

**ALL POINTS NORTH PLC**  
**DIRECTORS' REPORT AND FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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**ALL POINTS NORTH PLC**

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**COMPANY INFORMATION**

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<b>DIRECTORS</b>	B K Chadwick (Chairman) J M Elliott (Managing Director) J A Lyons (Non-Executive Director) K Philbin (Non-Executive Director) (appointed 08/11/06)
<b>SECRETARY</b>	K Philbin
<b>COMPANY NUMBER</b>	2798920
<b>REGISTERED OFFICE</b>	Cumbria House Gilwilly Road Penrith Cumbria CA11 9FF
<b>AUDITORS</b>	Tenon Audit Limited Registered Auditor 88-96 Market Street West Preston PR1 2EU
<b>NOMINATED ADVISORS &amp; BROKER</b>	Zeus Capital Limited 3 Ralli Courts West Riverside Manchester M3 5FT
<b>SOLICITORS</b>	Cartmell Shepherd Bishop Yards Penrith Cumbria CA11 7XS
<b>BANKERS</b>	Clydesdale Bank Plc 239 Kingstown Road Kingstown Industrial Estate Carlisle CA3 0BQ
<b>REGISTRARS</b>	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA

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**ALL POINTS NORTH PLC**

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## ALL POINTS NORTH PLC

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### CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

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This is my first Chairman's Statement since the Company was admitted to AIM on 19 December 2006 and I am pleased to report that the financial year ended 31 March 2007 was another satisfactory year in the progress of the Company.

Turnover for the year was £459,399 (2006 £196,437) and the operating loss was £134,358 (2006 £171,739). However, as a property development company, our success should not simply be measured by the profit and loss account because all costs are charged to the profit and loss account each year, whereas the properties are revalued annually and any increase/decrease is reflected in the revaluation reserves and therefore profits are only shown when a property is sold.

Our main performance indicator is the growth in net assets which, over the years, have increased from £35,936 as at 31 March 1996 to £2,024,811 as at 31 March 2007 equivalent to an average historical compound growth rate of approximately 44 per cent per annum. This demonstrates the value which we continue to add to our property portfolio.

It is also worth highlighting that the stock figure in the balance sheet is stated at the lower of cost and net realisable value. Included within stock were our seven flats at Keswick and Kendal which are currently on the market for sale. The market valuations for these flats are approximately £200,000 greater than the stated stock figure.

The rental income (which primarily drives valuation) at the year end for the five properties where it is our intention to maximise the rent roll before selling, was £255,000 per annum. We have the potential to double this figure by utilising our recently developed available space whilst only incurring additional capital development costs of approximately £400,000.

Just before the year end our tenant at 47-51 Highgate, Kendal went into administration. Our subsequent temporary loss of £34,000 per annum rent is expected to be recovered later this year.

In our AIM admission document we stated "it is the Directors' intention to introduce a progressive dividend policy and to consider the payment of dividends, if appropriate and when commercially prudent." The Directors have proposed a final dividend for the year of 1p per ordinary share payable on 2 November 2007 to shareholders on the register as at 5 October 2007.

The strategy of the Company has been and still is to identify suitable properties to acquire which have the potential for development, obtaining planning permission where necessary, developing the site, letting and either selling immediately or retaining for future sale. Once sites are developed, further borrowing is generally sought against the asset to enable the Company to acquire additional sites/properties with a view to the cycle being repeated. Our principal objective remains therefore, to trade; ie to buy, add value and sell and not to become an investment company.

In the current financial period trading got off to a good start and since the year end new tenancies together with rental increases have produced additional rental income for the Company in excess of £60,000 per annum.

The Directors believe that using their experience and expertise in the property sector, All Points North can build a successful and profitable property development company, primarily in the north of England.

B K Chadwick  
Chairman

Date: 27 September 2007

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## ALL POINTS NORTH PLC

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### MANAGING DIRECTORS REPORT

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I am pleased to present an update on our portfolio which currently comprises of nine properties:

College House, Barrow in Furness, Cumbria

A former college purchased in 2001. The property comprises of 37,848 sq ft over three floors. Since purchase the property has been extensively refurbished and currently 26,455 sq ft is occupied. A further 11,393 sq ft is available for occupation. There is potential to add an additional 2,073 sq ft by installing a mezzanine floor to the gym area.

45 Highgate, Kendal, Cumbria

A former Booths supermarket comprising of approximately 15,300 sq ft of retail space on ground and lower ground floors. Frontage at ground floor level is to the main shopping street in Kendal and at lower ground level to one of the main town car parks. There are three further floors on the main street frontage which have been converted into two flats, one two bedroom and one three bedroom and sales have been agreed for each. The property is fully let apart from 2,550 sq ft at lower ground floor level which could form either one or two units.

47-51 Highgate, Kendal, Cumbria

A former children's wear outlet on the main shopping street of Kendal with two floors of offices above. Our agents are currently in negotiation with a national retail operator to lease the ground floor. The upper floors are capable of conversion to residential units and it is our intention to submit a planning application later this year.

Gatesgarth, Keswick, Cumbria

This is a new build development comprising of six two-bedroom apartments. Each flat is approximately 1,000 sq ft with two flats per floor in the three-storey development. The flats are set in landscaped gardens and have extensive views over Skiddaw. Two have been sold and Cumbria Properties Estate Agents are currently marketing the four remaining units.

Botchergate, Carlisle, Cumbria

A former supermarket of approximately 10,700 sq ft situated on the main 'leisure' street in central Carlisle. Wetherspoons, Walkabout and an Ibis hotel are all adjacent. Our agents are in discussion with national leisure operators with regard to leasing the unit. The site also has potential for hotel or residential development with an element of leisure at ground floor level.

Cumbria House, Penrith, Cumbria

An office development on two floors providing circa 6,000 sq ft of surface area. The property has been fully converted into nine serviced offices with ample parking, air conditioning and broadband supply. There is also a large conference room available to hire by tenants. At present 2,250 sq ft is let with a further 620 sq ft under offer and interest is being shown in an additional 1,800 sq ft.

The Kendal Bowman, Kendal, Cumbria

This property is a former hotel on the main street of Kendal. A planning application for eight flats on upper floors and a retail unit at ground floor level has been submitted. There is further potential in the former car park for four town houses. In addition there may be potential to join together with an adjoining owner to provide a larger overall scheme.

Duke Street, Barrow-in-Furness, Cumbria

A former Barclays Bank premises on a main street in the centre of Barrow. The ground floor has been converted into a wine bar which has been let and planning permission has recently been received for seven flats on the upper floors. Prices are currently being sought for the conversion work to the upper floors.

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**ALL POINTS NORTH PLC**

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**MANAGING DIRECTORS REPORT**

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Concorde House, Blackpool, Lancashire

This is a former Co-op distribution warehouse and is laid out over three floors in typical Victorian warehouse style with cast iron columns supporting concrete floors with an ornate brick built exterior. The whole of the property is let to a furniture retailer but has capabilities for many other uses including 'loft style' apartments. The property is situated close to Blackpool Tower.

J M Elliott  
Managing Director

Date: 27 September 2007

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## **ALL POINTS NORTH PLC**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2007**

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The directors present their report and the financial statements for the year ended 31 March 2007.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company is that of property development.

On 20 November 2006 the company changed its name from Cabinguild Limited and subsequently was admitted to AIM on 19 December 2006.

#### **BUSINESS REVIEW**

The results for the year are discussed in the Chairman's Statement and the properties are discussed in the Managing Director's Report.

As highlighted in the Chairman's Statement the key performance indicator used by the company to measure its success is the growth in the net asset value which in the year to 31 March 2007 was £84,482 (2006 £273,309).

A further measure key to the success of the company is its ability to acquire further properties as and when opportunities arise. At the year end the company had unutilised facilities available to it in excess of £1,100,000.

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## ALL POINTS NORTH PLC

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2007

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#### PRINCIPAL RISKS AND UNCERTAINTIES

There are two major risks facing the company. Firstly there is the risk that property prices might fall and the rental market crashes. Secondly there is the risk that the cost of bank borrowing could increase significantly as a consequence of an interest rate increase.

The directors are fully aware of these risks and have a considerable amount of experience in dealing with property matters over many years, including periods of falling property prices and high interest rates.

In addition, as evidenced in the Business Review, the company aims to operate well within its facilities.

#### ENVIRONMENT

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the company's activities. Initiatives designed to minimise the company's impact on the environment include the safe disposal of waste and reducing energy consumption.

#### RESULTS

The loss for the year, after taxation, amounted to £344,945 (2006 - Loss £434,986).

#### DIRECTORS

The directors who served during the year were:

B K Chadwick (Chairman)  
J M Elliott (Managing Director)  
J A Lyons (Non-Executive Director)  
K Philbin (Non-Executive Director) (appointed 08/11/06)

#### SUBSTANTIAL SHAREHOLDINGS

At 31 March 2007 the following interests of three percent or more of the issued ordinary share capital had been notified to the company:

	%	Shares Held
B K Chadwick	24.3	1,798,000
J M Elliott	27.7	2,046,000
J A Lyons	27.7	2,046,000

#### EVENTS SINCE THE END OF THE YEAR

During the year to 31 March 2006 one of the company's properties was fire damaged. The subsequent insurance claim was disputed by the insurers. The insurance Ombudsman has, since 31 March 2007, provisionally ruled in favour of the company but that ruling may be the subject of an appeal. The amount to be claimed by the company has not as yet been fully quantified. No amount for insurance recovery has been recognised in the accounts.

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## **ALL POINTS NORTH PLC**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2007**

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#### **FINANCIAL INSTRUMENTS**

It is the company's policy to fund itself through an appropriate mix of debt and equity. The company does not operate outside the UK and therefore foreign exchange risk is not applicable.

Company policy determines that liquidity risk is managed through the review of regularly prepared cash flow forecasts and the maintenance of sufficient banking facilities to meet both expected requirements and an appropriate level of headroom.

As at the year end the company had bank overdraft facilities of up to £7,500,000 subject to a maximum of 75% of valuation. At the year end 75% of valuation of all property assets amounted to £6,095,000, of which £4,993,841 was utilised.

The company manages interest rate risk by reviewing its borrowing facilities on a regular basis and sourcing the most attractive debt products to fund its requirements.

#### **COMPANY'S POLICY FOR PAYMENT OF CREDITORS**

It is the company's policy to set the terms of payment with creditors when agreeing the terms of each transaction and to abide by the creditor's terms of payment. Trade creditors at the year end amounted to 38 days (2006: 15 days ) of average supplies for the year.

#### **AUDITORS**

The auditors, Bowmans, have transferred their business to Tenon Audit Limited. In accordance with Section 26 of The Companies Act 1989, Tenon Audit Limited has been appointed as auditor to succeed Bowmans, and will be proposed for reappointment at the Annual General Meeting in accordance with Section 385 of The Companies Act 1985.

This report was approved by the board on 27 September 2007 and signed on its behalf.

**K Philbin**  
Secretary

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## **ALL POINTS NORTH PLC**

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### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALL POINTS NORTH PLC**

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We have audited the financial statements of All Points North Plc for the year ended 31 March 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. The information given in the Directors' Report includes that specific information presented in the Chairman's Statement and the Managing Director's Report that is cross referenced from the Business Review of the Directors' Report.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report, the Chairman's Statement and the Managing Director's Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

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**ALL POINTS NORTH PLC**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALL POINTS NORTH PLC**

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**OPINION**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

**TENON AUDIT LIMITED**

Registered Auditor

88-96 Market Street West  
Preston  
PR1 2EU

27 September 2007

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**ALL POINTS NORTH PLC**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2007**

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	Note	2007 £	2006 £
<b>TURNOVER</b>	1,2	<b>459,399</b>	196,437
Cost of sales		<b>(311,076)</b>	(146,821)
<b>GROSS PROFIT</b>		<b>148,323</b>	49,616
Administrative expenses		<b>(282,681)</b>	(222,989)
Other operating income	3	-	1,634
<b>OPERATING LOSS</b>	4	<b>(134,358)</b>	(171,739)
Profit on sale of investment property		<b>158,516</b>	74,649
Amounts written off investments		<b>(1,580)</b>	(18,681)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		<b>22,578</b>	(115,771)
Interest receivable		<b>455</b>	-
Interest payable	8	<b>(367,978)</b>	(321,995)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(344,945)</b>	(437,766)
Tax on loss on ordinary activities	9	-	2,780
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>	18	<b>(344,945)</b>	(434,986)
<b>Earnings Per Share</b>			
-basic	26	<b>£(0.05)</b>	£(0.07)
-diluted	26	<b>£(0.05)</b>	£(0.07)

All amounts relate to continuing operations.

The notes on pages 13 to 24 form part of these financial statements.

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**ALL POINTS NORTH PLC**

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**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 MARCH 2007**

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	Note	2007 £	2006 £
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(344,945)</b>	<b>(434,986)</b>
Unrealised surplus on revaluation of investment properties		<u>154,126</u>	<u>708,295</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>		<b><u>(190,819)</u></b>	<b><u>273,309</u></b>

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**NOTE OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE YEAR ENDED 31 MARCH 2007**

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	2007 £	2006 £
<b>REPORTED LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>(344,945)</b>	<b>(437,766)</b>
Realisation of valuation gains taken directly to reserves in previous periods	<u>464,791</u>	<u>-</u>
<b>HISTORICAL COST PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b><u>119,846</u></b>	<b><u>(437,766)</u></b>
<b>HISTORICAL PROFIT/(LOSS) FOR THE YEAR AFTER TAXATION</b>	<b><u>119,846</u></b>	<b><u>(434,986)</u></b>

The notes on pages 13 to 24 form part of these financial statements.

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**ALL POINTS NORTH PLC**

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**BALANCE SHEET  
AS AT 31 MARCH 2007**

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	<b>Note</b>	<b>2007</b>		<b>2006</b>	
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible fixed assets	10		<b>7,175</b>		<b>29,216</b>
Investment property	12		<b>6,240,967</b>		<b>5,143,005</b>
			<u><b>6,248,142</b></u>		<u><b>5,172,221</b></u>
<b>CURRENT ASSETS</b>					
Stocks	13	<b>1,679,296</b>		<b>1,174,297</b>	
Debtors	14	<b>140,274</b>		<b>357,275</b>	
		<u><b>1,819,570</b></u>		<u><b>1,531,572</b></u>	
<b>CREDITORS:</b> amounts falling due within one year	15	<b>(6,042,901)</b>		<b>(4,376,720)</b>	
<b>NET CURRENT LIABILITIES</b>			<u><b>(4,223,331)</b></u>		<u><b>(2,845,148)</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>2,024,811</b></u>		<u><b>2,327,073</b></u>
<b>CREDITORS:</b> amounts falling due after more than one year	16		<b>-</b>		<b>(386,744)</b>
<b>NET ASSETS</b>			<u><u><b>2,024,811</b></u></u>		<u><u><b>1,940,329</b></u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		<b>73,958</b>		<b>99</b>
Share premium account	18		<b>312,723</b>		<b>50,000</b>
Revaluation reserve	18		<b>1,346,884</b>		<b>1,657,549</b>
Profit and loss account	18		<b>291,246</b>		<b>232,681</b>
<b>SHAREHOLDERS' FUNDS</b>	19		<u><u><b>2,024,811</b></u></u>		<u><u><b>1,940,329</b></u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2007.

**B K Chadwick**  
Chairman

The notes on pages 13 to 24 form part of these financial statements.

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**ALL POINTS NORTH PLC**

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**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2007**

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	Note	2007 £	2006 £
Net cash flow from operating activities	20	(327,261)	29,305
Returns on investments and servicing of finance	21	(367,523)	(321,995)
Taxation		(15,008)	(24,043)
Capital expenditure and financial investment	21	(825,514)	(133,150)
<b>CASH OUTFLOW BEFORE FINANCING</b>		<b>(1,535,306)</b>	<b>(449,883)</b>
Financing	21	(3,417,994)	512,440
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<b>(4,953,300)</b>	<b>62,557</b>

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**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 MARCH 2007**

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	2007 £	2006 £
(Decrease)/Increase in cash in the year	(4,953,300)	62,557
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	3,693,295	(512,440)
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>(1,260,005)</b>	<b>(449,883)</b>
Net debt at 1 April 2006	(3,733,836)	(3,283,953)
<b>NET DEBT AT 31 MARCH 2007</b>	<b>(4,993,841)</b>	<b>(3,733,836)</b>

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The notes on pages 13 to 24 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold investment property and in accordance with applicable accounting standards.

The financial statements do not include the results of its subsidiary during the year as the directors do not consider it to be material for the purpose of giving a true and fair view.

**1.2 Turnover**

Turnover represents rental income receivable and sales of development property. Property sales are recognised at exchange or legal completion dependent upon the circumstances of each sale.

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	33%	and 25%	reducing balance
Motor vehicles	-	25%		reducing balance

**1.4 Investments**

Investments held as fixed assets are shown at cost less provisions for their impairment.

**1.5 Investment properties**

Investment properties are included in the balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated. This treatment is contrary to the Companies Act 1985 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

If the Companies Act had been followed the operating profit for the year would have been reduced by £127,119 (2006: £102,860).

**1.6 Stocks**

The stock figure consists of properties purchased for development and sale. Costs include all direct costs. The properties are valued at the lower of cost and net realisable value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007**

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**1. ACCOUNTING POLICIES (continued)****1.7 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation other than for timing differences arising from the revaluation of fixed assets in the financial statements for which no provision is made.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**2. TURNOVER**

An analysis of turnover by class of business is as follows:

	2007 £	2006 £
Rent receivable	235,899	196,437
Property sales	223,500	-
	<u>459,399</u>	<u>196,437</u>

All turnover arose within the United Kingdom.

Profits and net assets by class of business are not analysed because the two activities are inextricably linked.

**3. OTHER OPERATING INCOME**

	2007 £	2006 £
Other operating income	-	1,634
	<u>-</u>	<u>1,634</u>

**4. OPERATING LOSS**

The operating loss is stated after charging:

	2007 £	2006 £
Depreciation of tangible fixed assets:		
- owned by the company	1,990	743
- held under finance leases	-	4,873
Provision for diminution in value of investment properties	63,367	-
	<u>63,367</u>	<u>-</u>

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**ALL POINTS NORTH PLC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007**

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**5. AUDITORS' REMUNERATION**

	2007 £	2006 £
Fees payable to the company's auditor for the audit of the company's annual accounts	8,000	3,500
Fees payable to the company's auditor and its associates in respect of:		
Other services relating to taxation	1,000	-
Services relating to flotation	12,500	-
	<u>12,500</u>	<u>-</u>

**6. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

	2007 £	2006 £
Wages and salaries	95,452	116,658
Social security costs	11,029	11,199
	<u>106,481</u>	<u>127,857</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2007 No.	2006 No.
Management	4	3
	<u>4</u>	<u>3</u>

**7. DIRECTORS' REMUNERATION**

	2007 £	2006 £
Emoluments	86,826	105,131
	<u>86,826</u>	<u>105,131</u>

**8. INTEREST PAYABLE**

	2007 £	2006 £
On bank loans and overdrafts	317,478	221,669
On other loans	50,500	100,326
	<u>367,978</u>	<u>321,995</u>

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**9. TAXATION**

	2007 £	2006 £
UK corporation tax charge/(credit) on profit/(loss) for the year	-	(2,780)

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (19%). The differences are explained below:

	2007 £	2006 £
Loss on ordinary activities before tax	<b>(344,945)</b>	(437,766)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2006 - 19%)	<b>(65,540)</b>	(83,176)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	<b>13,572</b>	6,119
Capital allowances for year in excess of depreciation	<b>(36,492)</b>	(19,597)
Utilisation of tax losses	<b>32,743</b>	21,786
Losses carried forward	<b>55,717</b>	74,868
Adjustments to tax charge in respect of prior periods	-	(2,780)
<b>Current tax charge/(credit) for the year</b> (see note above)	-	(2,780)

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges other than tax losses carried forward.

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**10. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Motor vehicles £	Total £
<b>Cost or valuation</b>			
At 1 April 2006	19,531	39,362	58,893
Additions	3,790	-	3,790
Disposals	-	(29,290)	(29,290)
Transfer to investment property	(12,963)	-	(12,963)
At 31 March 2007	<u>10,358</u>	<u>10,072</u>	<u>20,430</u>
<b>Depreciation</b>			
At 1 April 2006	4,934	24,743	29,677
Charge for the year	1,053	937	1,990
On disposals	-	(18,412)	(18,412)
At 31 March 2007	<u>5,987</u>	<u>7,268</u>	<u>13,255</u>
<b>Net book value</b>			
At 31 March 2007	<u>4,371</u>	<u>2,804</u>	<u>7,175</u>
<i>At 31 March 2006</i>	<u>14,597</u>	<u>14,619</u>	<u>29,216</u>

**11. FIXED ASSET INVESTMENTS**

	Unlisted invest- ments £
<b>Cost or valuation</b>	
At 1 April 2006	510
Disposal	(510)
At 31 March 2007	<u>-</u>
<b>Impairment</b>	
At 1 April 2006	510
Impairment on disposals	(510)
At 31 March 2007	<u>-</u>
<b>Net book value</b>	
At 31 March 2007	<u>-</u>
<i>At 31 March 2006</i>	<u>-</u>

During the year, the company disposed of its interest in Belmont Hall (Great Budworth) Limited for nominal value.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007**

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**12. INVESTMENT PROPERTY**

	<b>Property held for develop- ment £</b>
<b>Cost and valuation</b>	
At 1 April 2006	5,143,005
Additions at cost	2,139,240
Disposals	(1,145,000)
Surplus on revaluation	154,126
Transfers from tangible fixed assets	12,963
Provision for diminution in value of investment properties	(63,367)
At 31 March 2007	<u>6,240,967</u>
<b>Comprising</b>	
Cost	4,910,971
Annual revaluation surplus/(deficit):	
2005	467,574
2006	708,296
2007	154,126
	<u>6,240,967</u>

The properties have been valued by the directors as at the year end date. The valuations used are those which were prepared by Peill & Co, Chartered Surveyors, on behalf of and for the use of the company's bankers.

**13. STOCKS**

	<b>2007 £</b>	<b>2006 £</b>
Property held for resale	<u>1,679,296</u>	<u>1,174,297</u>

The value of the properties held as valued by the directors was £1,840,000. The valuations used are those which were prepared by Peill & Co, Chartered Surveyors, on behalf of and for the use of the company's bankers.

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**14. DEBTORS**

	2007 £	2006 £
<b>Due within one year</b>		
Trade debtors	822	5,524
Other debtors	138,167	347,542
Prepayments and accrued income	1,285	4,209
	<u>140,274</u>	<u>357,275</u>

A contingent deferred tax asset amounting to £55,717 (2006: £74,867) has arisen as a result of taxable trading losses. The asset has not been recognised as the directors consider that the company will not make taxable trading profits in the foreseeable future.

**15. CREDITORS:  
Amounts falling due within one year**

	2007 £	2006 £
Bank loans and overdrafts	4,993,841	3,347,092
Trade creditors	98,874	6,090
Corporation tax	-	15,008
Social security and other taxes	2,795	20,373
Accruals and deferred income	947,391	988,157
	<u>6,042,901</u>	<u>4,376,720</u>

Bank loans and overdrafts are secured on freehold property.

The company has a bank facility of up to £7,500,000 subject to a maximum of 75% of valuation of all properties. At the year end the company had unutilised facilities of over £1,100,000 thus allowing the company to meet all liabilities as they fall due for payment and purchase further properties.

**16. CREDITORS:  
Amounts falling due after more than one year**

	2007 £	2006 £
Bank loans	-	386,744
	<u>-</u>	<u>386,744</u>

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**16. CREDITORS:  
Amounts falling due after more than one year (continued)**

Creditors include amounts not wholly repayable within 5 years as follows:

	2007 £	2006 £
Repayable by instalments	-	259,320

The bank loans were advanced to the company at a fixed interest rate of 7.52%. Loans were repayable by 2012 by monthly instalments of £4,166. They were secured by a charge over the company's freehold property.

**17. SHARE CAPITAL**

	2007 £	2006 £
<b>Authorised</b>		
12,000,000 Ordinary shares of 1p each	<b>120,000</b>	1,000
<b>Allotted, called up and fully paid</b>		
7,395,813 Ordinary shares of 1p each	<b>73,958</b>	99

By way of resolutions dated 13 November 2006 the members of the company resolved that:

each of the existing Ordinary shares of £1 each in the capital of the company be sub-divided in to 100 Ordinary shares of 1p;

the authorised share capital of the company be increased from £1,000 to £120,000 by the creation of 11,900,000 Ordinary shares of 1p each in the capital of the company each having the rights and being subject to the restrictions set out in the Articles of Association as adopted by the resolutions.

On 13 November 2006, the company made a bonus issue of 619 Ordinary shares for every Ordinary share held.

On 19 December 2006 the company issued 1,257,813 Ordinary 1p shares at 32p per share, creating an addition to share premium reserve of £262,723 after deducting £127,199 of flotation costs.

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**18. RESERVES**

	Share premium account £	Revaluation reserve £	Profit and loss account £
At 1 April 2006	50,000	1,657,549	232,681
Loss retained for the year	-	-	(344,945)
Capitalisation/bonus issue	-	-	(61,281)
Premium on shares issued during the year (net of expenses)	262,723	-	-
Surplus on revaluation of freehold property	-	154,126	-
Transfer between reserves	-	(464,791)	464,791
	<hr/>	<hr/>	<hr/>
At 31 March 2007	312,723	1,346,884	291,246

**19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2007 £	2006 £
Opening shareholders' funds	1,940,329	1,667,020
Loss for the year	(344,945)	(434,986)
Shares issued for cash during the year	12,578	-
Share premium on shares issued (net of expenses)	262,723	-
Other recognised gains and losses during the year	154,126	708,295
	<hr/>	<hr/>
Closing shareholders' funds	2,024,811	1,940,329

**20. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2007 £	2006 £
Operating loss	(134,358)	(171,739)
Amounts written off investment	-	(18,681)
Depreciation of tangible fixed assets	1,990	5,616
Impairments of fixed assets	63,367	-
Profit on disposal of tangible fixed assets	(3,122)	-
Increase in stocks	(504,999)	(45,668)
Decrease in debtors	215,421	228,024
Increase in creditors	34,440	31,753
	<hr/>	<hr/>
Net cash (outflow)/inflow from operations	(327,261)	29,305

NOTES TO THE FINANCIAL STATEMENTS  
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21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2007 £	2006 £
<b>Returns on investments and servicing of finance</b>		
Interest received	455	-
Interest paid	(367,978)	(321,995)
	<u>(367,523)</u>	<u>(321,995)</u>
<b>Net cash outflow from returns on investments and servicing of finance</b>		
	<u>(367,523)</u>	<u>(321,995)</u>
	2007 £	2006 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(3,790)	(13,090)
Sale of tangible fixed assets	14,000	-
Purchase of investment properties	(2,139,240)	(316,241)
Sale of investment properties	1,303,516	196,181
	<u>(825,514)</u>	<u>(133,150)</u>
<b>Net cash outflow from capital expenditure</b>		
	<u>(825,514)</u>	<u>(133,150)</u>
	2007 £	2006 £
<b>Financing</b>		
Issue of ordinary shares	275,301	-
New secured loans	-	532,535
Repayment of loans	(3,693,295)	-
Repayment of finance leases	-	(20,095)
	<u>(3,417,994)</u>	<u>512,440</u>
<b>Net cash (outflow)/inflow from financing</b>		
	<u>(3,417,994)</u>	<u>512,440</u>

22. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2006 £	Cash flow £	Other non-cash changes £	31 March 2007 £
Bank overdraft	(40,541)	(4,953,300)	-	(4,993,841)
	<u>(40,541)</u>	<u>(4,953,300)</u>	<u>-</u>	<u>(4,993,841)</u>
<b>Debt:</b>				
Debts due within one year	(3,306,551)	3,693,295	(386,744)	-
Debts falling due after more than one year	(386,744)	-	386,744	-
	<u>(3,733,836)</u>	<u>(1,260,005)</u>	<u>-</u>	<u>(4,993,841)</u>
<b>Net debt</b>				
	<u>(3,733,836)</u>	<u>(1,260,005)</u>	<u>-</u>	<u>(4,993,841)</u>

**NOTES TO THE FINANCIAL STATEMENTS  
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**23. TRANSACTIONS WITH DIRECTORS**

At the year end the company was owed £nil (2006: £98) by J A Lyons and £nil (2006: £722) by J M Elliott. The maximum amounts outstanding during the year were £98 and £722 respectively.

During the year a motor vehicle was sold to J A Lyons for consideration of £14,000. This was the vehicle's market value.

B K Chadwick, J A Lyons and J M Elliott had an agreement with the Clydesdale Bank plc that they would guarantee amounts owing by the company to the bank up to a maximum of £nil each (2006 - £200,000 each).

**24. RELATED PARTY TRANSACTIONS**

During the prior year the company rented two of its properties to Elliotts Outdoor Limited, a company controlled by the wife of J M Elliott, a director. One of the properties was leased for £8,165 and the other for 8% of the shop's net sales.

During the year and in prior years, Dovelow Limited, a company controlled by B K Chadwick, carried out the building work on a company property. The charge to the company for the year was £81,500 for work done (2006 - £nil), together with interest on the unpaid work done to date, of £50,500 (2006 - £nil) in accordance with the contract. The amount outstanding at the year end was £632,000 (2006 - £850,000).

At the year end a loan to Dovelow Limited amounting to £nil (2006: £100,000) was outstanding.

A loan to Ibisgate (Keswick) Limited, a company which is under the common control of the directors, of £nil (2006: £234) was outstanding at the year end.

At the year end the company was owed £25,000 (2006 £25,000) by Belmont Hall Developments (Great Budworth) Limited. The company's interest in Belmont Hall Developments (Great Budworth) Limited was disposed of in the year to the partner of B K Chadwick (a director) for the consideration of £1, together with 95% of any amount received in respect of a disposal of assets, or on a winding up or on disposal of shares in the ten year period from 20 November 2006. The directors do not, however, expect any significant further receipt over and above the £25,000 above mentioned loan.

**25. CONTROLLING PARTY**

There is no controlling party.

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**26. LOSS PER SHARE**

Basic loss per share has been calculated on the loss for the financial year of £344,945 (2006: £434,986) and on the weighted average number of shares in issue during the year of 6,609,680 (2006: 6,138,000). The weighted average number of shares for 2006 has been calculated taking account of the division of the shares and bonus issue made in the year ended 31 March 2007 in accordance with FRS 14. There is no dilution of the basic loss per share.

	<b>2007</b>	<i>2006</i>
	<b>£</b>	<i>£</i>
Basic and diluted loss per share	<b>(0.05)</b>	<i>(0.07)</i>