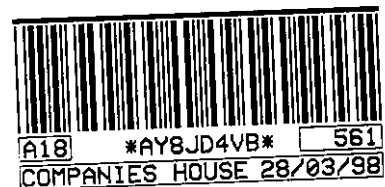


FOCAL RESEARCH LIMITED
COMPANY NUMBER: 3197901
ACCOUNTS FOR THE PERIOD ENDED
31ST MAY 1997

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FOCAL RESEARCH LIMITED
COMPANY NUMBER: 3197901

DIRECTORS' REPORT

The Directors' submit their report and the Financial Statements for the period ended 31st May 1997.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of market research.

DIRECTORS

The Directors' of the Company and their interests in shares of the Company are set out below:-

31st May 1997

G W Adkin	50 ordinary shares
Mrs J Adkin	50 ordinary shares

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors' to prepare financial statements 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 of the Company for that period. In preparing those financial statements, the Directors' are required to:

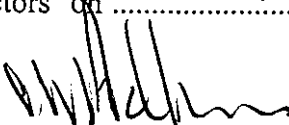
1. select suitable policies and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors' are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure them to enable them to ensure that the financial statements 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.

SPECIAL EXEMPTIONS

The directors' have taken advantage, in the preparation of their report, of the special exemptions applicable to Small Companies conferred by Part II of Schedule 8 to the Companies Act 1985.

Approved by the Board of Directors' on 6 November 1997 and signed on their behalf by:-


.....
G W Adkin Esq

ACCOUNTANT'S REPORT

TO THE DIRECTORS OF FOCAL RESEARCH LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 31 May 1997 set out on pages 4 to 7 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 prepared these unaudited financial statements in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Thomas Westcott & Gillard

**Thomas Westcott & Gillard
Chartered Accountants
Timberley
South Street
AXMINSTER
Devon**

DATED: 27-3-98

FOCAL RESEARCH LIMITED

PROFIT & LOSS ACCOUNT
FOR THE PERIOD ENDED 31ST MAY 1997

	<u>NOTES</u>	<u>£</u>
<u>TURNOVER</u>	1	96558
Administrative Expenses		<u>40497</u>
<u>OPERATING PROFIT</u>		56061
<u>PROFIT ON ORDINARY</u>		
<u>ACTIVITIES BEFORE TAXATION</u>		56061
Tax on Profit on Ordinary Activities	6	<u>13165</u>
<u>PROFIT FOR THE FINANCIAL YEAR</u>		
<u>ON ORDINARY ACTIVITIES AFTER TAXATION</u>		42896
<u>DIVIDEND</u>		<u>30000</u>
<u>RETAINED PROFIT transferred to reserves</u>		<u>12896</u>
<u>RETAINED PROFIT carried forward</u>		<u>12896</u>

The notes on pages 5 & 6 form part of these accounts.

All of the company's operations are classed as continuing. The company had no recognised gains or losses other than the surplus for the period.

FOCAL RESEARCH LIMITED

BALANCE SHEET

AS AT 31ST MAY 1997

	<u>NOTES</u>	<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	2		1611
<u>CURRENT ASSETS</u>			
Debtors	3	23273	
Cash at Bank and in Hand		<u>12082</u>	
		35355	

<u>CREDITORS:</u> Amounts falling due within one year	4	23970	

<u>NET CURRENT ASSETS</u>			<u>11385</u>
<u>TOTAL NET ASSETS</u>			<u>12996</u>
<u>CAPITAL & RESERVES</u>			
Called Up Share Capital	5		100
Profit & Loss Account			<u>12896</u>
			<u>12996</u>

In approving these financial statements as directors of the company, we have taken advantage of special exemptions conferred by part 1 of schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in our opinion, the company qualifies as a small company. We also hereby confirm:

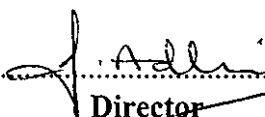
- a) That for the period in question, the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 and that the directors' have taken advantage of these exemptions;
- b) That no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the period ended 31st May 1997; and

FOCAL RESEARCH LIMITED

BALANCE SHEET continued

AS AT 31ST MAY 1997

- c) That we acknowledge our responsibilities for:
- i) ensuring that the company keeps accounting records which comply with section 221; and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company at the end of the financial period and of its surplus for the period then ended and which otherwise comply with the provisions for the Companies Act relating to accounts, so far as applicable to the company.

.....
Director

These accounts were approved by the Board of Directors on*6th November*..... 1997

FOCAL RESEARCH LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST MAY 1997

1. ACCOUNTING POLICIES

Accounting Convention

The accounts were prepared under the Historical Cost Convention as modified by the re-valuation of freehold properties.

Turnover

Represents net invoices sales of goods, excluding VAT.

Depreciation

Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer Equipment & Fittings - 15% Reducing Balance

Stocks

Stocks & Work in Progress are valued at the lower of cost and net realisable value, after making allowance for obsolete moving items.

2. TANGIBLE FIXED ASSETS

	<u>Computer Equipment & Fittings</u>
<u>Cost</u>	
Introduced	1895

<u>Cost at 31st May 1997</u>	1895

<u>Depreciation</u>	
Charge for Year	284

<u>Depreciation at 31st May 1997</u>	284

<u>Written Down Value as at 31st May 1997</u>	1611
	=====

FOCAL REASERCH LIMITED

NOTES TO THE ACCOUNTS continued
FOR THE PERIOD ENDED 31ST MAY 1997

	<u>£</u>
3. <u>DEBTORS</u>	
Trade Debtors	15418
Other Debtors & Prepayments	355
Advanced Corporation Tax	<u>7500</u>
	<u>23273</u>
4. <u>CREDITORS:</u> Amounts falling due within one year	
Corporation Tax Due	13165
Advanced Corporation Tax	7500
Trade Creditors	-
Other Creditors	2578
Directors Loan Account	<u>727</u>
	<u>23970</u>
5. <u>CALLED UP SHARE CAPITAL</u>	
Authorised:	
100 Ordinary Shares of £1.00 each	<u>100</u>
 Allotted, Called Up & Fully Paid	 <u>100</u>
6. <u>TAXATION</u>	
The Corporation Tax liability for the year is as follows, calculated at a rate of 24% and 21%	 <u>13165</u>