

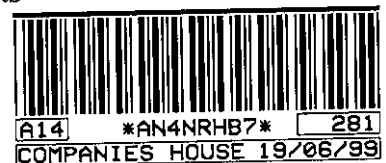
MERT DEVELOPMENTS LIMITED

Abbreviated Annual Report and
Financial Statements
30 September 1998

COMPANY NUMBER - 3136684

REGISTRAR OF COMPANIES

BDO STOY HAYWARD
Chartered Accountants



Balance sheet at 30 September 1998

	Note	1998 £	1997 £
Current assets			
Stocks		61,829	61,829
Creditors: amounts falling due within one year	2	48,927	46,744
Net current assets		<u>12,902</u>	<u>15,085</u>
Capital and reserves			
Called up share capital	3	1,000	1,000
Profit and loss account - equity		11,902	14,085
		<u>12,902</u>	<u>15,085</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the companies Act 1985 relating to small companies.

These abbreviated financial statements were approved by the Board on 28th May 1999

D E TREM
Director



The notes on pages 2 form part of these financial statements.

Notes forming part of the financial statements for the year ended 30 September 1998

1 Accounting Policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following accounting policies have been applied:

Turnover

Turnover represents sales to external customers at invoiced amount less value added tax.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price.

Work in progress is stated at direct cost of labour, materials and other expenses, or at net realisable value if lower.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

Year 2000 and Euro costs

Costs incurred in preparing systems for the Year 2000 and the introduction of the Euro are written off as incurred unless there is significant improvement in the systems in which case the costs are capitalised and depreciated in line with the policy stated above.

2 Creditors amounts falling due within one year

Included in creditors amounts falling due within one year is an amount of £3 (1997: £65) which is secured.

3 Share capital

	1998		1997	
	Authorised £	Allotted, called up and fully paid £	Authorised £	Allotted, called up and fully paid £
Ordinary shares of £1 each	<u>100,000</u>	<u>1,000</u>	<u>100,000</u>	<u>1,000</u>

4 Related party transactions

The company does not have a bank account. Consequently all transactions of the company were undertaken by R E Trem and Co Limited and recharged accordingly. Included within creditors: amounts falling due within one year is an amount £48,374 due to R E Trem and Co Limited.

5 Parent company

The ultimate parent company is R E Trem and Co Limited.

Report of the auditors

Auditors' report to Mert Developments Limited under Section 247b of the Companies Act 1985

We have examined the abbreviated accounts on pages 1 to 2 together with the financial statements of Mert Developments Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30 September 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 1 to 2 are properly prepared in accordance with those provisions.

BDO Stoy Hayward

BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
Sheffield

17 JUN 1999