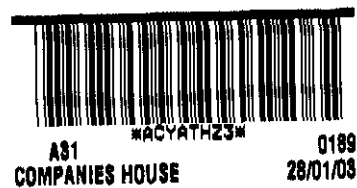


Company Registration No. 2194821 (England and Wales)

MORGAN COOPER LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2002



MORGAN COOPER LIMITED

COMPANY INFORMATION

Directors

R G Cooper
S E Cooper

Secretary

S E Cooper

Company number

2194821

Registered office

Unit D, Salmon Road
Great Yarmouth
Norfolk
NR30 3QS

Accountants

Rostron & Partners
St Peter's House
Cattle Market Street
Norwich
NR1 3DY

MORGAN COOPER LIMITED

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MORGAN COOPER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2002

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

Principal activities

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

Directors

The following directors have held office since 1 June 2001:

R G Cooper

S E Cooper

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary of £ 1 each	
	31 May 2002	1 June 2001
R G Cooper	17,850	17,850
S E Cooper	17,150	17,150

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



S E Cooper

Director

31 December 2002

MORGAN COOPER LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2002

	Notes	2002 £	2001 £
Turnover		378,338	314,102
Cost of sales		(247,205)	(200,606)
Gross profit		131,133	113,496
Administrative expenses		(108,289)	(96,271)
Operating profit	2	22,844	17,225
Other interest receivable and similar income		-	35
Interest payable and similar charges		(1,769)	(2,231)
Profit on ordinary activities before taxation		21,075	15,029
Tax on profit on ordinary activities	3	(4,060)	(4)
Profit on ordinary activities after taxation		17,015	15,025
Dividends		(15,000)	-
Retained profit for the year	10	2,015	15,025

MORGAN COOPER LIMITED

BALANCE SHEET AS AT 31 MAY 2002

	Notes	£	2002 £	£	2001 £
Fixed assets					
Tangible assets	4		28,602		33,042
Current assets					
Stocks		45,353		50,429	
Debtors	5	87,876		89,607	
Cash at bank and in hand		19		27	
		<u>133,248</u>		<u>140,063</u>	
Creditors: amounts falling due within one year	6	<u>(124,178)</u>		<u>(136,979)</u>	
Net current assets			<u>9,070</u>		<u>3,084</u>
Total assets less current liabilities			<u>37,672</u>		<u>36,126</u>
Creditors: amounts falling due after more than one year	7		<u>(939)</u>		<u>(1,408)</u>
			<u>36,733</u>		<u>34,718</u>
Capital and reserves					
Called up share capital	9		35,000		35,000
Profit and loss account	10		1,733		(282)
Shareholders' funds			<u>36,733</u>		<u>34,718</u>

MORGAN COOPER LIMITED

BALANCE SHEET (CONTINUED) AS AT 31 MAY 2002

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

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 March 2000).

The financial statements were approved by the Board on 31 December 2002



R G Cooper
Director

MORGAN COOPER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

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

1.4 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account on a straight line basis.

1.5 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.6 Pensions

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

2 Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	6,457	5,653
Directors' emoluments	34,253	27,509

3 Taxation

	2002	2001
	£	£
U.K. current year taxation		
U.K. corporation tax at 20% (2001 - 20%)	4,060	4

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 £3,141 (2001:£3,320).

MORGAN COOPER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

4 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 June 2001	80,719
Additions	2,017
At 31 May 2002	82,736
Depreciation	
At 1 June 2001	47,677
Charge for the year	6,457
At 31 May 2002	54,134
Net book value	
At 31 May 2002	28,602
At 31 May 2001	33,042

The net book value of tangible fixed assets includes £1,746 (2001 - £2,054) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £308 (2001 - £293) for the year.

5 Debtors

	2002 £	2001 £
Trade debtors	82,671	84,683
Other debtors	5,205	4,924
	87,876	89,607

All amounts shown under debtors are receivable within one year.

MORGAN COOPER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

6	Creditors: amounts falling due within one year	2002 £	2001 £
	Bank loans and overdrafts	33,369	44,958
	Net obligations under finance leases	470	469
	Trade creditors	22,355	36,222
	Taxation and social security	45,989	34,338
	Other creditors	21,995	20,992
		<u>124,178</u>	<u>136,979</u>

The bank overdraft is secured.

7	Creditors: amounts falling due after more than one year	2002 £	2001 £
	Net obligations under finance leases	939	1,408

8 Pension costs

The company operates a defined contribution pension scheme on behalf of a director. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,750 (2001 - £2,200).

9	Share capital	2002 £	2001 £
	Authorised		
	100,000 Ordinary of £ 1 each	100,000	100,000
	Allotted, called up and fully paid		
	35,000 Ordinary of £ 1 each	35,000	35,000

10 Statement of movements on profit and loss account

	£
Balance at 1 June 2001	(282)
Retained profit for the year	2,015
Balance at 31 May 2002	<u>1,733</u>

MORGAN COOPER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 MAY 2002*

11 Transactions with directors

At 31st May 2002 the company owed RG Cooper £13,231 (2001 : £19,218) and SE Cooper £7,350 (2001 : £nil)