

**UKCL LIMITED**  
(Registered No. 3266491)

**REPORTS AND FINANCIAL STATEMENTS**

**30 APRIL 1998**



**REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 1998**

Page

**CONTENTS**

Report of the Directors	2
Statement of Directors' Responsibilities	3
Report of the Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Statement of Accounting Policies	7
Notes to the Financial Statements	8-9

**UKCL LIMITED****REPORT OF THE DIRECTORS**

The directors hereby submit their report, together with the financial statements of the company for the year ended 30 April 1998.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The company did not trade during the year, and, accordingly, it made neither a profit nor a loss.

**RESULTS AND DIVIDENDS**

The result for the period before taxation amounted to £ Nil.

**DIRECTORS**

The directors who held office during the period were:

Mr. J. C. Thwaite

Mrs. M. Green

Mr. G. Speakman

Resigned 30 June 1997

Appointed 13 November 1997

There are no interests of directors which are within the disclosure requirements of the Companies Act 1985 in relation to the company, in shares of the company, its holding company or subsidiaries of the holding company.

**POLICY ON PAYMENT OF CREDITORS**

There were no creditors outstanding at 30 April 1998.

**AUDITORS**

A resolution to re-appoint the auditors, KPMG Audit Plc, will be proposed at the annual general meeting.

BY ORDER OF THE BOARD



Littlewoods Secretarial Services Limited  
Secretary

LIVERPOOL *22nd July 1998*

**UKCL LIMITED****STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

- select suitable accounting policies and 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 a 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**REPORT OF THE AUDITOR, KPMG AUDIT PLC, TO THE MEMBERS OF  
UKCL LIMITED**

We have audited the financial statements on pages 5 to 9.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 4 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 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.

**OPINION**

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 30 April 1998 and of its result for the year ended 30 April 1998 and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

*22 July 1998*

KPMG Audit Plc  
Chartered Accountants and  
Registered Auditor

LIVERPOOL

## UKCL LIMITED

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 APRIL 1998**

	Notes	1998 £	1997 £
TURNOVER		-	196,690
Distribution costs		-	(43,111)
Administration expenses		-	(153,581)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	1	<u>-</u>	<u>(2)</u>
Taxation		-	-
LOSS FOR PERIOD	3b	<u><u>-</u></u>	<u><u>(2)</u></u>

The company has no other recognised gains and losses other than the result for the financial period shown above and therefore no separate statement of total recognised gains and losses has been presented.

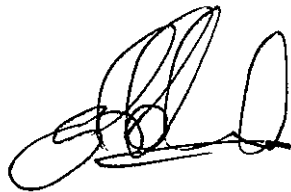
There is no difference between the result on ordinary activities before taxation, and the result for the period stated above, and their historical cost equivalents.

## UKCL LIMITED

## BALANCE SHEET AS AT 30 APRIL 1998

		1997	1998 £
NET ASSETS		-	-
CAPITAL AND RESERVES			
Called up share capital	3a	2	2
Profit and loss account	3b	(2)	(2)
EQUITY SHAREHOLDERS' FUNDS	3b	<u>-</u>	<u>-</u>

The financial statements on pages 6 to 11 were approved by the Board of Directors on *22nd July* and signed on their behalf by *1998*



J. C. Thwaite  
Director

**UKCL LIMITED****STATEMENT OF ACCOUNTING POLICIES****PRINCIPAL ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important group accounting policies, which have been applied consistently, is set out below.

**BASIS OF ACCOUNTING**

The financial statements are prepared on the historical cost basis of accounting.

**CASH FLOW**

The company is a wholly owned subsidiary of The Littlewoods Organisation; consequently, the company is exempt from the requirement of Financial Reporting Standard No. 1 (Revised) to prepare a separate cash flow statement.

**RELATED PARTY TRANSACTIONS**

In accordance with the exemption conferred by Financial Reporting Standard No. 8, details of transactions with entities in the group have not been disclosed.

**TURNOVER**

Turnover represents a management fee receivable from a former fellow subsidiary undertaking.

**DEPRECIATION**

Depreciation is provided on the straight line basis to write off the cost or valuation of fixed assets over their anticipated useful lives at the following annual rates:

Leasehold improvements	20.0%
Furniture and fittings	20.0%
Computers	20.0% - 33.3%



## UKCL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1998

## 1. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	1998	1997
	£	£
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation - owned assets	-	20,881
Exceptional items	-	-
Waiver of amounts due to a former fellow subsidiary company	-	(161,093)

## 2. DIRECTORS AND EMPLOYEES

	1998	1997
		£
Staff costs		
Wages and salaries	-	95,837
Social security costs	-	17,280
Pension scheme contributions	-	4,915
	-	118,032
	Number	Number
Average number of employees		
Full time	-	93
Part time	-	2
	-	95
Full time equivalent	-	94

During the period none of the directors received emoluments in respect of their services to the company. Three directors (1997 - two directors) participated in the group defined benefit pension scheme.

## UKCL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1998

## 3. CAPITAL AND RESERVES

## a) CALLED UP SHARE CAPITAL

	1998	1997
<b>Authorised</b>		
At 1 May 1997	100	100
At 30 April 1998	<u>100</u>	<u>100</u>

**Allotted, called up and fully paid**

	1998		1997	
	No.	£	No.	£
At 1 May 1997	2	2	2	2
At 30 April 1998	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

2 ordinary shares of £1 each were allotted on incorporation on 21 October 1996 at par.

## b) RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital £	Profit and loss account £	1998 Total £
Loss for financial period	-	-	-
Issue of share capital at incorporation	-	-	-
At 1 May 1997	2	(2)	-
At 30 April 1998	<u>2</u>	<u>(2)</u>	<u>-</u>

## 4. ULTIMATE HOLDING COMPANY

The company is a subsidiary of The Littlewoods Organisation PLC. The largest group in which the results of the Company are consolidated is that headed by The Littlewoods Organisation PLC. No other Group accounts include the result of the Company.