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REGISTERED NUMBER: 3237607

ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2001
FOR
KJM SUPERBIKES LIMITED



KJM SUPERBIKES LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 2001**

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KJM SUPERBIKES LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2001

DIRECTORS:	Keith James Mason Eileen Mason Lee Mason
SECRETARY:	Eileen Mason
REGISTERED OFFICE:	2a Toogood Lane Wrightington Wigan WN6 9PL
REGISTERED NUMBER:	3237607
AUDITORS:	Anderson Advisers Chartered Accountant 15 Hayhurst Road Whalley Lancashire BB7 9RL

KJM SUPERBIKES LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2001

The directors present their report with the financial statements of the company for the year ended 31st December 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of motorcycle retailers and wholesalers.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The directors are satisfied with the company's performance for the year ended 31st December 2000.

The directors are hopeful of further improving turnover and profitability for the following year.

FIXED ASSETS

Movements in fixed assets are summarised in note 8 to the financial statements .

DIRECTORS

The directors during the year under review were:

Keith James Mason
Eileen Mason
Lee Mason

The beneficial interests of the directors holding office on 31st December 2001 in the issued share capital of the company were as follows:

	31.12.01	1.1.01
Ordinary shares £1 shares		
Keith James Mason	1	1
Eileen Mason	1	1
Lee Mason	-	-

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

AUDITORS

The auditors, Anderson Advisers, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

KJM SUPERBIKES LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2001**

This report has 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:

KJ Mason

Keith James Mason - DIRECTOR

Dated: 31/10/2002

KJM SUPERBIKES LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO
KJM SUPERBIKES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages five to fourteen, together with the full financial statements of the company for the year ended 31st December 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

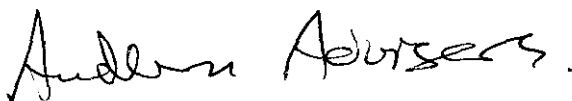
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit 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 Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to fourteen are properly prepared in accordance with that provision.



Anderson Advisers
Chartered Accountant
15 Hayhurst Road
Whalley
Lancashire
BB7 9RL

Dated: 31/10/2002

KJM SUPERBIKES LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2001**

		2001		2000	
	Notes	£	£	£	£
GROSS PROFIT			826,731		938,137
Distribution costs		23,444		25,481	
Administrative expenses		<u>302,641</u>		<u>460,116</u>	
			326,085		485,597
OPERATING PROFIT	3		500,646		452,540
Interest receivable and similar income			<u>14,516</u>		<u>240</u>
			515,162		452,780
Interest payable and similar charges	4		<u>185,115</u>		<u>89,820</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			330,047		362,960
Tax on profit on ordinary activities	5		<u>71,837</u>		<u>83,487</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			258,210		279,473
Dividends	6		<u>-</u>		<u>41,500</u>
			258,210		237,973
Retained profit brought forward			<u>844,872</u>		<u>606,899</u>
RETAINED PROFIT CARRIED FORWARD			<u>£1,103,082</u>		<u>£844,872</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

KJM SUPERBIKES LIMITED

**ABBREVIATED BALANCE SHEET
31ST DECEMBER 2001**

		2001		2000	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		162,785		171,885
CURRENT ASSETS:					
Stocks	8	2,636,099		2,395,723	
Debtors	9	422,386		392,590	
Cash at bank and in hand		307,041		95,310	
		<u>3,365,526</u>		<u>2,883,623</u>	
CREDITORS: Amounts falling due within one year	10	<u>2,322,138</u>		<u>2,089,545</u>	
NET CURRENT ASSETS:			<u>1,043,388</u>		<u>794,078</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			1,206,173		965,963
CREDITORS: Amounts falling due after more than one year	11		(102,496)		(120,496)
PROVISIONS FOR LIABILITIES AND CHARGES:	13		(593)		(593)
			<u>£1,103,084</u>		<u>£844,874</u>
CAPITAL AND RESERVES:					
Called up share capital	14		2		2
Profit and loss account			<u>1,103,082</u>		<u>844,872</u>
SHAREHOLDERS' FUNDS:	15		<u>£1,103,084</u>		<u>£844,874</u>

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

ON BEHALF OF THE BOARD:

K. J. Mason
Keith James Mason - DIRECTOR

E. Mason
Eileen Mason - DIRECTOR

Approved by the Board on 31/10/2002

The notes form part of these financial statements

KJM SUPERBIKES LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2001**

	Notes	2001		2000	
		£	£	£	£
Net cash inflow from operating activities	1		400,337		256,979
Returns on investments and servicing of finance	2		(170,599)		(89,580)
Taxation			-		(157,037)
Capital expenditure	2		(1,255)		(122,905)
Equity dividends paid			(41,500)		-
			<u>186,983</u>		<u>(112,543)</u>
Financing	2		221,552		(58,589)
Increase/(Decrease) in cash in the period			<u>£408,535</u>		<u>£(171,132)</u>
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period		408,535		(171,132)	
Cash outflow from decrease in debt		<u>18,000</u>		<u>17,910</u>	
Change in net debt resulting from cash flows			426,535		(153,222)
Movement in net debt in the period			426,535		(153,222)
Net debt at 1st January			<u>(1,364,193)</u>		<u>(1,210,971)</u>
Net debt at 31st December			<u>£(937,658)</u>		<u>£(1,364,193)</u>

The notes form part of these financial statements

KJM SUPERBIKES LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2001**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating profit	500,646	452,540
Depreciation charges	10,355	12,631
Increase in stocks	(240,376)	(6,409)
Increase in debtors	(29,795)	(44,904)
Increase/(Decrease) in creditors	159,507	(156,879)
Net cash inflow from operating activities	<u><u>400,337</u></u>	<u><u>256,979</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2001 £	2000 £
Returns on investments and servicing of finance		
Interest received	14,516	240
Interest paid	(185,115)	(89,820)
Net cash outflow for returns on investments and servicing of finance	<u><u>(170,599)</u></u>	<u><u>(89,580)</u></u>
Capital expenditure		
Purchase of tangible fixed assets	(1,255)	(122,905)
Net cash outflow for capital expenditure	<u><u>(1,255)</u></u>	<u><u>(122,905)</u></u>
Financing		
Loan repayments in year	(18,000)	(17,910)
Amount introduced by directors	301,928	3,246
Amount withdrawn by directors	(62,376)	(43,925)
Net cash inflow/(outflow) from financing	<u><u>221,552</u></u>	<u><u>(58,589)</u></u>

The notes form part of these financial statements

KJM SUPERBIKES LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2001**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/01 £	Cash flow £	At 31/12/01 £
Net cash:			
Cash at bank and in hand	95,310	211,731	307,041
Bank overdrafts	(1,321,007)	196,804	(1,124,203)
	<u>(1,225,697)</u>	<u>408,535</u>	<u>(817,162)</u>
Debt:			
Debts falling due within one year	(18,000)	-	(18,000)
Debts falling due after one year	(120,496)	18,000	(102,496)
	<u>(138,496)</u>	<u>18,000</u>	<u>(120,496)</u>
Total	<u>(1,364,193)</u>	<u>426,535</u>	<u>(937,658)</u>
Analysed in Balance Sheet			
Cash at bank and in hand	95,310		307,041
Bank overdrafts	(1,321,007)		(1,124,203)
Debts falling due within one year	(18,000)		(18,000)
Debts falling due after one year	(120,496)		(102,496)
	<u>(1,364,193)</u>		<u>(937,658)</u>

KJM SUPERBIKES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2001

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, 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.

Improvements to property	- 20% on reducing balance
Plant and machinery	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance
Computer equipment	- 20% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

2. STAFF COSTS

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3. OPERATING PROFIT

The operating profit is stated after charging:

	2001 £	2000 £
Depreciation - owned assets	10,355	12,631
Directors' emoluments	33,195	43,724

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
Bank interest and charges	76,054	53,359
Other interest	2,196	-
Loan interest	106,865	36,461
	185,115	89,820

KJM SUPERBIKES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2001**

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2001 £	2000 £
Current tax:		
UK corporation tax	71,837	83,487
	<u>71,837</u>	<u>83,487</u>
Tax on profit on ordinary activities	<u>71,837</u>	<u>83,487</u>

6. DIVIDENDS

	2001 £	2000 £
Equity shares:		
Final - ordinary shares	-	41,500
	<u>-</u>	<u>41,500</u>

7. TANGIBLE FIXED ASSETS

	Freehold property	Improvements to property	Plant and machinery
	£	£	£
COST:			
At 1st January 2001	121,364	54,478	15,640
	<u>121,364</u>	<u>54,478</u>	<u>15,640</u>
At 31st December 2001	121,364	54,478	15,640
	<u>121,364</u>	<u>54,478</u>	<u>15,640</u>
DEPRECIATION:			
At 1st January 2001	-	21,734	7,338
Charge for year	-	6,549	1,660
	<u>-</u>	<u>6,549</u>	<u>1,660</u>
At 31st December 2001	-	28,283	8,998
	<u>-</u>	<u>28,283</u>	<u>8,998</u>
NET BOOK VALUE:			
At 31st December 2001	121,364	26,195	6,642
	<u>121,364</u>	<u>26,195</u>	<u>6,642</u>
At 31st December 2000	121,364	32,744	8,302
	<u>121,364</u>	<u>32,744</u>	<u>8,302</u>

KJM SUPERBIKES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2001**

7. TANGIBLE FIXED ASSETS - continued

	Motor vehicles	Computer equipment	Totals
	£	£	£
COST:			
At 1st January 2001	351	18,097	209,930
Additions	-	1,255	1,255
At 31st December 2001	351	19,352	211,185
DEPRECIATION:			
At 1st January 2001	195	8,778	38,045
Charge for year	31	2,115	10,355
At 31st December 2001	226	10,893	48,400
NET BOOK VALUE:			
At 31st December 2001	125	8,459	162,785
At 31st December 2000	156	9,319	171,885

There is an unscheduled mortgage debenture dated 24th April 1997 incorporating a fixed and floating charge over all current and future assets of the company.

8. STOCKS

	2001	2000
	£	£
Motorcycles and accessories	2,636,099	2,395,723

**9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade debtors	292,227	307,237
Other debtors	75,159	85,353
Debtors	55,000	-
	422,386	392,590

KJM SUPERBIKES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2001**

**10. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001 £	2000 £
Bank loans and overdrafts (see note 12)	1,142,203	1,339,007
Trade creditors	88,772	77,779
Directors loan accounts	629,668	390,115
Dividend proposed	-	41,500
V.A.T.	285,702	-
Social security & other taxes	-	154,726
Taxation	153,755	81,918
Accrued expenses	22,038	4,500
	<u>2,322,138</u>	<u>2,089,545</u>

**11. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2001 £	2000 £
Bank loans (see note 12)	<u>102,496</u>	<u>120,496</u>

12. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2001 £	2000 £
Amounts falling due within one year or on demand:		
Bank overdrafts	1,124,203	1,321,007
Bank loans	18,000	18,000
	<u>1,142,203</u>	<u>1,339,007</u>

Amounts falling due between one and two years:

Bank loans	<u>102,496</u>	<u>120,496</u>
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13. PROVISIONS FOR LIABILITIES AND CHARGES

	2001 £	2000 £
Deferred taxation	<u>593</u>	<u>593</u>
	Deferred tax	
	£	
Balance at 1st January 2001	593	
Balance at 31st December 2001	<u>593</u>	

KJM SUPERBIKES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2001

14. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2001	2000
Number:	Class:		£	£
1,000,000	Ordinary shares	£1	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, issued and fully paid:		Nominal value:	2001	2000
Number:	Class:		£	£
2	Ordinary shares	£1	<u>2</u>	<u>2</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Profit for the financial year	258,210	279,473
Dividends	-	(41,500)
Net addition to shareholders' funds	258,210	237,973
Opening shareholders' funds	<u>844,874</u>	<u>606,901</u>
Closing shareholders' funds	<u>1,103,084</u>	<u>844,874</u>
Equity interests	<u>1,103,084</u>	<u>844,874</u>

16. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr K J Mason who controls the day to day management.