

Report of the Auditor
to the Directors of McKay & McKay Enterprises Limited
under Schedule 8 of the Companies Act 1985

In my opinion the Directors are entitled, under sections 246 - 247 of the Companies Act 1985, to deliver abbreviated accounts of the Company in respect of the year ended 31st March 1995 and the abbreviated accounts set out on pages two and three have been properly prepared in accordance with Schedule 8 to that Act. I am not required to express an audit opinion on the truth and fairness of these abbreviated accounts.

As auditor I reported to the members of the company on 27th June 1995 on the accounts prepared under section 226 of the Companies Act 1985 for the year ended 31st March 1995. My audit opinion was as follows:-

Respective Responsibilities of Directors and Auditor	As described on page 3 the company's directors are responsible for the preparation of the financial statements. It is my responsibility to form an independent opinion based on my audit, on those statements and report my opinion to you.
---	---

Basis of Opinion	I have conducted my audit in accordance with Auditing Standards issued by the Auditing Practices 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 evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. In forming my opinion I have evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion	In my opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31st March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.
---------	---

27th June 1995

J. Martin Pullan
.....

J. Martin Pullan F.C.A.
Registered Auditor

Gainsborough Court
Lane End
Bembridge
Isle of Wight
PO35 5SZ



McKay & McKay Enterprises Limited

Balance Sheet as at 31st March 1995

	Notes		1994
	-----		-----
Fixed assets			
Tangible assets	2	£ 0	£ 8,260
Current assets			
Debtors	178,865		0
Cash at Bank	9,880		39,755
	-----		-----
	188,745		39,755
Creditors: falling due			
within one year	4,225		9,924
	-----		-----
Net Current Assets		184,520	29,831
		-----	-----
		184,520	38,091
		=====	=====
Share Capital	6		
Authorised, Issued and Fully Paid		1,000	1,000
Profit and Loss Account		183,520	37,091
		-----	-----
		184,520	38,091
		=====	=====

The Notes on page 3 form part of these accounts.

We have relied on the exemptions for small companies conferred by Part 1 of Schedule 8 to the Companies Act 1985 with respect to the delivery of individual accounts. In our opinion, the company is entitled to those exemptions on the grounds that it qualifies as a small company under sections 246 and 247 of the Companies Act 1985.

Approved by the Board of Directors on 27th June 1995

Director  P.B. McKay

McKay & McKay Enterprises Limited

Notes on the Accounts for the Year ended 31st March 1995

1. Accounting Policies

a) The financial statements have prepared under the historical cost convention in accordance with normal fundamental accounting concepts and comply with all applicable accounting standards.

b) Depreciation

Freehold property was depreciated at 2% on cost per annum.

c) Cash Flow Statement

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement on the grounds that it is a small company.

2. Fixed assets	Cost	Aggregate Depreciation	Balance This Year	Balance Last Year

Freehold property	0	0	0	7,859
Improvements to property	0	0	0	401
	----	----	----	-----
	0	0	0	8,260
	====	====	====	=====
Sales during the year :	Cost	Depreciation	Proceeds	Gain
	----	-----	-----	----
Freehold Property	15,244	6,984	146,762	138,502

3. Director's Emoluments:		This Year	Last Year

Remuneration		1,500	0
Pension Contributions		1,000	0
(Defined contribution scheme)			
		-----	-
		2,500	0
		=====	=

4. Contingent liabilities

As at 31st March 1995 there were no contingent liabilities.

5. Capital expenditure

There was no commitment for capital expenditure as at 31st March 1995.

6. Ultimate Parent Company

Hazlitts Limited, 6, Frith Street, London, W1V 5TZ owns all the shares.