

MELVYN GILL MARKETING LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 1996

Prepared by:

C. Biggs, F.C.C.A.,
Certified Accountant,
1, Malcolm Drive,
Surbiton,
Surrey, KT6 6QS.

Trading address:

3, Church Street,
Godalming,
Surrey, GU7 1EQ.



ACCOUNTANT'S REPORT TO THE SHAREHOLDERS ON THE

UNAUDITED ACCOUNTS 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 1996 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 opinion on the truth and fairness of these modified financial statements.

I reported, as reporting accountant of Melvyn Gill Marketing Ltd., to the members on 25 September 1997 on the company's financial statements prepared under Section 227 of the Companies Act 1985, and my opinion was as follows:

"I report on the accounts for the year ended 31 December 1996 on Pages 4 to 10.

Respective responsibilities of directors and reporting accountant

As described on Page 1, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is my responsibility to carry out procedures designed to enable me to report my opinion.

Basis of Opinion

My work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so my procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

Opinion

In my opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and,

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- (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act, and did not, at any time within that year, fall within any of the categories of companies not entitled to the the exemption specified in section 249B(1)."



C. Biggs, F.C.C.A.,
Reporting Accountant,
1, Malcolm Drive,
Surbiton,
Surrey, KT6 6QS.

29, October 1997

MELVYN GILL MARKETING LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 1996

	<u>NOTES</u>	<u>1996</u>	<u>1995</u>
<u>FIXED ASSETS</u>			
Tangible assets		12,316	9,768
<u>CURRENT ASSETS</u>			
Stocks	15,400	14,150	
Debtors	82,119	87,010	
	<u>97,519</u>	<u>101,160</u>	
<u>CREDITORS</u> : Amounts falling due within one year	77,186	139,614	
<u>NET CURRENT LIABILITIES</u>		20,333	(38,454)
<u>CREDITORS</u> : Amounts falling due after one year		-	(27,992)
		<u>£32,649</u>	<u>£(56,678)</u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital 2	10	10	
Profit and Loss Account	32,639	(56,688)	
		<u>£32,649</u>	<u>£(56,678)</u>

We have relied on the exemption for individual financial statements contained in Sections 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.

The company is entitled to the exemption, under Section 249A(1) of the Companies Act 1985. No notice has been deposited under Section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibility for both:

- (i) ensuring the company keeps accounting records which comply with Section 221.
- (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 for the financial year under Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable.

Approved by the directors on ..28..October.1997.

.....  Director

 Director

MELVYN GILL MARKETING LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1996

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTIONS

The financial statements have been prepared under the historical cost convention and in accordance with approved accounting standards.

TURNOVER

Turnover 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.

2. SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
Authorised:		
Ordinary shares of £1 each	£1,000	£1,000
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Issued:		
Ordinary shares of £1 each	£10	£10
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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 £21,164 (1995 £40,542) are secured by director's guarantee.