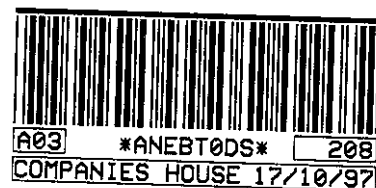


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**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD 20TH MAY 1996 TO 31ST JANUARY 1997**  
**FOR**  
**NOBLE HOUSE PROPERTIES LIMITED**



**DUNCAN HOLDINGS LIMITED AND SUBSIDIARIES****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 1996****25. RECONCILIATION OF OPERATING PROFIT TO NET  
CASH INFLOW FROM OPERATING ACTIVITIES**

	<u>1996</u> £	<u>1995</u> £
Operating profit	1,158,104	1,397,906
Depreciation and amortisation	814,688	738,927
Profit on sale of tangible fixed assets	(55,508)	(326,622)
Loss on part disposal of investment	-	233,194
Increase in stocks	(79,980)	(621,489)
Increase in debtors	(360,831)	(1,148,778)
(Decrease)/increase in creditors	(485,246)	931,617
	<hr/>	<hr/>
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>£991,227</b>	<b>£1,204,755</b>
	<hr/>	<hr/>

**26. ANALYSIS OF THE BALANCES OF AND CHANGES  
IN CASH AND CASH EQUIVALENTS IN YEAR**

	<u>Cash at bank and in hand</u> £	<u>Bank Overdrafts</u> £	<u>Total</u> £
Balance at 1 January 1995	476,955	(20,081)	456,874
Net cash (outflow)/inflow	(2,321)	17,960	15,639
	<hr/>	<hr/>	<hr/>
Balance at 31 December 1995	474,634	(2,121)	472,513
Net cash (outflow)/inflow	1,176,949	(198,283)	978,666
	<hr/>	<hr/>	<hr/>
At 31 December 1996	<b>£1,651,583</b>	<b>£(200,404)</b>	<b>£1,451,179</b>
	<hr/>	<hr/>	<hr/>

**DUNCAN HOLDINGS LIMITED AND SUBSIDIARIES****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 1996****27. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR**

	<u>Share Capital</u> £	<u>Loans and Finance Lease Obligations</u> £	<u>Total</u> £
Balance at 1 January 1995	15,000	3,240,675	3,255,675
Purchase of own shares cost	(150,000)	-	(150,000)
Transferred to profit and loss account	149,000	-	149,000
Inception of new hire purchase contracts and finance leases	-	1,612,275	1,612,275
Loan repayments	-	(581,909)	(581,909)
Capital element of finance lease and hire purchase rentals	-	(404,895)	(404,895)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 1995	14,000	3,866,146	3,880,146
Loans advanced	-	3,084,000	3,084,000
Loan repayments	-	(618,238)	(618,238)
Capital element of finance lease and hire purchase rentals	-	(305,035)	(305,035)
	<hr/>	<hr/>	<hr/>
	£14,000	£6,026,873	£6,040,873
	<hr/>	<hr/>	<hr/>

**28. ACQUISITIONS**

On November 1996 the company acquired a further 43% of the ordinary share capital of Fleet Photosetting Limited to take its control to 53%, this has been consolidated using acquisition method. The company has been dormant for a number of years.

DUNCAN HOLDINGS LIMITED AND SUBSIDIARIESNOTES TO THE FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED 31 DECEMBER 1996**28. ACQUISITIONS (CONTINUED)**

The fair value of assets acquired and consideration given is as follows:-

	£	£
Net assets at acquisition: Debtors		62,259
Assets acquired by company		32,997
Cash consideration for shares:		
already owned by company	6,424	
acquired in year	33,000	
	<hr/>	39,424
Goodwill written off directly to reserves		<hr/> £ 6,427 <hr/>

**29. RELATED PARTY TRANSACTIONS**

During the year the company acquired 43 £1 ordinary shares in Fleet Photosetting Limited for £33,000, from J Duncan a director and shareholder of Duncan Holdings Limited.

**30. ULTIMATE CONTROLLING PARTY**

The directors consider that the Duncan family are the ultimate controllers of the company and group.

**31. POST BALANCE SHEET EVENTS**

Subsequent to the year end the company acquired the trade and assets of Popper Limited from the receivers for £400,000, of which £250,000 is deferred contingent consideration. This business has been transferred into a new subsidiary, Duncan Package and Print Limited.

The company also acquired Popper Limited's freehold property for £1,900,000.

**NOBLE HOUSE PROPERTIES LIMITED**

**INDEX TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 20TH MAY 1996 TO 31ST JANUARY 1997**

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<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Auditors</b>	<b>4</b>
<b>Profit and Loss Account</b>	<b>5</b>
<b>Balance Sheet</b>	<b>6</b>
<b>Notes to the Financial Statements</b>	<b>7</b>
<b>Trading and Profit and Loss Account</b>	<b>10</b>

**NOBLE HOUSE PROPERTIES LIMITED**

**COMPANY INFORMATION**

**FOR THE PERIOD 20TH MAY 1996 TO 31ST JANUARY 1997**

<b>DIRECTORS:</b>	R G Kilikita F Montanaro E Storey
<b>SECRETARY:</b>	E Storey
<b>REGISTERED OFFICE:</b>	455 Green Lanes Palmers Green London N13 4BT
<b>REGISTERED NUMBER:</b>	3200860 (England and Wales)
<b>AUDITORS:</b>	The Kelmanson Partnership Chartered Certified Accountants Registered Auditors 455 Green Lanes London N13 4BT
<b>BANKERS:</b>	Natwest Bank plc PO Box 3171 290 Walworth Road London SE17 3RQ
<b>SOLICITORS:</b>	Nelsons 7-8 Bloomsbury Square London WC1A 2UA

## **NOBLE HOUSE PROPERTIES LIMITED**

### **REPORT OF THE DIRECTORS**

#### **FOR THE PERIOD 20TH MAY 1996 TO 31ST JANUARY 1997**

The directors present their report with the financial statements of the company for the period 20th May 1996 to 31st January 1997.

### **INCORPORATION**

The company was incorporated on 20th May 1996 and commenced trading on 28th June 1996. The company passed a special resolution on 22nd May 1996 changing its name from Bounty Properties Limited to Noble House Properties Limited.

### **PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of the purchase, development and resale of property.

### **REVIEW OF BUSINESS**

The results for the period and financial position of the company are as shown in the annexed financial statements.

Adequate finance has been obtained to take advantage of business opportunities and the directors consider the state of affairs to be satisfactory.

### **DIVIDENDS**

No dividends will be distributed for the period ended 31st January 1997.

### **DIRECTORS**

The directors during the period under review were:

R G Kilikita	- appointed 21.5.1996
F Montanaro	- appointed 21.5.1996
E Storey	- appointed 21.5.1996

The beneficial interests of the directors holding office on 31st January 1997 in the issued share capital of the company were as follows:

	31.1.97	at date of appointment
<b>Ordinary £1 shares</b>		
R G Kilikita	33	-
F Montanaro	33	-
E Storey	33	-

All the directors, being eligible, offer themselves for election at the forthcoming first Annual General Meeting.

### **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 of the company for that period. In preparing those 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;
- 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 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.

**NOBLE HOUSE PROPERTIES LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE PERIOD 20TH MAY 1996 TO 31ST JANUARY 1997**

**AUDITORS**

The auditors, The Kelmanson Partnership, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

**ON BEHALF OF THE BOARD:**

A handwritten signature in dark ink, appearing to be 'E Storey', is written over the text 'ON BEHALF OF THE BOARD:'. The signature is somewhat stylized and loops around the text.

E Storey - SECRETARY

Dated: 5th September 1997

**NOBLE HOUSE PROPERTIES LIMITED**

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF  
NOBLE HOUSE PROPERTIES LIMITED**

We have audited the financial statements on pages five to nine which have been prepared under the historical cost convention and the accounting policies set out on page seven.

**Respective responsibilities of directors and auditors**

As described on page two 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 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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st January 1997 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

The Kelmanson Partnership  
Chartered Certified Accountants  
Registered Auditors  
455 Green Lanes  
London  
N13 4BT



Dated: 5th September 1997

**NOBLE HOUSE PROPERTIES LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE PERIOD 20TH MAY 1996 TO 31ST JANUARY 1997**

	Notes	£
<b>TURNOVER</b>		-
Administrative expenses		<u>3,903</u>
<b>OPERATING LOSS</b>	3	(3,903)
Interest payable and similar charges	4	<u>203</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(4,106)
Tax on loss on ordinary activities	5	<u>-</u>
<b>LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION</b>		<u>(4,106)</u>
<b>DEFICIT CARRIED FORWARD</b>		<u>£(4,106)</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current period.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the loss for the current period.

**NOBLE HOUSE PROPERTIES LIMITED**

**BALANCE SHEET**

**31ST JANUARY 1997**

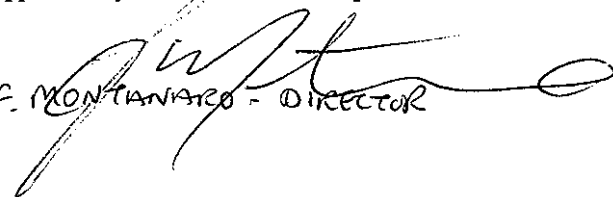
	Notes	£
<b>CURRENT ASSETS:</b>		
Stocks	6	386,808
Debtors	7	<u>10,706</u>
		397,514
<b>CREDITORS:</b> Amounts falling due within one year	8	<u>401,521</u>
<b>NET CURRENT LIABILITIES:</b>		<u>(4,007)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>		<u>£(4,007)</u>
<b>CAPITAL AND RESERVES:</b>		
Called up share capital	11	99
Profit and loss account		<u>(4,106)</u>
Shareholders' funds	12	<u>£(4,007)</u>

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

**ON BEHALF OF THE BOARD:**

R G Kilikita - DIRECTOR

Approved by the Board on 5th September 1997

  
F. MONTANARO - DIRECTOR

The notes form part of these financial statements

# **NOBLE HOUSE PROPERTIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE PERIOD 20TH MAY 1996 TO 31ST JANUARY 1997**

### **1. ACCOUNTING POLICIES**

#### **Accounting convention**

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

#### **Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

#### **Stocks**

Properties which are held as trading stock are stated at the lower of cost and net realisable value. Cost includes direct expenditure and gross interest less net property income.

Sales are recognised on completion of contracts.

#### **Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

### **2. STAFF COSTS**

There were no staff costs for the period ended 31st January 1997.

The average monthly number of employees during the period was as follows:

==

### **3. OPERATING LOSS**

The operating loss is stated after charging:

Auditors' remuneration	<u>1,469</u>
------------------------	--------------

Directors' emoluments	<u>-</u>
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### **4. INTEREST PAYABLE AND SIMILAR CHARGES**

Bank interest	£ <u>203</u>
---------------	-----------------

### **5. TAXATION**

No liability to UK Corporation tax arose on ordinary activities for the period.

### **6. STOCKS**

Work in progress	£ <u>386,808</u>
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**NOBLE HOUSE PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 20TH MAY 1996 TO 31ST JANUARY 1997**

**7. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	£
V.A.T.	857
Other debtors	<u>9,849</u>
	<u>10,706</u>

**8. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	£
Bank loans and overdrafts (see note 9)	221,027
Trade creditors	866
Amounts due to associated company	178,159
Accrued expenses	<u>1,469</u>
	<u>401,521</u>

**9. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	£
Amounts falling due within one year or on demand:	
Bank overdrafts	4,935
Bank loans	<u>216,092</u>
	<u>221,027</u>

**10. SECURED DEBTS**

The following secured debts are included within creditors:

	£
Bank loans	<u>216,092</u>

The bank loans are secured against the freehold investment properties currently held by the company as work in progress.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 20TH MAY 1996 TO 31ST JANUARY 1997**

**11. CALLED UP SHARE CAPITAL**

Authorised:			
Number:	Class:	Nominal value:	£
1,000	Ordinary	£1	<u>1,000</u>

Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	£
99	Ordinary	£1	<u>99</u>

99 Ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

**12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	£
Loss for the financial period	(4,106)
Issue of share capital	<u>99</u>
<b>NET REDUCTION OF SHAREHOLDERS' FUNDS</b>	<u>(4,007)</u>
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<u>(4,007)</u>
Equity interests	<u>(4,007)</u>