

Company Registration No. 2898956 (England and Wales)

**MERCHANT INTERNATIONAL GROUP LIMITED**  
**FORMERLY MERCHANT INT TRADING & CONSULTING GRP LTD**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**



**MERCHANT INTERNATIONAL GROUP LIMITED  
FORMERLY MERCHANT INT TRADING & CONSULTING GRP LTD  
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**MERCHANT INTERNATIONAL GROUP LIMITED**  
**FORMERLY MERCHANT INT TRADING & CONSULTING GRP LTD**  
**ABBREVIATED BALANCE SHEET**  
**AS AT 31 DECEMBER 1997**

	Notes	1997 £	£	1996 £	£
<b>Fixed assets</b>					
Tangible assets	2		14,950		37,283
<b>Current assets</b>					
Stocks		7,600		6,177	
Debtors	3	195,531		71,167	
Cash at bank and in hand		362		16,606	
		<u>203,493</u>		<u>93,950</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(113,138)</u>		<u>(58,868)</u>	
<b>Net current assets</b>			<u>90,355</u>		<u>35,082</u>
<b>Total assets less current liabilities</b>			<u>105,305</u>		<u>72,365</u>
<b>Creditors: amounts falling due after more than one year</b>	4		<u>(26,574)</u>		<u>(34,068)</u>
			<u>78,731</u>		<u>38,297</u>
<b>Capital and reserves</b>					
Called up share capital	5	79,495		70,133	
Share premium account		53,612		27,866	
Profit and loss account		(54,376)		(59,702)	
<b>Shareholders' funds</b>			<u>78,731</u>		<u>38,297</u>

**MERCHANT INTERNATIONAL GROUP LIMITED**  
**FORMERLY MERCHANT INT TRADING & CONSULTING GRP LTD**  
**ABBREVIATED BALANCE SHEET**  
**AS AT 31 DECEMBER 1997**

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In preparing these abbreviated accounts:

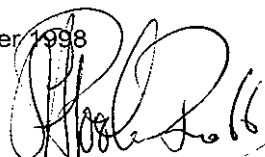
- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
  - (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 abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board on 12 October 1998



P Brown  
Director



S. A. Poole-Robb  
Director

**MERCHANT INTERNATIONAL GROUP LIMITED**  
**FORMERLY MERCHANT INT TRADING & CONSULTING GRP LTD**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

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**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.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

**1.2 Turnover**

Turnover represents amounts receivable for services net of VAT.

**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:

Fixtures, fittings & equipment	25% Reducing Balance
Motor vehicles	25% Reducing Balance

**1.4 Leasing and hire purchase commitments**

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 so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**1.5 Stock and work in progress**

Work in progress is valued at the lower of cost and net realisable value.

**1.6 Deferred taxation**

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

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**2 Fixed assets**

	<b>Total £</b>
<b>Cost</b>	
At 1 January 1997	62,697
Adjustment to cost	-
Additions	1,667
Disposals	(29,450)
At 31 December 1997	<u>34,914</u>
<b>Depreciation</b>	
At 1 January 1997	25,415
On disposals	(12,884)
Charge for the year	7,433
At 31 December 1997	<u>19,964</u>
<b>Net book value</b>	
At 31 December 1997	<u>14,950</u>
At 31 December 1996	<u>37,283</u>

**3 Debtors**

Debtors include an amount of £50,712 (1996 - £-) which is due after more than one year.

**4 Creditors: amounts falling due within one year**

The bank overdraft of £22,123 is secured by the assets of the company.

<b>5 Creditors: amounts falling due after more than one year</b>	<b>1997 £</b>	<b>1996 £</b>
<b>Analysis of loans repayable in more than five years</b>		
Not wholly repayable within five years by instalments	<u>3,928</u>	<u>8,214</u>

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<b>6 Share capital</b>	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
210,000 A Ordinary shares of £1 each	210,000	210,000
90,000 B Ordinary shares of £1 each	90,000	90,000
	<u>300,000</u>	<u>300,000</u>
<b>Allotted &amp; called up</b>		
78,133 A Ordinary shares of £1 each	78,133	70,133
1,362 B Ordinary shares of £1 each	1,362	-
	<u>79,495</u>	<u>70,133</u>

B Ordinary shares rank pari passu with A ordinary shares but do not carry any voting rights.  
During the year 1,362 £1 B ordinary shares were allotted for total cash consideration of £5,108 and  
8,000 £1 A ordinary shares were allotted for total cash consideration of £30,000.  
Of the allotted and called up share capital an amount of £50,712 remains unpaid at the year end.