

FOCAL RESEARCH LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST MAY 1999
COMPANY NUMBER: 3197901



FOCAL RESEARCH LIMITED

COMPANY INFORMATION

Directors	Mr G W Adkin Mrs J Adkin
Secretary	Mr G Adkin
Company number	3197901
Registered office	Mount View Barline Beer Seaton Devon EX12 2HW
Accountants	Thomas Westcott & Gillard Timberley South Street Axminster Devon EX13 5AD

FOCAL RESEARCH LIMITED

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FOCAL RESEARCH LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MAY 1999

The directors present their report and the accounts for the company for the year ended 31st May 1999.

Principal activities

The company's principal activity continued to be that of market research.

Directors and their interests

The directors who held office during the year and their beneficial interests in the company's issued share capital are given below:

Name of director	Ordinary Shares	
	31st May 1999	1st June 1998
Mr G W Adkin	95	95
Mrs J Adkin	5	5

Statement of directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those accounts the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company exemptions

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

By order of the Board

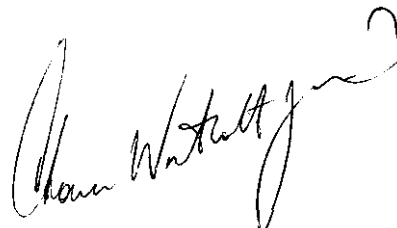


Mr G Adkin, Secretary

Date: 17.12.99

ACCOUNTANTS' REPORT TO THE DIRECTORS
ON THE UNAUDITED ACCOUNTS OF
FOCAL RESEARCH LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st May 1999, set out on pages 3 to 7, and you consider that the company is exempt from an audit and a report under Section 249A(1) 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.



Thomas Westcott & Gillard
Chartered Accountants
Timberley
South Street
Axminster
Devon
EX13 5AD

Date: 24.12.99.

FOCAL RESEARCH LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MAY 1999

	Notes	1999 £	1998 £
Turnover	2	188,910	148,045
Administrative expenses		(119,433)	(84,896)
Operating profit	3	69,477	63,149
Interest receivable		491	-
Profit on ordinary activities before taxation		69,968	63,149
Tax on profit on ordinary activities	5	(14,608)	(13,210)
Profit for the financial year		55,360	49,939
Dividends		(10,000)	(31,000)
Retained profit for the year		45,360	18,939
Retained profit brought forward		31,835	12,896
Retained profit carried forward		77,195	31,835

FOCAL RESEARCH LIMITED

BALANCE SHEET

AS AT 31ST MAY 1999

	Notes	£	1999 £	£	1998 £
Fixed assets					
Tangible assets	6		27,460		19,205
			<u>27,460</u>		<u>19,205</u>
Current assets					
Debtors	7	53,376		37,465	
Cash at bank and in hand		16,836		20,943	
			<u>70,212</u>	<u>58,408</u>	
Creditors: amounts falling due within one year	8	(20,376)		(45,678)	
Net current assets			<u>49,835</u>		<u>12,730</u>
Total assets less current liabilities			<u>77,295</u>		<u>31,935</u>
Capital and reserves					
Share capital	9		100		100
Profit and loss account			77,195		31,835
Shareholders' funds			<u>77,295</u>		<u>31,935</u>

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31st May 1999.

The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

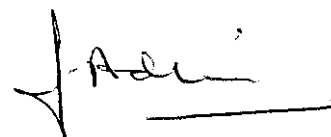
ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective March 1999).

These accounts were approved by the board on 22.12.99 and signed on its behalf by:

Mrs J Adkin
Director



FOCAL RESEARCH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1999

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of tangible fixed assets by reducing balance method, with the Leasehold Improvements depreciated by straight-line method. The rates and periods generally applicable are:

Leasehold Improvements	-10%
Plant and machinery	-15%
Motor vehicles	-25%

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Operating profit

The operating profit is stated after charging or crediting:

	1999	1998
	£	£
Depreciation of tangible fixed assets:		
-owned assets	6,348	5,545
Loss on disposal of fixed assets	-	(36)
	<u>6,348</u>	<u>5,509</u>

4 Directors' remuneration

	1999	1998
	£	£
Aggregate emoluments	3,000	3,000
	<u>3,000</u>	<u>3,000</u>

5 Taxation

	1999	1998
	£	£
Based on the profit for the year:		
UK corporation tax	14,608	13,210
	<u>14,608</u>	<u>13,210</u>

FOCAL RESEARCH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1999

6 Tangible fixed assets

	Leasehold Improve- Ments	Plant, Machinery & Office Equipment	Motor vehicles	Total
Cost	£	£	£	£
At 1st June 1998	-	6,620	18,378	24,998
Additions	2,100	12,503	-	14,603
At 31st May 1999	2,100	19,123	18,378	39,601
Depreciation				
At 1st June 1998	-	1,198	4,595	5,793
Charge for the year	210	2,692	3,446	6,348
At 31st May 1999	210	3,890	8,041	12,141
Net book value				
At 31st May 1999	1,890	15,233	10,337	27,460
At 31st May 1998	-	5,422	13,783	19,205

7 Debtors

	1999 £	1998 £
Trade debtors	38,625	35,500
Focal Marketing	6,181	-
Other debtors	368	1,965
Directors' loan accounts	8,202	-
	53,376	37,465

8 Creditors: amounts falling due within one year

	1999 £	1998 £
Trade creditors	-	15,000
Other creditors	20,376	26,490
Directors' loans	-	4,188
	20,376	45,678

FOCAL RESEARCH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1999

9	Share capital	1999 £	1998 £
	Authorised		
	100 Ordinary shares of £1.00 each	100	100
	Allotted		
	100 Allotted, called up and fully paid ordinary shares of £1.00 each	100	100
		100	100

10 Related parties

In the directors' opinion the company is controlled by Mr G. Adkin, one of its directors, who holds 95% of the issued share capital.

At 31 May 1999 the directors owed the company £8202 in respect of directors loan account balances. At 31 May 1999 the company owed the directors £4188.

During the year ended 31st May 1999, the company received services from a business under the control of Mrs Adkin, a director. Payments of £16000 (1998: £15000) were made for these services.

Included within Debtors - Focal Marketing is £6181 recharged telephone and motor expenses to the business controlled by Mrs Adkin.