

Bravado Merchandising Services Limited

Report and Unaudited Accounts

31 December 1999



MARTIN GREENE RAVDEN

*Chartered Accountants
and Registered Auditors*

**55 Loudoun Road
St John's Wood
London NW8 0DL**

Company No. 1551763

Bravado Merchandising Services Limited

REPORT AND UNAUDITED ACCOUNTS

For the year ended 31 December 1999

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Bravado Merchandising Services Limited

COMPANY INFORMATION

Directors

A E Crux
B M Drinkwater
K A Drinkwater
T Bennett

Secretary

C E Stone

Business address

12 Deer Park Road
South Wimbledon
London SW19 3FB

Registered office

55 Loudoun Road
St John's Wood
London NW8 0DL

Accountants

Martin Greene Ravden
Chartered Accountants
55 Loudoun Road
St John's Wood
London NW8 0DL

Bravado Merchandising Services Limited

DIRECTORS' REPORT

For the year ended 31 December 1999

The directors present their report and the audited accounts for the year ended 31 December 1999.

Statement of directors' responsibilities

A statement of the directors' responsibilities in relation to the accounts is set out on page 3.

Business review

During the year the company did not trade, receive any income or incur any expenditure and therefore no change has arisen in its financial position. Any expenses have been met by Bravado International Group Limited, a fellow group company.

Directors and their interests

The directors who held office during the year and their beneficial interests in the company's share capital were as follows:

	Number of £1 Ordinary Shares at	
	1 January 1999	31 December 1999
A E Crux	-	-
B M Drinkwater	-	-
K A Drinkwater	-	-
T Bennett	-	-

The beneficial interests of Mr A E Crux, Mr B M Drinkwater and Mr K A Drinkwater in the share capital of the ultimate holding company, Bravado Group Limited, are shown in the accounts of that company.

Auditors

A resolution to re-appoint the auditors, Martin Greene Ravden, will be proposed at the forthcoming annual general meeting.

By order of the Board



C E Stone
Secretary

27 October 2000

STATEMENT OF DIRECTORS' RESPONSIBILITIES
in relation to the accounts for the year ended 31 December 1999

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts 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.

Bravado Merchandising Services Limited

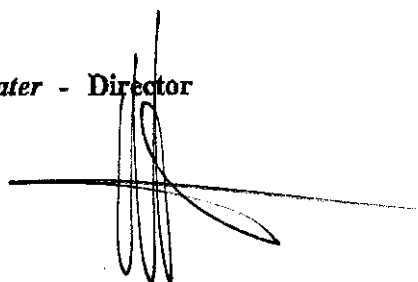
BALANCE SHEET at 31 December 1999

	Notes	1999 £	1998 £
Fixed assets			
Investments	2	85	85
Current assets			
Debtors (due within one year)	3	288,955	288,955
Debtors (due after one year)	3	311,352	311,352
		600,307	600,307
Creditors due within one year			
Trade and other creditors	4	(103,426)	(103,426)
Net current assets		496,881	496,881
Net assets		496,966	496,966
Capital and reserves			
Called up share capital	5	3	3
Profit and loss account		496,963	496,963
Shareholder's funds		496,966	496,966

The company was dormant within the meaning of Section 250 of the Companies Act 1985, throughout the financial year.

The accounts were approved by the Board
on 27 October 2000 and signed on its behalf by

K A Drinkwater - Director



Bravado Merchandising Services Limited

NOTES TO THE ACCOUNTS

For the year ended 31 December 1999

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The accounts are prepared under the historical cost convention.

2. FIXED ASSET INVESTMENTS

	1999 £	1998 £
Subsidiary undertakings	85	85

The company's subsidiaries at 31 December 1999 were:

Name	Holding of Ordinary Shares %	Country of incorporation	Nature of business
BMS (Mail Order) Limited	84.85	England and Wales	Dormant
Bravado SARL	75.00	France	Dormant

3. DEBTORS

	1999 £	1998 £
Due within one year		
Amounts owed by group undertakings	288,955	288,955
Due after one year		
Other debtors	311,352	311,352
	<u>600,307</u>	<u>600,307</u>

4. CREDITORS

	1999 £	1998 £
Due within one year		
Trade creditors	101,233	101,233
Amount owed to group undertaking	2,193	2,193
	<u>103,426</u>	<u>103,426</u>

Bravado Merchandising Services Limited

NOTES TO THE ACCOUNTS

For the year ended 31 December 1999

5.	CALLED UP SHARE CAPITAL	1999 £	1998 £
	Authorised		
	100 Ordinary shares of £1 each	100	100
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	3 Ordinary shares of £1 each	3	3
		<u> </u>	<u> </u>

6. PROFIT AND LOSS ACCOUNT

During the year ended 31 December 1999, the company did not trade, receive any income or incur any expenditure and therefore no change has arisen in its financial position. Any expenses have been met by Bravado International Group Limited, a fellow group company.

7. RELATED PARTY TRANSACTIONS AND CONTINGENT LIABILITIES

The company is acting as guarantor for a bank loan to Strawhand Limited, a company owned by Mr A E Crux, Mr B M Drinkwater and Mr K A Drinkwater. It is also acting as guarantor for certain bank facilities of a fellow group undertaking. Details of the amounts guaranteed at the year end are shown below:

	1999 £	1998 £
Strawhand Limited	76,073	101,430
Fellow group undertaking	107	220,000
	<u> </u>	<u> </u>

The company has made interest free loans totalling £311,352 (1998 - £311,352) to Strawhand Limited, Bravado Holdings Limited and Concessions Management International Limited. Mr A E Crux, Mr B M Drinkwater and Mr K A Drinkwater have material interests as shareholders in these companies. Mr Bennett has a shareholding in Bravado Holdings Limited.

8. ULTIMATE HOLDING COMPANY AND CONTROLLING PARTY

The company is a wholly owned subsidiary of Bravado Group Limited which was incorporated in England and Wales. Mr A E Crux, Mr B M Drinkwater and Mr K A Drinkwater control Bravado Group Limited by virtue of their combined ownership of 100% of the issued share capital.