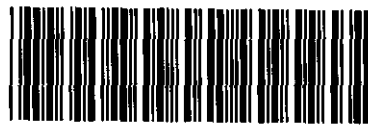


REGISTERED NUMBER: 3237607 (England and Wales)

AMENDED

Abbreviated Accounts
for the Year Ended 31st December 2005
for
KJM Superbikes Ltd

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COMPANIES HOUSE

Page 3 - Eileen
Page 6 - Keith

KJM Superbikes Ltd

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for the Year Ended 31st December 2005

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KJM Superbikes Ltd
Company Information
for the Year Ended 31st December 2005

DIRECTORS:

Eileen Mason
Keith James Mason
Lee James Mason

SECRETARY:

Eileen Mason

REGISTERED OFFICE:

White Bear Yard
Park Road
Adlington
Chorley
Lancashire
PR7 4HZ

REGISTERED NUMBER:

3237607 (England and Wales)

AUDITORS:

McDade Roberts Accountants Ltd
316 Blackpool Road
Fulwood
Preston
Lancashire
PR2 3AE

KJM Superbikes Ltd
Report of the Directors
for the Year Ended 31st December 2005

The directors present their report with the accounts of the company for the year ended 31st December 2005.

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 accounts.

The directors are satisfied with the company's performance for the year ended 31st December 2005.

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

DIVIDENDS

The dividend proposed for the year amounts to £999,999 (2004 £300,000). Total dividend declared is £999,998 for the year ended 31st December 2005.

FIXED ASSETS

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

DIRECTORS

The directors during the year under review were:

Eileen Mason
Keith James Mason
Lee James Mason

The beneficial interests of the directors holding office on 31st December 2005 in the issued share capital of the company were as follows:

	31.12.05	1.1.05
Ordinary shares £1 shares		
Eileen Mason	1	1
Keith James Mason	1	1
Lee James Mason	1	1

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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.

KJM Superbikes Ltd

Report of the Directors
for the Year Ended 31st December 2005

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, McDade Roberts Accountants Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

K J Mason

Keith James Mason - Director

2nd February 2007

Report of the Independent Auditors to
KJM Superbikes Ltd
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages five to fifteen, together with the financial statements of KJM Superbikes Ltd for the year ended 31st December 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and *whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.*

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. *In accordance with that Bulletin 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 accounts and that the abbreviated accounts to be delivered are properly prepared.*

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



McDade Roberts Accountants Ltd
316 Blackpool Road
Fulwood
Preston
Lancashire
PR2 3AE

2nd February 2007

KJM Superbikes Ltd

Abbreviated Profit and Loss Account
for the Year Ended 31st December 2005

	Notes	31.12.05 £	£	31.12.04 £	£
GROSS PROFIT			1,444,963		1,091,141
Distribution costs		15,002		13,601	
Administrative expenses		524,190		410,360	
			539,192		423,961
OPERATING PROFIT	3		905,771		667,180
Interest receivable and similar income			7,367		-
			913,138		667,180
Interest payable and similar charges	4		349,841		259,142
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			563,297		408,038
Tax on profit on ordinary activities	5		146,410		100,272
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			416,887		307,766

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

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

The notes form part of these abbreviated accounts

KJM Superbikes Ltd

Abbreviated Balance Sheet
31st December 2005

		31.12.05	31.12.04
	Notes	£	£
FIXED ASSETS			
Tangible assets	7	900,911	910,711
CURRENT ASSETS			
Stocks	8	5,421,061	4,690,121
Debtors	9	121,836	355,571
Cash at bank and in hand		49,607	42,598
		<u>5,592,504</u>	<u>5,088,290</u>
CREDITORS			
Amounts falling due within one year	10	<u>4,988,876</u>	<u>3,893,978</u>
NET CURRENT ASSETS		<u>603,628</u>	<u>1,194,312</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,504,539</u>	<u>2,105,023</u>
CREDITORS			
Amounts falling due after more than one year	11	(424,138)	(444,484)
PROVISIONS FOR LIABILITIES	13	<u>(3,567)</u>	<u>(593)</u>
NET ASSETS		<u><u>1,076,834</u></u>	<u><u>1,659,946</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	3	3
Profit and loss account	15	<u>1,076,831</u>	<u>1,659,943</u>
SHAREHOLDERS' FUNDS	16	<u><u>1,076,834</u></u>	<u><u>1,659,946</u></u>

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

The financial statements were approved by the Board of Directors on 2nd February 2007 and were signed on its behalf by:

KJ Mason

Keith James Mason - Director

The notes form part of these abbreviated accounts

KJM Superbikes Ltd**Cash Flow Statement
for the Year Ended 31st December 2005**

		31.12.05		31.12.04	
	Notes	£	£	£	£
Net cash inflow/(outflow) from operating activities	1		823,997		(153,397)
Returns on investments and servicing of finance	2		(342,474)		(259,142)
Taxation			(95,785)		(87,736)
Capital expenditure	2		-		(16,861)
Equity dividends paid			-		(300,000)
			<u>385,738</u>		<u>(817,136)</u>
Financing	2		(624,555)		324,676
Decrease in cash in the period			<u>(238,817)</u>		<u>(492,460)</u>
Reconciliation of net cash flow to movement in net debt	3				
Decrease in cash in the period		(238,817)		(492,460)	
Cash outflow from decrease in debt		<u>50,208</u>		<u>124,188</u>	
Change in net debt resulting from cash flows			(188,609)		(368,272)
Movement in net debt in the period			(188,609)		(368,272)
Net debt at 1st January			<u>(2,589,720)</u>		<u>(2,221,448)</u>
Net debt at 31st December			<u>(2,778,329)</u>		<u>(2,589,720)</u>

The notes form part of these abbreviated accounts

KJM Superbikes Ltd

Notes to the Cash Flow Statement
for the Year Ended 31st December 2005

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	31.12.05	31.12.04
	£	£
Operating profit	905,771	667,180
Depreciation charges	9,800	11,880
Increase in stocks	(730,940)	(788,961)
Decrease/(Increase) in debtors	233,735	(154,199)
Increase in creditors	405,631	110,703
Net cash inflow/(outflow) from operating activities	823,997	(153,397)

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

	31.12.05	31.12.04
	£	£
Returns on investments and servicing of finance		
Interest received	7,367	-
Interest paid	(349,841)	(259,142)
Net cash outflow for returns on investments and servicing of finance	(342,474)	(259,142)
Capital expenditure		
Purchase of tangible fixed assets	-	(16,861)
Net cash outflow for capital expenditure	-	(16,861)
Financing		
Loan repayments in year	(50,208)	(124,188)
Amount introduced by directors	570,460	1,819,232
Amount withdrawn by directors	(1,144,807)	(1,370,369)
Share issue	-	1
Net cash (outflow)/inflow from financing	(624,555)	324,676

The notes form part of these abbreviated accounts

KJM Superbikes Ltd

Notes to the Cash Flow Statement
for the Year Ended 31st December 2005

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.05 £	Cash flow £	At 31.12.05 £
Net cash:			
Cash at bank and in hand	42,598	7,009	49,607
Bank overdrafts	(2,104,339)	(245,826)	(2,350,165)
	<u>(2,061,741)</u>	<u>(238,817)</u>	<u>(2,300,558)</u>
Debt:			
Debts falling due within one year	(83,495)	29,862	(53,633)
Debts falling due after one year	(444,484)	20,346	(424,138)
	<u>(527,979)</u>	<u>50,208</u>	<u>(477,771)</u>
Total	<u>(2,589,720)</u>	<u>(188,609)</u>	<u>(2,778,329)</u>

The notes form part of these abbreviated accounts

KJM Superbikes Ltd

Notes to the Abbreviated Accounts
for the Year Ended 31st December 2005

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

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

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.

Freehold Property

In the opinion of the directors no depreciation has been provided on freehold property. This is contrary to UK GAAP. The company is applying the True & Fair view over-ride.

In the opinion of the directors the value of the freehold property is not materially mis-stated.

2. STAFF COSTS

	31.12.05	31.12.04
	£	£
Wages and salaries	<u>528,867</u>	<u>334,943</u>

The average monthly number of employees during the year was as follows:

	31.12.05	31.12.04
Sales	6	5
Administration	<u>16</u>	<u>16</u>
	<u>22</u>	<u>21</u>

KJM Superbikes Ltd

Notes to the Abbreviated Accounts - continued
for the Year Ended 31st December 2005

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.05	31.12.04
	£	£
Depreciation - owned assets	9,800	11,880
Audit Fee	4,000	4,000
	<u> </u>	<u> </u>
Directors' emoluments	-	-
	<u> </u>	<u> </u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.12.05	31.12.04
	£	£
Bank interest and charges	92,319	29,743
Bank loan interest	32,522	34,399
Loan interest	225,000	195,000
	<u> </u>	<u> </u>
	349,841	259,142
	<u> </u>	<u> </u>

5. TAXATION

Analysis of the tax charge

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

	31.12.05	31.12.04
	£	£
Current tax:		
UK corporation tax	143,436	94,859
Charge for earlier year	-	5,413
	<u> </u>	<u> </u>
Total current tax	143,436	100,272
Deferred tax	2,974	-
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	146,410	100,272
	<u> </u>	<u> </u>

6. DIVIDENDS

	31.12.05	31.12.04
	£	£
Ordinary shares shares of £1 each		
Final	999,999	300,000
	<u> </u>	<u> </u>

KJM Superbikes Ltd

Notes to the Abbreviated Accounts - continued
for the Year Ended 31st December 2005

7. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1st January 2005 and 31st December 2005	861,504	54,478	18,235
DEPRECIATION			
At 1st January 2005	-	41,066	13,173
Charge for year	-	2,682	1,012
At 31st December 2005	-	43,748	14,185
NET BOOK VALUE			
At 31st December 2005	861,504	10,730	4,050
At 31st December 2004	861,504	13,412	5,062

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1st January 2005 and 31st December 2005	26,361	5,098	29,881	995,557
DEPRECIATION				
At 1st January 2005	8,230	5,034	17,343	84,846
Charge for year	3,586	13	2,507	9,800
At 31st December 2005	11,816	5,047	19,850	94,646
NET BOOK VALUE				
At 31st December 2005	14,545	51	10,031	900,911
At 31st December 2004	18,131	64	12,538	910,711

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

	31.12.05 £	31.12.04 £
Motorcycles and accessories	5,421,061	4,690,121

KJM Superbikes Ltd

Notes to the Abbreviated Accounts - continued
for the Year Ended 31st December 2005

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.05	31.12.04
	£	£
Trade debtors	49,321	261,151
Other debtors	37,515	59,420
Kenwood Homes Limited Loan	35,000	35,000
	<u>121,836</u>	<u>355,571</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.05	31.12.04
	£	£
Bank loans and overdrafts (see note 12)	2,403,798	2,187,834
Trade creditors	298,123	3,224
Tax	112,510	64,859
VAT	135,566	11,746
Proposed dividends	999,999	-
Other creditors	40,000	75,052
MOTOGB account	78,718	78,718
Directors' current accounts	891,198	1,465,545
Accrued expenses	28,964	7,000
	<u>4,988,876</u>	<u>3,893,978</u>

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

	31.12.05	31.12.04
	£	£
Bank loans (see note 12)	<u>424,138</u>	<u>444,484</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.12.05	31.12.04
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	2,350,165	2,104,339
Bank loans	53,633	18,000
Bank Loan property	-	65,495
	<u>2,403,798</u>	<u>2,187,834</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>53,633</u>	<u>444,484</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>370,505</u>	<u>-</u>

KJM Superbikes Ltd

Notes to the Abbreviated Accounts - continued
for the Year Ended 31st December 2005

13. PROVISIONS FOR LIABILITIES

	31.12.05	31.12.04
	£	£
Deferred tax	<u>3,567</u>	<u>593</u>
		Deferred tax
		£
Balance at 1st January 2005		593
Charge for the year		<u>2,974</u>
Balance at 31st December 2005		<u>3,567</u>

14. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.12.05	31.12.04
			£	£
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:	31.12.05	31.12.04
			£	£
3	Ordinary shares	£1	<u>3</u>	<u>3</u>

15. RESERVES

	Profit and loss account £
At 1st January 2005	1,659,943
Profit for the year	416,887
Dividends	<u>(999,999)</u>
At 31st December 2005	<u>1,076,831</u>

KJM Superbikes Ltd

Notes to the Abbreviated Accounts - continued
for the Year Ended 31st December 2005

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.05	31.12.04
	£	£
Profit for the financial year	416,887	307,766
Dividends	(999,999)	(300,000)
	(583,112)	7,766
Issued shares	-	1
Net (reduction)/addition to shareholders' funds	(583,112)	7,767
Opening shareholders' funds	1,659,946	1,652,179
Closing shareholders' funds	1,076,834	1,659,946
Equity interests	1,076,834	1,659,946

17. ULTIMATE CONTROLLING PARTY

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