

3432689

NEXTCHOICE LIMITED

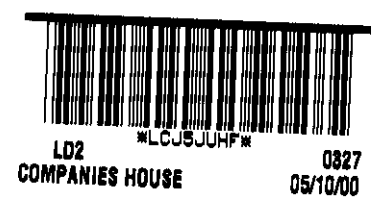
DIRECTORS' REPORT

- and -

ACCOUNTS

FOR THE YEAR ENDED

24 DECEMBER 1999



NEXTCHOICE LIMITED

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NEXTCHOICE LIMITED

DIRECTORS

P. Jay
D. Jay
I.S. Jay

SECRETARY

D. Jay

REGISTERED OFFICE

136/144 Golders Green Road
London
NW11 8HB

DETAILS OF INCORPORATION

The Company was incorporated on 11 September 1998 in England
under Company Registration Number 3432689

BANKERS

Barclays Bank PLC
240 Whitechapel Road
London E1 1BS

ACCOUNTANTS

Shears & Partners
Chartered Accountants
Middlesex House
29/45 High Street
Edgware
Middlesex HA8 7LH

NEXTCHOICE LIMITED

DIRECTORS' REPORT

The directors present their annual report and the accounts of the company for the year ended 24 December 1999.

PRINCIPAL ACTIVITY

The company's principal activity during the year was that of a trustee company.

DIRECTORS AND THEIR INTERESTS

The directors at the year end, all of whom have been directors throughout the year, together with their beneficial interests in the called up share capital of the Company, were as follows:

	1999	1998
P. Jay	-	-
D. Jay	-	-
I.S. Jay	-	-
	==	==

None of the directors has a beneficial interest in the issued share capital of the Company.

The interests of the directors in the holding company are given in the holding company's accounts.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors of a company to prepare accounts for each financial period which give a true and fair view of the state of the Company's affairs as at the end of the financial period and of its profit or loss for the period then ended.

In preparing these accounts, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- d. prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

NEXTCHOICE LIMITED

DIRECTORS' REPORT *(Continued)*

DIRECTORS' RESPONSIBILITIES *(Continued)*

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 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 above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'D. JAY', written over the printed name.

D. JAY
Company Secretary

Approved by the Board: 3 August 2000

NEXTCHOICE LIMITED

BALANCE SHEET

AS AT 24 DECEMBER 1999

	Note	1999 £	1998 £
<i>CURRENT ASSETS</i>			
Cash at Bank		14,137	13,183
<i>CREDITORS:</i> Amounts falling due within one year	(2)	(14,134)	(13,180)
		£ 3	£ 3
		=====	=====
<i>CAPITAL AND RESERVES</i>			
Called up Share Capital	(3)	£ 3	£ 3
		=====	=====

In preparing these accounts:

- a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985.
- b) No notice has been deposited under Section 249B(2) of the Companies Act 1985.

NEXTCHOICE LIMITED


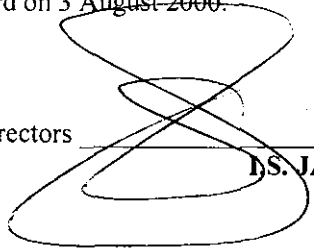
BALANCE SHEET (Continued)

AS AT 24 DECEMBER 1999

- c) The directors acknowledge their responsibilities for:
- i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985.
 - ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Part VII of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to the accounts, so far as applicable to the Company.
- d) Advantage has been taken of the special exemptions applicable to small companies conferred by Part IIIA of Schedule 8 to the Companies Act 1985.
- e) In the directors' opinion the Company is entitled to these exemptions as a small company.

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

These accounts were approved by the Board on 3 August 2000.

P. JAY Directors D.S. JAY

The notes on pages 6 and 7 form part of these accounts.

NEXTCHOICE LIMITED

NOTES TO THE ACCOUNTS - 24 DECEMBER 1999

1. *ACCOUNTING POLICIES*

Accounting Convention

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999).

The Company has acted as a Trustee in the acquisition of a property and has a bank loan in its capacity as Trustee. The loan is fully secured and, in the opinion of the Directors, no liability is likely to fall upon the Company. (See Note 7).

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

	1999	1998
Other Creditors	£14,134 =====	£13,180 =====

3. *CALLED UP SHARE CAPITAL*

Allotted and Fully Paid

Ordinary Shares of £1 each	£ 3 =====	£ 3 =====
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Authorised

Ordinary Shares of £1 each	£1,000 =====	£1,000 =====
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4. *ULTIMATE HOLDING COMPANY*

The ultimate holding company is Shirehall Tzedaka Limited, incorporated in England.

NEXTCHOICE LIMITED

NOTES TO THE ACCOUNTS - 24 DECEMBER 1999 *(Continued)*

5. *RELATED PARTIES*

At the Balance Sheet date a loan from the following company which is under common control was outstanding:

	1999	1998
Shirehall Tzedaka Limited	£10,512	£9,596
	=====	=====

The above loan does not attract interest and is repayable upon demand.

6. *CONTROLLING PARTY*

The Company is controlled by Shirehall Tzedaka Limited, a company incorporated in England, by virtue of its 100% beneficial shareholding.

7. *TRUSTEE STATUS*

On 28 October 1997, the Company purchased a freehold property in the amount of £900,826 to hold as trustee for and on behalf of its "beneficial" owner and parent, Shirehall Tzedaka Limited.

In order to finance this purchase, the Company took out a loan in the sum of £760,000. This loan is fully secured on the freehold property, the value of which is considered (by the directors) to be approximately £1.2 million. It is the opinion of the directors that no liability is likely to fall upon the Company.

ACCOUNTANTS' STATEMENT
TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF
NEXTCHOICE LIMITED

As described on the Balance Sheet you are responsible for the preparation of the accounts for the year ended 24 December 1999, set out on pages 4 to 7, and you consider that the Company is exempt from an audit and a report under Section 249A(2) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



SHEARS & PARTNERS

Chartered Accountants

*Middlesex House
29-45 High Street
Edgware
Middlesex
HA8 7LH*

3 August 2000