Northern Enterprise (LP) Limited

Directors' report financial statements

31 March 1997
Registered number 2808521

A40 *AYPSSYN2* 109
COMPANIES HOUSE 29/08/97

Directors' report and financial statements

Contents

Directors' report	1
Statement of directors' responsibilities	2
Report of the auditors to the members of Northern Enterprise (LP) Limited	3
Balance sheet	4
Profit and loss account	5
Notes	6

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 1997.

Principal activities

The principal exists solely to hold an investment in the Midland Enterprise Fund for the North East on behalf of its parent company, Northern Enterprise Limited (formerly Northern Enterprise (Manager) Limited).

Business review

The company has not traded during the year.

Directors and directors' interests

The directors who held office during the year were as follows:

DM Middleton
BS Hensby
NCD Craig

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

Auditors

Our auditors, KPMG, have indicated to the directors that a limited liability company, KPMG Audit Plc, is to undertake part of their audit business. Accordingly, they resigned during the year and the directors intend to appoint KPMG Audit Plc as auditors of the company.

By order of the board

BS Hensby
Director

Great North House
Sandyford Road
Newcastle upon Tyne
NE1 8ND

16 July 1997

Statement of 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 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 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.

KPMG

KPMG Audit Plc
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Report of the auditors to the members of Northern Enterprise (LP) Limited

We have audited the financial statements on pages 4 to 7.

Respective responsibilities of directors and auditors

As described on page 2 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 the company's affairs as at 31 March 1997 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

16 July 1997

Balance sheet
at 31 March 1997

	Note	1997 £	1997 £	1996 £	1996 £
Fixed assets					
Investment	*3*		**366**		366
Current assets					
Called up share capital not paid		**2**		2	
Creditors: amounts falling due within one year	*4*	**(366)**		(366)	
Net current liabilities			**(364)**		(364)
Net assets			**2**		2
Capital and reserves					
Called up share capital	*5*		**2**		2

The financial statements were approved by the board of directors on 16 July 1997 and were signed on its behalf by:

BS Hensby
Director

Profit and loss account

for the year ended 31 March 1997

During the year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during the year and the preceding financial year, the company made neither a profit nor a loss. There were no other gains or losses.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Northern Enterprise Group Limited (formerly Northern Enterprise Limited) and its cash flows are included within the consolidated cash flow statement of that company.

2 Directors' remuneration and staff numbers

The directors were the only employees during the year and the preceding year. None of the directors received any remuneration.

3 Fixed asset investment

	Participating interest £
Cost	
At beginning and end of year	366

The undertaking in which the group has an interest in is as follows:

	Principal place of business	Proportion of capital contributed
Participating interest		
The Midland Enterprise Fund for the North East	6th Floor Cale Cross House 156 Pilgrim Street Newcastle upon Tyne NE1 6SU	15%

Notes *(continued)*

4 Creditors: amounts falling due within one year

	1997 £	1996 £
Amount owed to immediate parent undertaking	**366**	366

5 Share capital

	1997 £	1996 £
Authorised		
Equity: Ordinary shares of £1 each	**100**	100
Allotted, called up and fully paid		
Equity: Ordinary shares of £1 each	**2**	2

6 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of Northern Enterprise Group Limited (formerly Northern Enterprise Limited), a company registered in England and Wales.

The only group in which the results of the company are consolidated is that headed by Northern Enterprise Group Limited.