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Company Registration No. 2719388

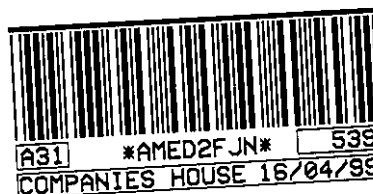
Energen Investments Limited

Financial Statements

For the Year Ended 31 December 1997

Ref-2323-97

Registered Office
Caprice House
3 New Burlington Street
London
W1X 1FE



Energen Investments Limited
Financial Statements
For the Year Ended 31 December 1997

Index

	<u>Pages</u>
Index	1
Directors' report	2 - 3
Report of the auditors	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 11

Energen Investments Limited

Directors' Report

The Directors present their report and financial statements for the year ended 31 December 1997.

Principal activities and review of the business

The principal activity of the company continued to be that of an investment company and is also a nominee company.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends

The results for the year are set out on page 6.

It is proposed that the retained loss of £2,170 is transferred to reserves.

Directors

The following directors have held office since the beginning of the year.

M W Denton		
S J Townsend	(Appointed 20 August 1997)	(Resigned 30 September 1998)
J Butterfield	(Appointed 20 August 1997)	(Resigned 9 November 1998)
F M Forrai	(Appointed 20 August 1997)	(Resigned 9 November 1998)
D J Hall	(Appointed 9 November 1998)	
P A Wallis	(Appointed 9 November 1998)	

The Directors had no interest in the issued share capital of the company.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Matthew Edwards & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

Energen Investments Limited

Directors' Report

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

By order of the board



.....
M W Denton - Director

Date: 17/2/99

Energen Investments Limited

Auditors' Report

To the Shareholders of Energen Investments Limited

We have audited the financial statements on pages 6 to 11, which have been prepared under the historical cost convention and the accounting policies set out in note 1.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of the 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, except that the scope of our work was limited as explained below. 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 the 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.

Opinion: Disclaimer on view given by financial statements

In forming our opinion we have considered the adequacy of disclosures made in the financial statements concerning the investment at note 5. We have been unable to obtain independent confirmation of the investment shown in the balance sheet. Because of the possible effect of the limitation of evidence, we are unable to form an opinion on whether the financial statements give a true and fair view of the company's affairs as at 31st December 1997 or of its profit and loss for the year then ended.

In all other respects, in our opinion, the financial statements have been prepared in accordance with the Companies Act 1985.

 18/2/99

Edwards & Co
Chartered Accountants
Registered Auditor
Mitre House

Energen Investments Limited

Profit and Loss Account

For the Year Ended 31 December 1997

	Notes	1997 £	1996 £
Turnover	2	-	4,250
Administrative expenses		(2,170)	(6,227)
		-----	-----
Loss on ordinary activities before taxation	3	(2,170)	(1,977)
Tax on loss on ordinary activities	4	-	-
		-----	-----
Loss on ordinary activities after taxation	9	<u>(2,170)</u>	<u>(1,977)</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

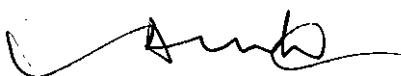
Energen Investments Limited

Balance Sheet

As at 31 December 1997

	Notes	1997		1996	
		£	£	£	£
Fixed assets					
Investments	5		1,934,916		1,934,916
Current assets					
Debtors	6	4,250		5,146	
Cash at bank and in hand		4,394		5,949	
		-----		-----	
		8,644		11,095	
Creditors: amounts falling due within one year	7	(1,943,740)		(1,944,021)	
		-----		-----	
Net current liabilities			(1,935,096)		(1,932,926)
			-----		-----
Total assets less current liabilities			(180)		1,990
			=====		=====
Capital and reserves					
Called up share capital	8		20,000		20,000
Profit and loss account	9		(20,180)		(18,010)
			-----		-----
Shareholders' (deficit)/funds - equity interests	10		(180)		1,990
			=====		=====

The financial statements were approved by the Board on17/2/98.....



.....
M W Denton - Director

Energen Investments Limited

Notes to the Financial Statements

For the Year Ended 31 December 1997

1. Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. The company is exempt from producing a cash flow statement.

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4 Foreign currency translation

The company's accounting records are maintained in Pounds Sterling.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

1.5 Group accounts

The accounts of the subsidiary have not been consolidated because the company has relied upon S.229(3)(b) of the 1985 Companies Act.

1.6 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

2. Turnover

Turnover represents fees receivable on a nominee basis.

Energen Investments Limited

Notes to the Financial Statements

For the Year Ended 31 December 1997

3. Operating loss

	1997 £	1996 £
Operating loss is stated after charging:		
Auditors' remuneration	400	500
	<u>400</u>	<u>500</u>

4. Taxation

No UK corporation tax has been provided for due to tax allowable losses incurred in previous years.

5. Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 31 December 1996 and 1997	1,934,916
	<u>1,934,916</u>

The investment represents a 100% interest in Iberica de Arroces S.A., a company incorporated in Spain and is stated at acquisition cost. In the opinion of the directors, the market value of the investment is at least equivalent to its cost.

6. Debtors

	1997 £	1996 £
Trade debtors	4,250	4,250
Prepayments and accrued income	-	896
	<u>4,250</u>	<u>5,146</u>

Energen Investments Limited

Notes to the Financial Statements

For the Year Ended 31 December 1997

7. Creditors: amounts falling due within one year

	1997 £	1996 £
Ultimate shareholders loan	1,941,950	1,940,717
Accruals and deferred income	1,790	3,304
	<u>1,943,740</u>	<u>1,944,021</u>

The shareholders loan is interest free, unsecured and has no fixed repayment date.

8. Share capital

The authorised share capital of the Company comprises 100,000 ordinary £1 shares of which 20,000 have been issued and are fully paid up (1996 - 20,000).

9. Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 1997	(18,010)
Retained loss for the year	(2,170)
	<u>(20,180)</u>
Balance at 31 December 1997	<u>(20,180)</u>

10. Reconciliation of movements in shareholders' funds

	1997 £	1996 £
Loss for the financial year	(2,170)	(1,977)
Opening shareholders' funds	1,990	3,967
	<u>(180)</u>	<u>1,990</u>
Closing shareholders' (deficit)/funds	<u>(180)</u>	<u>1,990</u>

Energen Investments Limited

Notes to the Financial Statements

For the Year Ended 31 December 1997

11. Contingent liabilities

There were no contingent liabilities as at the balance sheet date.

12. Capital commitments

There were no major capital commitments as at the balance sheet date.

13. Employees

Number of employees

There were no employees during the year apart from the directors.

14. Ultimate controlling party and related party transactions

The directors are not aware of the identity of the ultimate controlling party. The directors are also unaware of any transactions during the period under review or any outstanding creditors or debtors at the balance sheet date with any related parties.