

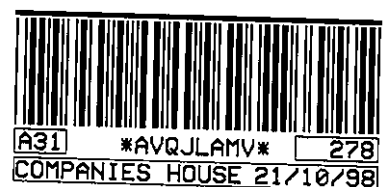
REGISTRAR OF COMPANIES
COMPANY NUMBER: 2711701

4CAST LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

**GOLDWYNS
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
13 DAVID MEWS
PORTER STREET
LONDON W1M 1HW**



4 CAST LIMITED

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4 CAST LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 1997

DIRECTORS: B J H PARK
R J ATTRILL
R J PARK
R WHITMORE

SECRETARY: R J ATTRILL

REGISTERED OFFICE: 191 VICTORIA STREET
LONDON
SW1E 5NE

REGISTERED NUMBER: 2711701 (England and Wales)

AUDITORS: GOLDWYNS
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
13 DAVID MEWS
PORTER STREET
LONDON
W1M 1HW

4 CAST LIMITED

**REPORT OF THE AUDITORS TO
4 CAST LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31st December 1997 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements 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 financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

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

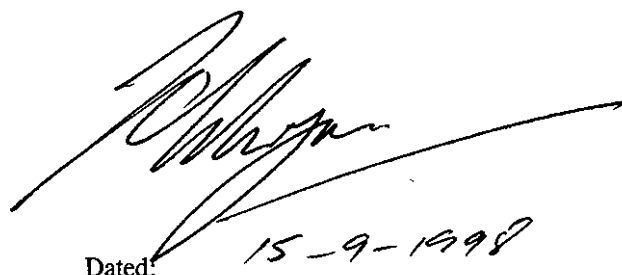
Other information

On 15.9.1998 we reported, as auditors to the shareholders of the company on the financial statements for the year ended 31st December 1997 prepared under Section 226 of the Companies Act 1985, and our report included the following paragraph:

"Fundamental uncertainty

In forming our opinion, we have considered the adequacy of the disclosure made in Note 15, concerning the net liabilities of £592,086 as at 31 December 1997 and the loss before tax of £881,498 for the year ended 31 December 1997. The financial statements have been prepared on a going concern basis, the validity of which depends on the continuing availability of financial support from the shareholders, bankers and from future profitable trading. The financial statements do not include any adjustments that would arise from a failure to obtain this financial support. Our opinion is not qualified in this respect."

GOLDWYNS
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
13 DAVID MEWS
PORTER STREET
LONDON
W1M 1HW

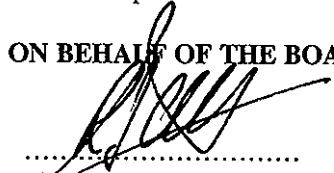

Dated: 15-9-1998

4 CAST LIMITED
ABBREVIATED BALANCE SHEET
31ST DECEMBER 1997

		<u>1997</u>		<u>1996</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		208,993		203,814
Investments	3		<u>604</u>		<u>-</u>
			209,597		203,814
CURRENT ASSETS:					
Debtors		348,519		162,810	
Cash at bank and in hand		<u>67,766</u>		<u>750</u>	
		416,285		163,560	
CREDITORS: Amounts falling due within one year		<u>1,217,968</u>		<u>369,824</u>	
NET CURRENT LIABILITIES:			<u>(801,683)</u>		<u>(206,264)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£(592,086)</u>		<u>£(2,450)</u>
CAPITAL AND RESERVES:					
Called up share capital	4		65,869		62,952
Share premium			1,711,999		1,423,054
Profit and loss account			<u>(2,369,954)</u>		<u>(1,488,456)</u>
Shareholders' funds			<u>£(592,086)</u>		<u>£(2,450)</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



 - DIRECTOR

Approved by the Board on 15th September 1998

4 CAST LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1997

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

Turnover represents net invoiced sales, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant & Machinery	- 20% on cost
Fixtures & Fittings	- 20% on cost
Computer equipment	- 33% on cost

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Investments

Unlisted Investments are carried at cost less a provision for any permanent diminution in value.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1st January 1997	292,312
Additions	<u>107,003</u>
At 31st December 1997	<u>399,315</u>
DEPRECIATION:	
At 1st January 1997	88,498
Charge for year	<u>101,824</u>
At 31st December 1997	<u>190,322</u>
NET BOOK VALUE:	
At 31st December 1997	<u>208,993</u>
At 31st December 1996	<u>203,814</u>

4 CAST LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1997

3. FIXED ASSET INVESTMENTS

	£
COST:	
Additions	<u>604</u>
At 31st December 1997	<u>604</u>
NET BOOK VALUE:	
At 31st December 1997	<u>604</u>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

4 CAST INC.

Country of incorporation: United States of America

Nature of business: Market Analysis

	%
Class of shares:	holding
Ordinary	100.00

	1997
	£
Aggregate capital and reserves	604
Loss for the year	<u>(11,900)</u>

The above amounts are from unaudited accounts of 4 Cast Inc. USA, for the period ended 31 December 1997.

4. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	1997	1996
			£	£
1,000,000	Ordinary Shares	£1	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	1997	1996
			£	£
65,869	Ordinary Shares	£1	<u>65,869</u>	<u>62,952</u>

2,917 Ordinary Shares of £1 each were allotted as fully paid at a premium of £119 per share during the year.

The movement on the share premium account (see note 12) is as follows:

	£
At the beginning of the year	1,423,054
Arising on issue of 2,917 shares	347,123
Less: related share issue costs	<u>(58,178)</u>
At the end of the year	<u>1,711,999</u>

4 CAST LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1997

5. TRANSACTIONS WITH DIRECTORS

The movement on the Directors' Current Accounts mainly arises from a loan of £100,000 advanced to the company by R Whitmore.

6. GOING CONCERN

The financial statements have been prepared on a going concern basis. The directors are willing to give the company the necessary financial support to continue trading.