

ALL POINTS NORTH PLC

INTERIM REPORT 2006

Chairman's Statement

I am pleased to report our maiden interim results for the six months ended 30 September 2006 after our successful flotation on AIM on 19 December 2006.

All Points North plc is a property development company operating principally in the North of England with a board of considerable experience in the sector.

Turnover represents rental income and income derived from the sale of development properties. Due to its nature, development income can vary significantly between comparable periods. This variation is compounded by the relatively small number of development projects that the Company owns at any one time. Rental income is also subject to variation since it is the Company's policy to sell investment properties once it is deemed that maximum value has been added.

In order to consider the performance of the Company it is therefore important to consider net assets and the growth in net assets as well as the profit and loss account for each financial period. The net assets of the Company have substantially increased from £35,936 as at 31 March 1996 to £1,940,329 as at 31 March 2006, equivalent to an average historical compound annual growth rate of approximately 49 per cent. Net assets as 30 September 2006 had risen to £2,162,243.

As at 30 September 2006, the fixed asset properties were independently valued by Peill & Co. Limited, giving rise to an increase in valuations over either cost or previous valuation which are reflected in the balance sheet set out in these interim results.

I would like to draw your attention to the more recent independent valuation performed by Robert Pinkus and Co as part of our flotation due diligence, as set out in our first day dealing announcement dated 19 December 2006, which refers to all properties in the Company's portfolio as at 8 December 2006 together with an independent valuation as at 20 October 2006; and also the post balance sheet events note to these interim results.

In addition, by a letter dated 17 October 2006 from Clydesdale Bank plc to the Company, Clydesdale made available a revolving overdraft credit facility of £5.5 million of which £4.47 million had been utilised as at 28 November 2006. Certain of the Directors including myself have provided personal guarantees to Clydesdale Bank plc in relation to the above facilities and have entered into an agreement with the Company that we will not for a period of 15 months from Admission terminate or withdraw the guarantees they have given to Clydesdale Bank plc. The board of Directors have agreed that we will not dispose of 4,437,488 Ordinary Shares (representing 60 per cent. of the enlarged share capital) for a period of 24 months following Admission and thereafter for a further 12 months we have agreed to only dispose of shares through All Points North's broker in an orderly manner.

Since 30 September 2006 the Company has completed a number of significant transaction which are summarised under the post balance sheet event note. Trading is in line with our expectations and we consider that this will be the case for the remainder of the financial year.

B K Chadwick
Chairman

3 January 2007

All Points North plc
Profit and loss Accounts

| | 6 months to 30/09/06 | 6 months to 30/09/05 | Year ended 31/03/06 |
|---|-------------------------|-------------------------|------------------------|
| | £ | £ | £ |
| TURNOVER | 125,430 | 96,934 | 196,437 |
| Cost of sales | (81,561) | (66,828) | (146,821) |
| | <hr/> | <hr/> | <hr/> |
| GROSS PROFIT | 43,869 | 30,106 | 49,616 |
| Administrative expenses | (284,140) | (126,789) | (222,989) |
| | <hr/> | <hr/> | <hr/> |
| | (240,271) | (96,683) | (173,373) |
| Other operating income | 3,125 | 1,164 | 1,634 |
| OPERATING LOSS | <hr/> | <hr/> | <hr/> |
| | (237,146) | (95,519) | (171,739) |
| Profit on sale of investment property | 50,000 | - | 74,649 |
| | <hr/> | <hr/> | <hr/> |
| | (187,146) | (95,519) | (97,090) |
| Interest receivable and similar income | 224 | - | - |
| | <hr/> | <hr/> | <hr/> |
| | (186,922) | (95,519) | (97,090) |
| Amounts written off investments | - | (17,335) | (18,681) |
| | <hr/> | <hr/> | <hr/> |
| | (186,922) | (112,854) | (115,771) |
| Interest payable and similar charges | (151,164) | (161,878) | (321,995) |
| | <hr/> | <hr/> | <hr/> |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | (338,086) | (274,732) | (437,766) |
| Tax on loss on ordinary activities | - | - | 2,780 |
| | <hr/> | <hr/> | <hr/> |
| LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION | <hr/> | <hr/> | <hr/> |
| | (338,086) | (274,732) | (434,986) |

All Points North plc
Balance sheets

| | 6 months to 30/09/06 | 6 months to 30/09/05 | Year ended 31/03/06 |
|--|-------------------------|-------------------------|------------------------|
| | £ | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 6,628,144 | 4,347,843 | 5,172,221 |
| | <hr/> | <hr/> | <hr/> |
| CURRENT ASSETS | | | |
| Stocks | 1,789,297 | 1,156,559 | 1,174,297 |
| Debtors | 503,978 | 420,294 | 357,275 |
| Cash at bank | - | 66,761 | - |
| | <hr/> | <hr/> | <hr/> |
| | 2,293,275 | 1,643,614 | 1,531,572 |
| | <hr/> | <hr/> | <hr/> |
| CREDITORS | | | |
| Amounts falling due within one year | (6,360,072) | (4,197,053) | (4,376,720) |
| | <hr/> | <hr/> | <hr/> |
| NET CURRENT LIABILITIES | (4,066,797) | (2,553,439) | (2,845,148) |
| | <hr/> | <hr/> | <hr/> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 2,561,347 | 1,794,404 | 2,327,073 |
| | <hr/> | <hr/> | <hr/> |
| CREDITORS | | | |
| Amounts falling due after more than one year | (399,104) | (402,116) | (386,744) |
| | <hr/> | <hr/> | <hr/> |
| NET ASSETS | 2,162,243 | 1,392,288 | 1,940,329 |
| | <hr/> | <hr/> | <hr/> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 99 | 99 | 99 |
| Share premium | 50,000 | 50,000 | 50,000 |
| Revaluation reserve | 1,807,529 | 949,254 | 1,657,549 |
| Profit and loss account | 304,615 | 392,935 | 232,681 |
| | <hr/> | <hr/> | <hr/> |
| SHAREHOLDERS' FUNDS | 2,162,243 | 1,392,288 | 1,940,329 |
| | <hr/> | <hr/> | <hr/> |

All Points North plc
Cash Flow Statements

| | 6 months to 30/09/06 £ | 6 months to 30/09/05 £ | Year ended 31/03/06 £ |
|---|------------------------------|------------------------------|-----------------------------|
| Reconciliation of operating loss to net cashflow from operating activities | | | |
| Operating loss | (237,146) | (95,519) | (171,739) |
| Depreciation | 1,162 | 2,808 | 5,616 |
| Increase in stock | (615,000) | (27,930) | (45,668) |
| (Increase)/Decrease in debtors | (146,703) | 165,005 | 225,261 |
| Increase in creditors | 397,881 | 111,983 | 37,451 |
| Net cashflow from operating activities | (599,806) | 156,347 | 50,921 |
| Cashflow statement: | | | |
| Net cashflow from operating activities | (599,806) | 156,347 | 50,921 |
| Returns on investments and servicing of finance: | | | |
| Interest received | 224 | - | - |
| Interest paid | (151,164) | (161,878) | (321,995) |
| | (150,940) | (161,878) | (321,995) |
| Taxation | (15,008) | (41,831) | (39,051) |
| Capital expenditure and financial investment: | | | |
| Sale of tangible fixed assets | 645,000 | - | 196,181 |
| Purchase of tangible fixed assets | (1,572,085) | (88,909) | (329,331) |
| Amounts written off investments | - | (17,335) | (18,681) |
| | (927,085) | (106,244) | (151,831) |
| Cashflow before financing | (1,692,839) | (153,606) | (461,956) |
| Financing: | | | |
| Bank loan repayments | (12,500) | (12,500) | (25,000) |
| Capital repayments | - | (6,672) | (20,095) |
| Other loan repayments | - | - | (15,000) |
| Amounts repaid to directors | - | (40,119) | (37,356) |
| | (12,500) | (59,291) | (97,451) |
| Decrease in cash in the period | (1,705,339) | (212,897) | (559,407) |
| Net debt at beginning of period | (3,733,836) | (3,248,857) | (3,271,880) |
| Decrease in cash from decrease in debt | 12,500 | 59,291 | 97,451 |
| Net debt at end of period | (5,426,675) | (3,402,463) | (3,733,836) |
| Net debt comprises: | | | |
| Cash at bank | - | 66,761 | - |
| Bank overdraft falling due within one year | (5,026,261) | (3,043,941) | (3,320,922) |
| Bank loan | (400,414) | (425,283) | (412,914) |
| | (5,426,675) | (3,402,463) | (3,733,836) |

1 Preparation of the financial statements

The interim results have been prepared in accordance with the accounting policies set out in the Company's annual accounts to 31 March 2006 and are un-audited. The interim financial statements were approved by a duly appointed and authorised committee of the Board of Directors on 2 January 2007. The cash flow statement for the year to 31 March 2006 did not form part of the audited financial statements and has been prepared subsequently.

2 Loss per Ordinary Share

| | 6 months to 30/09/06 | 6 months to 30/09/05 | Year ended 31/03/06 |
|---------------------------------------|-------------------------|-------------------------|------------------------|
| Loss on ordinary activities after tax | £(338,086) | £(274,732) | £(434,986) |
| Average number of shares in issue | 6,138,000 | 6,138,000 | 6,138,000 |
| Loss per ordinary share | (5.51)p | (4.48)p | (7.09)p |

The number of shares used in the above calculations were the number of shares in issue immediately prior to the placing and admission of the company to AIM on 19 December 2006.

3 Movement in capital and reserves

The movement in capital and reserves during the period was as follows:

| | Revaluation reserve £ | Profit and loss account £ |
|-----------------------------|-----------------------------|------------------------------------|
| At 1 April 2006 | 1,657,549 | 232,681 |
| Loss for the period | - | (338,086) |
| Revaluation of fixed assets | 560,000 | - |
| Transfer between reserves | (410,020) | 410,020 |
| At 30 September 2006 | <u>1,807,529</u> | <u>304,615</u> |

4 Dividend

The Directors have not declared an interim dividend.

5 Post balance sheet events

On 4 October 2006 the Company purchased a property, the Kendal Bowman for £475,000, plus purchase costs of £14,581 totalling £489,581. It is the Directors' intention to obtain planning permission and then sell the property. It is not the intention that this property will at any stage be rented out. This property will therefore, in the financial accounts for the year to 31 March 2007, be treated as stock rather than as a tangible fixed asset.

On 22 November 2006 the Company completed the disposal of 33-35 Highgate, Kendal. The property was sold for £700,000 which was its carrying value in the financial accounts as at 31 March 2006.

On 20 November 2006 the Company disposed of its subsidiary, Belmont Hall Developments (Great Budworth) Limited (“BHD”). The consideration for this disposal is £1 together with 95 per cent. of any amount received from BHD in respect to a disposal of assets or on a winding up or on disposal of the shares in the ten year period from the date of this agreement. The Directors do not however expect any significant further consideration.

6 Copies of the Interim Report

Copies of the Interim report are available to the public from the Company’s head office: Manelli House, 4 Cowper Road, Gilwilly, Penrith, Cumbria CA11 9BN.

Introduction

We have been instructed by the company to review the financial information for the six months ended 30 September 2006, which comprises the profit and loss account, the balance sheet, the cash flow statement and the related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

This report is made solely to the company, in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review 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, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are also responsible for ensuring that the accounting policies and presentation applied to the interim figures are consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with the guidance contained in bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review, we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 September 2006.