

MELVYN GILL MARKETING LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 1994



Prepared by:

C. Biggs, F.C.C.A.,
Certified Accountant,
1, Malcolm Drive,
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Trading address:

3, Church Street,
Godalming,
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REPORT OF THE AUDITOR
TO THE MEMBERS OF
MELVYN GILL MARKETING LIMITED.

In my opinion, the directors are entitled by Section 246 to 247 of the Companies Act 1985 to deliver modified financial statements in respect of the year ended 31 December 1994 and in particular, the modified financial statements have been properly prepared in accordance with Schedule 8 of that Act. I am not required to express an audit opinion on the truth and fairness of these modified financial statements.

I reported, as auditor of Melvyn Gill Marketing Limited, to the members on 1 September 1995 on the company's financial statement prepared under Section 227 of the Companies Act 1985, and my audit opinion was as follows;

"I have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective Responsibilities of the Directors and Auditors.

As described on page 1, the company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

Basis of Opinion.

I conducted my audit in accordance with Accounting Standards, issued by the Auditing Standards 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient, reliable and relevant evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by error, fraud, or other irregularity. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion.

The financial statements have been prepared on a going concern basis, on the understanding that the directors will continue to provide financial assistance if required. This basis may not be appropriate because the company incurred a loss after taxation of £6,470 during the year ended 31 December 1994 and at that date its current liabilities exceeded its current assets by £44,535.

REPORT OF THE AUDITOR
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cont.

Should the company be unable to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify fixed assets and long term liabilities as current assets and current liabilities respectively..

Subject to the directors continuing to provide financial assistance, in my opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994, and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



C. Biggs FCCA.,
Registered Auditor,
1, Malcolm Drive,
Surbiton,
Surrey KT6 6QS.

15, September 1995

MELVYN GILL MARKETING LIMITED.

BALANCE SHEET.

AS AT 31 DECEMBER 1994.

	<u>NOTES</u>	<u>1994</u>	<u>1993</u>
<u>FIXED ASSETS.</u>			
Tangible Fixed Assets		15,236	18,954
<u>CURRENT ASSETS.</u>			
Stock	13,250	12,200	
Debtors	56,589	79,776	
	<u>69,839</u>	<u>91,976</u>	
<u>CREDITORS:</u> Amounts falling due within one year.	<u>114,374</u>	<u>133,759</u>	
NET CURRENT LIABILITIES		(44,535)	(41,783)
<u>CREDITORS:</u> Amounts falling due after one year		(27,992)	(27,992)
	<u>£(57,291)</u>	<u>£(50,821)</u>	
<u>CAPITAL AND RESERVES.</u>			
Called up Share Capital	2	10	10
Profit & Loss Account		(57,301)	(50,831)
		<u>£(57,291)</u>	<u>£(50,821)</u>

We have relied on the exemption for individual financial statements contained in Section 246 and 247 of the Companies Act 1985, because under that Act, the company is entitled to benefit from those exemptions as a small company.

Approved by the directors on 12 February 95.....

... Linda Gill Director.

... M J Gill Director.

MELVYN GILL MARKETING LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1994

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTIONS

The financial statements have been prepared under the historical cost convention and on a going concern basis on the understanding that the loan from the company's pension fund (including accrued interest) will remain in place for the following 12 months and that the bank will continue its support.

TURNOVER

Turnover represents the represents the net invoiced charges for sales and services, excluding Value Added Tax. Turnover is from continuing operations.

DEPRECIATION

Fixed Assets are depreciated over their estimated useful lives, less estimated residual balance, on a reducing balance basis at the following rates:

Motor Vehicles	20% p.a.
Office Equipment	20% p.a.
Fixtures and Fittings	20% p.a.

STOCK/WORK IN PROGRESS

Stock and Work in Progress are valued at the lower of cost and net realisable value. Costs represent direct expenses incurred on behalf of clients.

LEASING/LEASE PURCHASE

Where an asset is financed by an arrangement that give rights approximating to ownership ("finance leases") the asset is treated as if it had been purchased outright. The amount capitalised and included in tangible fixed assets is the present value of the minimum payments due under the arrangement. The corresponding commitment is included as an obligation under finance leases.

Depreciation of such assets is charged to profit and loss account in accordance with the company's normal depreciation policies. Payments are treated as consisting of capital and interest, and the interest element is charged to profit and loss account using the straight line method.

Payments under the arrangement which is in substance of a rental nature ("operating leases") are charged to profit and loss account on a straight line basis over the operating lease term.

CASH FLOW STATEMENT

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company.

MELVYN GILL MARKETING LIMITED.

NOTES TO THE ACCOUNTS.

FOR THE YEAR ENDED 31 DECEMBER 1994.

2. SHARE CAPITAL

	<u>1994</u>	<u>1993</u>
Authorised:		
Ordinary shares of £1 each	£1,000 -----	£1,000 -----
Issued:		
Ordinary shares of £1 each	£ 10 -----	£ 10 -----

3. CREDITORS: Amounts falling due after 5 years.

There were no creditors in this category.

4. LOANS AND OVERDRAFTS.

The bank loan and overdraft of £20,030 (1993 £39,553) are secured by director's guarantee.