
Endless Holdings Limited

Report and Financial Statements

◆ *Period ended 27 December 1997* ◆



Company No: 2400722

ENDLESS HOLDINGS LIMITED

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ENDLESS HOLDINGS LIMITED

COMPANY INFORMATION

Director	G G Watt
Secretary	G Hawkins
Registered office	38 Endless Street Salisbury Wiltshire SP1 3UH
Registered number	2400722
Auditors	Robson Rhodes Chartered Accountants Centre City Tower 7 Hill Street Birmingham B5 4UU
Bankers	Midland Bank plc

ENDLESS HOLDINGS LIMITED

REPORT OF THE DIRECTOR

The director presents his report and the audited financial statements for the period ended 27 December 1997.

Principal activity

The principal activity of the company is that of intermediate holding company.

Business review and future developments

The company continued its search for business opportunities on its own behalf and on behalf of the group.

Dividends

The director does not propose a dividend for the period (1996 - £Nil).

Director

The present director of the company is set out on page 1.

At the year end G G Watt was a director of Endless Holdings (Group) Limited, the ultimate parent company. His beneficial interest in the ordinary shares of the ultimate parent company is shown in the directors' report of that company.

The director had no beneficial interest in the ordinary shares of the company.

Director's responsibilities

Company law requires the director 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 these financial statements, the director has:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enables him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

ENDLESS HOLDINGS LIMITED

REPORT OF THE DIRECTOR
(Continued)

Auditors

The auditors, Robson Rhodes are willing to continue in office, and a resolution to reappoint them will be proposed at the Annual General Meeting.

The report of the director was approved by the Board on 7 September 1998 and signed on its behalf by:



G HAWKINS
Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS OF ENDLESS HOLDINGS LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared on the basis of the accounting policies set out on page 7.

Respective responsibilities of director and auditors

As described on page 2 the company's director is 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.

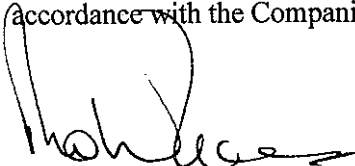
Basis of opinion

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 judgements 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that 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 27 December 1997 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Robson Rhodes
Chartered Accountants and Registered Auditor

Birmingham
7 September 1998

ENDLESS HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT
for the period ended 27 December 1997

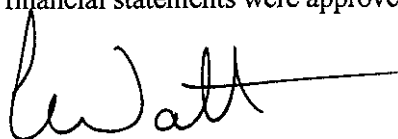
	Note	Period ended 27 December 1997 £	Period ended 30 December 1996 £
Administrative expenses		(12,399)	(31,047)
Other operating income		7,586	21,138
		<hr/>	<hr/>
Operating loss - continuing operations	2	(4,813)	(9,909)
Interest receivable and similar income		-	1,635
Interest payable	3	-	(232)
		<hr/>	<hr/>
Loss for the period	10	(4,813)	(8,506)
		<hr/> <hr/>	<hr/> <hr/>

There were no recognised gains or losses other than those reported above.

ENDLESS HOLDINGS LIMITED**BALANCE SHEET**
at 27 December 1997

	Note	27 December 1997 £	30 December 1996 £
Fixed assets			
Tangible assets	5	1,388	-
Investments	6	1,542,490	1,542,490
		<hr/>	<hr/>
		1,543,878	1,542,490
		<hr/>	<hr/>
Current assets			
Debtors	7	1,515,266	1,556,480
Cash at bank and in hand		2,413	4,752
		<hr/>	<hr/>
		1,517,679	1,561,232
Creditors: Amounts falling due within one year	8	(2,464,409)	(2,501,761)
		<hr/>	<hr/>
Net current liabilities		(946,730)	(940,529)
		<hr/>	<hr/>
Net assets		597,148	601,961
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	9	4,277,002	4,277,002
Profit and loss account	10	(3,679,854)	(3,675,041)
		<hr/>	<hr/>
Equity shareholders' funds		597,148	601,961
		<hr/>	<hr/>

The financial statements were approved by the Board on 7 September 1998 and signed on its behalf by:



G G WATT
Director

NOTES TO THE FINANCIAL STATEMENTS
27 December 1997**1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements are prepared in accordance with applicable accounting standards under the historical cost convention.

The accounts are drawn up to the last Saturday in the calendar year, unless this falls on 25 December, when the period end is taken as 1 January and a 53 week period is then reported. The accounts for the period ended 27 December 1997 are for 52 weeks (1995 - 52 weeks). The next 53 week period of account will be that ending on 1 January 2000.

Tangible fixed assets and depreciation

Depreciation is provided evenly on the cost (or valuation where appropriate) of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Motor vehicles and fixtures and fittings	-	25% per annum
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Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are invested and managed independently of the finances of the company. The pension cost charge represents contributions payable in the period.

2. OPERATING LOSS

Operating loss is arrived at after charging/(crediting):

	Period ended 27 December 1997 £	Period ended 30 December 1996 £
Depreciation - own assets	462	-
Loss on disposal of fixed assets	-	(400)
Auditors' remuneration	2,000	4,000
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
27 December 1997**3. INTEREST PAYABLE AND SIMILAR CHARGES**

	Period ended 27 December 1997 £	Period ended 30 December 1996 £
Interest on loans and overdrafts repayable wholly within five years	NIL	232
	<u> </u>	<u> </u>

4. EMPLOYEES

Average weekly number of employees, including directors:

	Period ended 27 December 1997 No	Period ended 30 December 1996 No
Administration	2	2
	<u> </u>	<u> </u>

The only employees of the company are directors. They received no remuneration during the period (1996 - £Nil).

5. TANGIBLE ASSETS

	Plant and equipment £
Cost	
At 30 December 1996	-
Additions	1,850
	<u> </u>
At 27 December 1997	1,850
	<u> </u>
Depreciation	
At 30 December 1996	-
Charge for the year	462
	<u> </u>
At 27 December 1997	462
	<u> </u>
Net book value	
At 27 December 1997	1,388
	<u> </u>
At 30 December 1996	NIL
	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
27 December 1997

6. INVESTMENTS

			Shares in subsidiaries		
			£		
Cost					
At 30 December 1996 and 27 December 1997			1,542,490		
Company	Country of registration	Activity	Proportion of ordinary shares held	Capital and reserves 27 December 1997	Result for the period 27 December 1997
			%	£	£
Endless Energy Group Limited	England and Wales	Investment company	100	2,309,814	-
Endless Investment Limited	England and Wales	Investment company	100	92,490	-

7. DEBTORS

	27 December 1997	30 December 1996
	£	£
Amounts owed by parent company	1,092,327	1,092,327
Amounts owed by own subsidiary undertakings	381,598	344,775
Amounts owed by associated undertakings	41,341	119,378
	<hr/>	<hr/>
	1,515,266	1,556,480
	<hr/>	<hr/>

Amount totalling £315,498 (1996 - £Nil) due from subsidiary undertakings is due after more than one year.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	27 December 1997	30 December 1996
	£	£
Amounts owed to subsidiary undertakings	2,387,834	2,387,834
Amounts owed to associate companies	70,616	111,245
Corporation tax	333	334
Other creditors	660	500
Other taxation and social security	366	(652)
Accruals and other deferred income	4,600	2,500
	<hr/>	<hr/>
	2,464,409	2,501,761
	<hr/>	<hr/>

ENDLESS HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
27 December 1997**9. SHARE CAPITAL**

	27 December 1997	30 December 1996
	£	£
Authorised		
5,000,000 ordinary shares of £1 each	5,000,000	5,000,000
	<u> </u>	<u> </u>
Allotted and fully paid		
4,277,002 ordinary shares of £1 each	4,277,002	4,277,002
	<u> </u>	<u> </u>

10. RESERVES

	Profit and loss account
	£
At 30 December 1996	(3,675,041)
Loss for the period	(4,813)
	<u> </u>
At 27 December 1997	(3,679,854)
	<u> </u>

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	27 December 1997	30 December 1996
	£	£
Total recognised losses	(4,813)	(8,506)
Opening shareholders' funds	601,961	610,467
	<u> </u>	<u> </u>
Closing shareholders' funds	597,148	601,961
	<u> </u>	<u> </u>

12. CONTINGENT LIABILITIES

There is a fixed charge over debtors and a floating charge over the assets of the company, in respect of any bank indebtedness.

The company is party to an unlimited multilateral cross company guarantee to various other group companies.

NOTES TO THE FINANCIAL STATEMENTS
27 December 1997

13. PARENT UNDERTAKING

The directors consider the ultimate parent company to be Endless Holdings (Group) Limited, company registered in England and Wales.