

NORTHWAY PROPERTIES LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1999



NORTHWAY PROPERTIES LIMITED

COMPANY INFORMATION

Directors	Mr E M Bergbaum Mr A Bergbaum Mr B M Samuels
Secretary	Mr A Bergbaum
Company Number	1967411
Registered Office	23 Pine Grove Totteridge London N20 8LB
Reporting Accountants	Rayner Essex Faulkner House Victoria Street St. Albans Hertfordshire AL1 3SE

NORTHWAY PROPERTIES LIMITED

CONTENTS

	Page
Directors' Report	1
Profit and Loss Account	2
Balance Sheet	3
Notes to the Accounts	4 to 5

NORTHWAY PROPERTIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 1999

The directors present their report together with the accounts for the year ended 31st March 1999.

Principal Activities

The company's principal activity continued to be that of financiers.

Results

The results for the year are set out in the profit and loss account on page 2.

The Year 2000 Issue

The directors have considered the risks and uncertainties associated with the year 2000 issue and have made an assessment of the likely impact on the company's computerised functions. Plans are in hand to assess the year 2000 compliance of the company's accounting system and all other computerised functions which are necessary for the successful continuation of the business and all necessary upgrades will be made as a result of this assessment. The costs of such an exercise are not currently quantifiable, but the directors anticipate that they are unlikely to have a significant effect on the company's future trading results.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary 'A' Shares			
	31st March 1999	1st April 1998	31st March 1999	1st April 1998
Mr E M Bergbaum	45	45	5	5
Mr A Bergbaum	-	-	-	-
Mr B M Samuels	-	-	-	-

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these accounts 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 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 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.

The report of the Directors' has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and was approved by the board on 17 January 2000 and signed on its behalf.


Mr A Bergbaum
Secretary

NORTHWAY PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1999

	Notes	1999 £	1998 £
Turnover	2	39,480	47,866
Administrative Expenses		(38,199)	(16,256)
Operating Profit		<u>1,281</u>	<u>31,610</u>
Interest Receivable		<u>1,031</u>	<u>319</u>
Profit on Ordinary Activities before Taxation		<u>2,312</u>	<u>31,929</u>
Tax on profit on ordinary activities		<u>(485)</u>	<u>(6,705)</u>
Profit for the Financial Year		<u>1,827</u>	<u>25,224</u>
Retained Profit Brought Forward		<u>71,923</u>	<u>46,699</u>
Retained Profit Carried Forward		<u><u>73,750</u></u>	<u><u>71,923</u></u>

CONTINUING ACTIVITIES

All amounts relate to continuing activities.

RECOGNISED GAINS AND LOSSES

There were no recognised gains or losses for 1999 or 1998 other than those included in the profit and loss account.

NORTHWAY PROPERTIES LIMITED

BALANCE SHEET

AS AT 31ST MARCH 1999

	Notes	1999 £	1998 £
Current Assets			
Debtors	3	198,668	237,045
Cash at bank and in hand		2,842	39,227
		<u>201,510</u>	<u>276,272</u>
Creditors: Amounts Falling Due Within One Year		<u>(127,660)</u>	<u>(204,249)</u>
Total Assets Less Current Liabilities		<u>73,850</u>	<u>72,023</u>
Capital and Reserves			
Share capital	5	100	100
Profit and loss account		<u>73,750</u>	<u>71,923</u>
Shareholders' Funds	6	<u>73,850</u>	<u>72,023</u>

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31st March 1999.

The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These accounts were approved by the board on 17 January 2000 and signed on its behalf.

Mr E M Bergbaum
Director

Mr A Bergbaum
Director

NORTHWAY PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1999

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

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

Turnover

Turnover represents the commission and charges received on mortgage advances made.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advance corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Debtors

	1999	1998
	£	£
Other debtors	198,668	237,045

4 Creditors: Amounts Falling Due Within One Year

	1999	1998
	£	£
Corporation tax	486	6,705
Directors' current accounts	116,163	184,481
Accruals and deferred income	11,011	13,063
	127,660	204,249

The loans from directors are interest free and there is no fixed date for repayment.

NORTHWAY PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1999

5	Share Capital	1999 £	1998 £
	Authorised		
	90 Ordinary 'A' shares of £1.00 each	90	90
	10 Ordinary shares of £1.00 each	10	10
		<u>100</u>	<u>100</u>
	Allotted		
	90 Allotted, called up and fully paid ordinary 'A' shares of £1.00 each	90	90
	10 Allotted, called up and fully paid ordinary shares of £1.00 each	10	10
		<u>100</u>	<u>100</u>

The ordinary and the 'A' ordinary shares rank pari passu in all respects save that the 'A' ordinary shares are non voting shares.

6	Reconciliation of Shareholders' Funds	1999 £	1998 £
	Profit for the financial year	1,827	25,224
	Opening shareholders' funds	72,023	46,799
	Closing shareholders' funds	<u>73,850</u>	<u>72,023</u>

7 Transactions with Directors

During the year the company paid management fees of £9,014 (1998: £11,038) and commission of £1,124 (1998: £778) to B M Samuels Finance Group plc in respect of financiers transactions undertaken with that company. Mr B M Samuels is also a director of B M Samuels Group plc.