added Tax.

10. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:	£	£
Depreciation of tangible fixed assets:		
Owned by the company	**5,360**	5,410
Held under a finance lease contract	**293**	183
Directors' emoluments	**27,509**	38,632

11. TAXATION

	£	£
Corporation tax	**4**	(515)

Deferred tax is accounted for, at anticipated rates, in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Unprovided deferred taxation amounts to £3,320 (2000: £3,540).

12. LEASES

Assets held under finance leases where substantially all of the benefits and risks of ownership remain with the lessee and hire purchase contracts and the related obligations are capitalised. The capital element of the related obligations is included in creditors, whilst the interest element is charged to the profit and loss account on a straight line basis.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31ST MAY 2001

13. **PENSIONS**

The company operates a defined contribution pension scheme on behalf of one of its directors. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the profit and loss account for the year in which they are payable to the scheme and the pension cost charge for the year amounts to £2,200 (2000: £5,000).