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Company Number

2571806

**STATUTORY COPY**

MAGIC EFFECTS LIMITED

ABBREVIATED ACCOUNTS AND AUDITORS' REPORT

FOR THE PERIOD 1 JANUARY 1997 TO 31 MAY 1998



MAGIC EFFECTS LIMITED

ABBREVIATED ACCOUNTS AND AUDITORS' REPORT

FOR THE PERIOD 1 JANUARY 1997 TO 31 MAY 1998

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**MAGIC EFFECTS LIMITED**

**AUDITORS' REPORT TO MAGIC EFFECTS LIMITED**

**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 4 together with the financial statements of the company for the year ended 31 May 1998 prepared under section 226 of the Companies Act 1985.

**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 246(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 consider necessary to confirm, by reference to the 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 did not include examining or dealing with events after the date of our report on the 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 2 to 4 are properly prepared in accordance with those provisions.



Leigh Carr  
Chartered Accountants  
Registered Auditor  
72 New Cavendish Street  
London W1M 8AU

19th August 1998

**MAGIC EFFECTS LIMITED****ABBREVIATED BALANCE SHEET AS AT 31 MAY 1998**

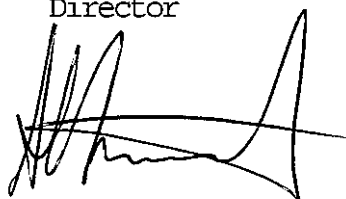
| Note                        | 31.5.98<br>£                                 | £              | 31.12.96<br>£ | £               |
|-----------------------------|--|----------------|---------------|-----------------|
| <b>FIXED ASSETS</b>         |  |                |               |                 |
| 2                           | Tangible assets                              | 31,189         |               | 39,367          |
| <b>CURRENT ASSETS</b>       |  |                |               |                 |
|                             | Stock  | -              |               | 23,882          |
|                             | Debtors                                      | 13,364         |               | 88,120          |
|                             | Cash at bank and in hand                     | 4,093          |               | 16,042          |
|                             |  | <u>17,457</u>  |               | <u>128,044</u>  |
| <b>CREDITORS</b>            |  |                |               |                 |
|                             | Amounts falling due within one year          | <u>45,906</u>  |               | <u>114,440</u>  |
|                             | <b>NET CURRENT (LIABILITIES)/ASSETS</b>      |                | (28,449)      | <u>13,604</u>   |
|                             | <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> | <u>£ 2,740</u> |               | <u>£ 52,971</u> |
| Financed by:                |  |                |               |                 |
| <b>CAPITAL AND RESERVES</b> |  |                |               |                 |
| 3                           | Called up share capital                      | 950            |               | 950             |
|                             | Profit and loss account                      | 1,790          |               | 52,021          |
|                             |  | <u>£ 2,740</u> |               | <u>£ 52,971</u> |

The accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985. In preparing these accounts, the directors have taken advantage of the exemptions conferred by Section 246 and Schedule 8A of the Companies Act 1985 with respect to the delivery of accounts.

The abbreviated accounts were approved by the board on 19th August 1998.

A J Hunt

Director



# MAGIC EFFECTS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD 1 JANUARY 1997 TO 31 MAY 1998

### 1. ACCOUNTING POLICIES

#### (a) Basis of preparation

The financial statements are prepared under the historical cost convention.

#### (b) Tangible fixed assets

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:-

|                        |     |                  |
|------------------------|-----|------------------|
| Photographic equipment | 15% | reducing balance |
| Fixtures & fittings    | 15% | reducing balance |
| Motor vehicles         | 25% | reducing balance |

#### (c) Stock

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis. The cost of work in progress comprises materials, direct labour and attributable production overheads. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

MAGIC EFFECTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD 1 JANUARY 1997 TO 31 MAY 1998

|  | 31.5.98<br>£  | 31.12.96<br>£ |
|--|---------------|---------------|
| <b>2. FIXED ASSETS</b>   |               |               |
| Tangible fixed assets  |               |               |
| Cost   |               |               |
| As at 1.1.97   | 49,619        | 10,668        |
| Additions  | 5,300         | 38,951        |
| Disposals  | (9,000)       | -             |
| As at 31.5.98  | <u>45,919</u> | <u>49,619</u> |
| Depreciation   |               |               |
| As at 1.1.97   | 10,253        | 5,232         |
| Provided for period  | 6,727         | 5,020         |
| Disposals  | (2,250)       | -             |
| As at 31.5.98  | <u>14,730</u> | <u>10,252</u> |
| Net book value   | <u>31,189</u> | <u>39,367</u> |
|  | 31.5.98<br>£  | 31.12.96<br>£ |
| <b>3. SHARE CAPITAL</b>  |               |               |
| Authorised<br>1,000 Ordinary shares of £1 each                       | <u>1,000</u>  | <u>1,000</u>  |
| Allotted, called up and fully paid<br>950 Ordinary shares of £1 each | <u>950</u>    | <u>950</u>    |