

Registered in England No. 1212490

CIMAC MARTIAL ARTS WEAR LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 1995

RAFTERY & CO
Chartered Accountants
Registered Auditors

Marlborough House
Warwick Road
Solihull
West Midlands
B91 3DA



A Member of the UK200 Group of Practising Chartered Accountants

AUDITORS' REPORT PERSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985
TO THE SHAREHOLDERS CIMAC MARTIAL ARTS WEAR LIMITED

We have examined the abbreviated accounts set out on pages 3 to 5, together with the full financial statements of the company prepared under Section 226 to the Companies Act 1985 for the year ended 31 December 1995.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

The directors are responsible for preparing abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors statement and whether the abbreviated accounts have been properly prepared in accordance with that schedule.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the audited financial statements that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with the events after the date of our report on the full financial statements.

OPINION

In our opinion the company is entitled under Section 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 December 1995; and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that schedule.

On ~~16 April 1996~~ we reported to the members as auditors on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1995, and our report was as follows on page 2:

AUDITORS' REPORT PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985 TO THE SHAREHOLDERS OF
CIMAC MARTIAL ARTS WEAR LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the Directors' Report, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985, applicable to small companies.

Raftery & Co

RAFTERY & CO
Chartered Accountants
Marlborough House
Warwick Road
Solihull
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16 April 1996

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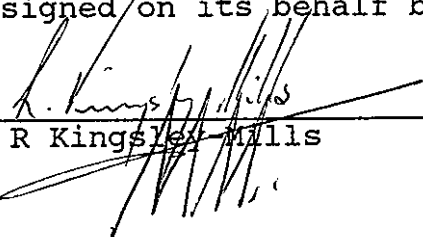
CIMAC MARTIAL ARTS WEAR LIMITEDBALANCE SHEETAS AT 31ST DECEMBER 1995

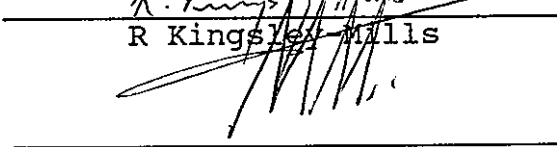
	Notes	1995	1994
		£	£
FIXED ASSETS			
Intangible Assets	2	2,500	2,500
Tangible Fixed Assets	3	<u>19,420</u>	<u>16,200</u>
		21,920	18,700
CURRENT ASSETS			
Stocks		134,500	80,000
Debtors		52,572	49,096
Cash at bank and in hand		<u>78,269</u>	<u>72,777</u>
		265,341	201,873
Creditors: Amounts falling due within one year		<u>71,660</u>	<u>49,759</u>
NET CURRENT ASSETS		<u>193,681</u>	<u>152,114</u>
NET ASSETS		£ <u>215,601</u>	£ <u>170,814</u>
CAPITAL AND RESERVES			
Called Up Share Capital	4	1,000	1,000
Profit and Loss Account		<u>214,601</u>	<u>169,814</u>
SHAREHOLDERS' FUNDS		£ <u>215,601</u>	£ <u>170,814</u>

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

The directors have taken advantage of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

The financial statements were approved by the board of directors on 29 February 1996 and signed on its behalf by:


R Kingsley-Mills


D Kingsley-Mills

The attached notes form part of these financial statements.

CIMAC MARTIAL ARTS WEAR LIMITEDNOTES TO THE FINANCIAL STATEMENTSYEAR ENDED 31ST DECEMBER 1995**1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's Financial Statements.

(a) Accounting Convention

The financial statements are prepared under the historical cost convention.

(b) Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful lives using the following methods and annual rates:

Fixtures and Fittings	:	Straight line 15%
Motor Vehicles	:	Reducing balance 25%
Computer	:	Straight line 33.33%

(c) Stock

Stocks have been valued at the lower of cost and net realisable value.

(d) Deferred Tax

Provision for deferred tax is made on all material timing differences to the extent that it is probable that a liability or asset will crystallise. Provision is made at the rate of tax estimated to be applicable when the timing difference is expected to reverse.

(e) Foreign Currency Translation

Stock purchased with foreign currency has been valued at the rate of exchange ruling at the time of settlement.

(f) Cash Flow Statement

The company is exempted from the requirement to prepare a cash flow statement (in accordance with Financial Reporting Standard No 1) on the basis of it being a 'small company' as defined by Section 247 Companies Act 1985.

CIMAC MARTIAL ARTS WEAR LIMITEDNOTES TO THE FINANCIAL STATEMENTS (Continued)YEAR ENDED 31ST DECEMBER 1995**2. INTANGIBLE ASSETS**

In 1993 the Company acquired from the Receivers the name and goodwill of the company known as Giko Cimac Limited at a cost of £2,500. It is not intended to provide for depreciation of this asset.

3. TANGIBLE FIXED ASSETS

	TOTAL	FIXTURES & FITTINGS & COMPUTER	MOTOR VEHICLES
	£	£	£
<u>Cost</u>			
At 1.1.95	24,402	18,208	6,194
Additions during the year	18,348	235	18,113
Disposals during the year	(13,646)	(7,452)	(6,194)
At 31.12.95	<u>£29,104</u>	<u>£10,991</u>	<u>£18,113</u>
<u>Accumulated Depreciation</u>			
At 1.1.95	8,202	6,508	1,694
Charge for the year	6,609	1,896	4,713
Eliminated on disposals	(5,127)	(3,433)	(1,694)
At 31.12.95	<u>£9,684</u>	<u>£4,971</u>	<u>£4,713</u>
<u>Net Book Value</u>			
At 31.12.95	<u>£19,420</u>	<u>£6,020</u>	<u>£13,400</u>
At 31.12.94	<u>£16,200</u>	<u>£11,700</u>	<u>£4,500</u>

4. SHARE CAPITAL

	<u>1995</u> £	<u>1994</u> £
Authorised:		
Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, Called Up and Fully Paid:		
Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>