

**NORTHERN ENTERPRISE (LP)
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2000



NORTHERN ENTERPRISE (LP) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

Company registration number: 2808521

Registered office: 6th Floor
Cale Cross House
156 Pilgrim Street
Newcastle upon Tyne
NE1 6SU

Directors: D M Middleton CBE FCA
B S Hensby BSc MBA
N C D Craig

Secretary: N C D Craig

Auditors: Grant Thornton
Registered auditors
Chartered accountants

NORTHERN ENTERPRISE (LP) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

INDEX	PAGE
Report of the directors	1
Report of the auditors	2
Balance sheet	3
Notes to the financial statements	4 - 5

NORTHERN ENTERPRISE (LP) LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2000

The directors present their report together with the financial statements for the year ended 31 March 2000.

Principal activities

The company did not trade during the year. There has been no income and expenditure and no change has arisen in the position of the company. Any expenses have been met by Northern Enterprise Limited.

Directors

The present membership of the Board is set out below. All directors served throughout the year.

D M Middleton CBE FCA
B S Hensby BSc MBA
N C D Craig

The directors had no interest in the shares of the company.

Directors' responsibilities for the financial statements

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. 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

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE BOARD



N C D Craig
Director

11 September 2000

**REPORT OF THE AUDITORS TO THE MEMBERS OF
NORTHERN ENTERPRISE (LP) LIMITED**

We have audited the financial statements on pages 3 to 5 which have been prepared under the accounting policies set out on page 4.

Respective responsibilities of directors and auditors

As described on page 1, the company's directors are responsible for the preparation of financial statements in accordance with United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

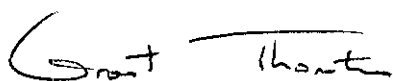
Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination of evidence relevant to the amounts and disclosures in the financial statements.

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 2000 and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
NEWCASTLE UPON TYNE**

11 September 2000

NORTHERN ENTERPRISE (LP) LIMITED**BALANCE SHEET AT 31 MARCH 2000**

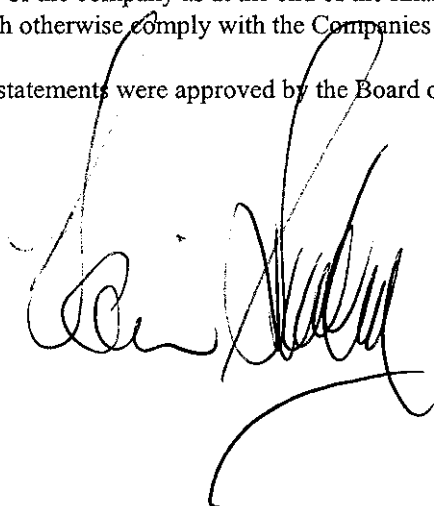
	Note	2000 £	1999 £
Fixed assets			
Investments	2	801	366
Current assets			
Called up share capital not paid		2	2
Creditors : amounts falling due within one year	3	(801)	(366)
Net current assets		(799)	(364)
Total assets less current liabilities		2	2
Capital and reserves			
Called up share capital	4	2	2

The company was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the financial year ended 31 March 2000.

We acknowledge our responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with the requirements of section 226, and which otherwise comply with the Companies Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 11 September 2000.

B S Hensby



Director

The accompanying accounting policies and notes form an integral part of these financial statements.

NORTHERN ENTERPRISE (LP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

The company is exempt from preparing consolidated financial statements on the grounds that it qualifies as a small group under S248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Investments are included at cost.

2 FIXED ASSETS INVESTMENT

	Participating interest £
Cost	
At 1 April 1999	366
Addition	435
At 31 March 2000	801

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

Participating interest	Principal place of business	Proportion of capital contributed
The First HSBC UK Enterprise Fund for the North East	6th Floor Cale Cross House 156 Pilgrim Street Newcastle upon Tyne NE1 6SU	15%
The Second HSBC UK Enterprise Fund for the North East	As above	14½%

3 CREDITORS

	2000 £	1999 £
Amounts owed to immediate parent undertaking	801	366

NORTHERN ENTERPRISE (LP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

4 SHARE CAPITAL

	2000	1999
	£	£
Authorised Ordinary shares of £1 each	100	100
Allotted, called up and fully paid Ordinary shares of £1 each	2	2

5 CONTROLLING RELATED PARTIES

Northern Enterprise Limited is the company's controlling related party by virtue of it owning 100% of the issued share capital of the company.

The ultimate controlling related party of the group is Northern Enterprise Group Limited as a result of it owning 100% of the issued share capital of Northern Enterprise Limited.

The largest group of undertakings for which group accounts have been drawn up is that headed by Northern Enterprise Group Limited.