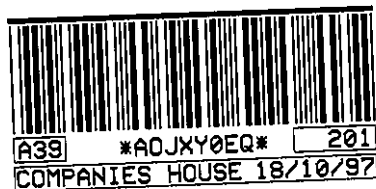


Company No. 2961256

TOUCH OF MAGIC LTD.  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MAY 1997

Company No. 2961256 (England and Wales)



TOUCH OF MAGIC LTD.  
DIRECTORS' REPORT FOR THE YEAR ENDED  
31ST MAY 1997

The directors present their report and the accounts for the year ended 31st May 1997.

**PRINCIPAL ACTIVITY**

The company is dormant and did not trade in the year.

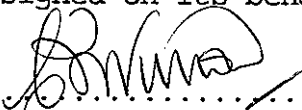
**DIRECTORS**

The directors who served during the year and their interests in the share capital of the company were:

	Number of shares	
	<u>1997</u>	<u>1996</u>
D. R. Winrow	1	1

In addition, Mrs. C. I. Winrow (wife of D. R. Winrow) held 1 ordinary share in the company throughout the year.

This report, which has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, was approved by the board on.....12.12.97..... and signed on its behalf.

..........Mrs. C. I. Winrow, Secretary

ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS  
TO THE DIRECTORS OF  
TOUCH OF MAGIC LTD.

You are responsible for the preparation of the accounts for the year ended 31st May 1997, set out on page 3, and you consider that the company is exempt from an audit and a report under section 249A(2) of the Companies Act 1985. In accordance with your instructions we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Signed: .....



L.E.V. MASTERS & CO.  
Chartered Accountants

46a Goring Road  
WORTHING  
West Sussex, BN12 4AD

Dated: ..... 13.10.97.

TOUCH OF MAGIC LTD.  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED  
31ST MAY 1997

The company did not traded during this or the preceding financial year. During these years, the company received no income and incurred no expenditure, and therefore made neither profit nor loss. Certain items of expenditure were paid on behalf of the company by the directors.

BALANCE SHEET AS AT 31ST MAY 1997

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
<b>ASSETS</b>			
Called up share capital not paid		2	2
<b>LESS: LIABILITIES</b>		-	-
<b>NET ASSETS</b>		<u>2</u>	<u>2</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	2	2	2
Profit and loss account		-	-
<b>SHAREHOLDERS' FUNDS</b>		<u>2</u>	<u>2</u>

The company was dormant within the meaning of Section 250 of the Companies Act 1985, throughout the year ended 31st May 1997.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on.....12.15.19..... and signed on its behalf.

..........D. R. Winrow, Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST MAY 1997

1. **Accounting Policies**

The financial statements are prepared under the historical cost convention.

2. **Share Capital**

**Authorised**

ordinary shares of £1 each

<u>1997</u>	<u>1996</u>
10,000	10,000

**Allotted, called up and fully paid**

ordinary shares of £1 each

<u>1997</u>	<u>1996</u>
2	2