

THE MERLIN ORGANISATION LIMITED

Company No: 02771156

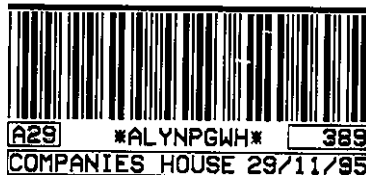
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ABBREVIATED STATUTORY ACCOUNTS
For the Year Ending 31st January 1995

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Andrew Melville & Co.
Chartered Accountants
19, Back Wall Gate
Macclesfield
Cheshire
SK11 6LQ

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THE MERLIN ORGANISATION LIMITED

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THE MERLIN ORGANISATION LIMITED

Auditors' Report to the directors of The Merlin Organisation Limited
pursuant to schedule 8 to the Companies Act 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the full accounts of The Merlin Organisation Limited for the period ended 31st January 1995. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full accounts.

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemption conferred by Section A of Part 111 of Schedule 8 to that Act in respect of the period ended 31st January 1995 and the abbreviated accounts have been properly prepared from the full accounts.

On 14th July 1995 we reported as auditors of The Merlin Organisation Limited to the members on the full financial statements required by section 226 of the Companies Act 1985 for the period ended 31st January 1995 and our audit report was as follows:

We have audited the financial statements on pages 3 to 7 which have been prepared under the historical convention and the accounting policies set out on pages 5 and 6.

Respective responsibilities of directors and auditors

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

Basis of opinion

We conducted our 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.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularities or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

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

Andrew Melville & Co
Chartered Accountants
and Registered Auditors
19 Back Wall Gate
Macclesfield
Cheshire SK11 6LQ



THE MERLIN ORGANISATION LIMITED

Abbreviated Balance Sheet as at 31st January 1995

	<u>Notes</u>	<u>£</u>	<u>1995</u>	<u>£</u>	<u>£</u>	<u>1994</u>	<u>£</u>
TANGIBLE FIXED ASSETS				64,077			-
CURRENT ASSETS							
Cash at bank and in hand		66				3,996	
Debtors and prepayments		40,892				79,725	
Stock and work in progress		329,585				266,479	
			370,543			350,200	
CREDITORS : amounts falling due within one year		365,621				322,651	
NET CURRENT ASSETS				4,922			27,549
TOTAL ASSETS LESS CURRENT LIABILITIES				68,999			27,549
CREDITORS : amounts falling due after more than one year				(68,543)			(45,849)
				456			(18,300)
				=====			=====
CAPITAL AND RESERVES							
Called up share capital	2			2			2
Profit and loss account				454			(18,302)
				456			(18,300)
				===			=====

The directors have taken advantage of the exemptions conferred by Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Signed on behalf of the board of directors


Director

Approved by the board on 14.7.95

The notes on pages 3 and 4 form part of these financial accounts.

THE MERLIN ORGANISATION LIMITED

Notes to the abbreviated accounts
For the Period Ended 31st January 1995

1 Accounting policies

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

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

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Equipment	- 15% reducing balance basis
Motor vehicles	- 25% reducing balance basis
Building	- 10% reducing balance basis

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 Operating leases

Rental applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

THE MERLIN ORGANISATION LIMITED

Notes to the abbreviated accounts
for the Period Ended 31st January 1995

1.6 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stock. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, 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 near future.

2 Tangible fixed assets

	<u>Fixed assets</u>
	<u>£</u>
Cost	
As at 1st February 1994	-
Addition	71,781
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As at 31st January 1995	71,781
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Depreciation	
As at 1st February 1994	-
Charge for the year	7,704
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As at 31st January 1995	7,704
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Net book value	
As at 31st January 1995	64,077
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As at 31st January 1994	-
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3 Called up share capital

Authorised share capital - 1,000 Ordinary shares of £1 each £1,000
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Allotted as at 31st January 1995:-

2 Ordinary Shares of £1 each	2
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