

Energen Investments Limited

Financial Statements

For the Year Ended 31 December 1999

Ref.: 2323-1999

Registered Office
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London
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Energen Investments Limited

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Energen Investments Limited

Directors' Report

The directors present their report and financial statements for the year ended 31 December 1999.

Activities

The principal activity of the company is that of an investment company.

Directors

The following directors served during the year, and their interest in the share capital of the company at any time during the year:

D J Hall
P A Wallis

The directors had no beneficial interest in the share capital of the company during the year.

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;
- 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.

Year 2000

The company has identified the key risks to the business and has developed a plan to minimise the impact. Although no organisation can guarantee that no year 2000 problems will arise, the company believes that, having identified and removed the major risks to the business in accordance with the plan that was developed, it will be possible to quickly resolve any such problems as may arise without significant additional costs.

Energen Investments Limited

Directors' Report


Auditors

MRI Moores Rowland have expressed their willingness to continue in office and a resolution to re-appoint them will be put forward at the Annual General Meeting.

Small company exemptions

The directors have taken advantage of the exemptions conferred by Part VII of the Companies Act 1985 relating to small companies.

By order of the board

A handwritten signature in dark ink, appearing to read 'D J Hall', is written over a horizontal dotted line. The signature is fluid and cursive.

D J Hall - Director

Date: 29.01.01

Energen Investments Limited

Report of the Auditors to the Members

We have audited the financial statements on pages 4 to 9, which have been prepared under the historical cost convention and the accounting policies as set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1, 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, 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.

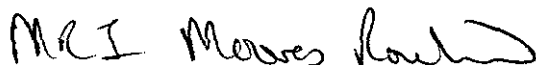
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in Note 1 of the financial statements concerning the continued financial support of the shareholders. In view of this we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MRI Moores Rowland
Chartered Accountants
Registered Auditors
London

Date: 29.01.01

Energen Investments Limited

Profit and Loss Account

For the Year Ended 31 December 1999

	Notes	1999 £	1998 £
Turnover		-	-
Administrative expenses		(1,336,779)	(4,576)
		-----	-----
(Loss) on ordinary activities before taxation	2	(1,336,779)	(4,576)
Tax on loss on ordinary activities	3	-	-
		-----	-----
(Loss) on ordinary activities after taxation	8	(1,336,779)	(4,576)
		=====	=====

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 1999

	Notes	£	1999 £	£	1998 £
Fixed assets					
Investments	4		605,030		1,934,916
Current assets					
Cash at bank and in hand		-		4,394	
		-----		-----	
		-		4,394	
Creditors: amounts falling due within one year	5	(7,508)		(4,055)	
		-----		-----	
Net current (liabilities)/assets			(7,508)		339
			-----		-----
			597,522		1,935,255
Creditors: amounts falling due after more than one year	6		(1,939,057)		(1,940,011)
			-----		-----
Total net liabilities			(1,341,535)		(4,756)
			=====		=====
Capital and reserves					
Called up share capital	7		20,000		20,000
Profit and loss account	8		(1,361,535)		(24,756)
			-----		-----
Shareholders' funds	9		(1,341,535)		(4,756)
			=====		=====

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

Approved by the Board on 29.01.01.....


D J Hall - Director

Energen Investments Limited

Notes to the Financial Statements

For the Year Ended 31 December 1999

1. Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standards for Smaller Entities.

1.2 Going concern

The accounts have been prepared under the going concern concept as the shareholders have agreed to provide adequate funds for the company to meet its liabilities as they fall due. In addition they have subordinated the bills of exchange payable to them to the prior payment in full of all other indebtedness and liabilities of the Company.

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. All gains or losses resulting from the conversion are taken to the profit and loss account.

1.5 Consolidation

The company has taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts, as the group qualifies as a small sized group. The financial statements thereby present, information about the company as an individual undertaking and not about the group.

1.6 Cash flow

The financial statements do not include a cash flow statement because the group, as a small reporting entity, is exempt from the requirement to present such a statement under Financial Reporting Standard 1 'Cash Flow Statements'.

Energen Investments Limited

Notes to the Financial Statements

For the Year Ended 31 December 1999

2. Operating loss

	1999 £	1998 £
Operating loss is stated after charging:		
Auditors' remuneration	<u>588</u>	<u>588</u>

3. Taxation

On the basis of these financial statements no provision has been made for corporation tax.

4. Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 1999	1,934,916
Impairment	(1,329,886)
At 31 December 1999	<u>605,030</u>

Holdings of more than 20%

The company hold more than 20% of the share capital of the following companies: -

Company	Country of registration Or incorporation	Class	Shares held %
Subsidiary undertakings			
Iberica de Arroces S.A.	Spain	Ordinary	100

The aggregate amount of capital and reserves of the subsidiary undertaking for the last relevant financial year was as follows: -

	Capital and reserves £
Iberica de Arroces S.A.	<u>605,030</u>

Energen Investments Limited

Notes to the Financial Statements

For the Year Ended 31 December 1999

4. **Fixed asset investments (cont.)**

The Capital and Reserves for the year for Iberica de Arroces S.A. relate to the financial statements for the year ended 31 August 1999. The company remained inactive until at least 27 July 2000.

5. Creditors: amounts falling due within one year	1999 £	1998 £
Other creditors	7,508	4,055
	<u>7,508</u>	<u>4,055</u>

6. **Creditors: amounts falling due after more than one year**

	1999 £	1998 £
Ultimate shareholders' loan	<u>1,939,057</u>	<u>1,940,011</u>

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

7. **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 (1998 - 20,000).

8. **Statement of movements on profit and loss account**

	Profit and loss account £
Balance at 1 January 1999	(24,756)
Loss for the year	(1,336,779)
	<u>-----</u>
Balance at 31 December 1999	<u>(1,361,535)</u>

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Notes to the Financial Statements

For the Year Ended 31 December 1999

9. Reconciliation of movements in shareholders' funds

	1999	1998
	£	£
Loss for the financial year	(1,336,779)	(4,576)
Opening shareholders' funds	(4,756)	(180)
	-----	-----
Closing shareholders' funds	<u>(1,341,535)</u>	<u>(4,756)</u>

10. Ultimate controlling party

The directors consider that the ultimate controlling party to be Bruncaster Trustees as Trustees of Cashband Settlement.

11. Related party transactions

Included in other creditors is £1,200 due to the shareholders.