

Noble Financial Holdings Limited

Directors' Report and Financial Statements

31 December 2010

Registered Number SC071689

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Directors:	Edward John Llewellyn-Lloyd Rupert Angus Macpherson Charles James Ashton Nicholas Paulson Ellis
Secretary:	Jennifer Owens
Registered Office:	76 George Street Edinburgh EH2 3BU
Bankers:	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB
Auditor:	KPMG Audit Plc 15 Canada Square London E14 5GL

Directors' Report

The directors present the report and financial statements for Noble Financial Holdings Limited ("the Company"), for the year to 31 December 2010. The comparatives are for the thirteen month period ended 31 December 2009.

Activities

The principal activity of the company is to act as management and holding company to the previous Noble group's three main operating companies namely Execution Noble & Company Limited, Noble Fund Advisers Limited and Execution Noble Research Limited. The company also acts as employer for the main Noble operating companies.

Results and review of business

The results for the year to 31 December 2010 are set out in the accompanying financial statements and attached notes. The directors consider that the performance for the year was within expectations as the company incurs administrative costs on behalf of the other group companies.

With the purchase of the parent company by Execution Holdings Limited on 1 February 2010 and the subsequent purchase of Execution Holdings Limited by Banco Espirito Santo de Investimento SA on 29 November 2010 the directors expect the structure of the Company and its subsidiaries to be the subject of review during the coming year.

Business update

On 18 December 2009 Execution Holdings Limited made a share for share offer for Noble Group Holdings Limited (the ultimate parent of Noble Financial Holdings Limited) through which Noble shareholders would hold 16.5% of Execution Holdings Limited. Subsequently a submission was made to the Financial Services Authority which included an assessment of the capital resources and requirements of the new group going forward. Approval was gained from the Financial Services Authority on 27 January 2010 and the transaction completed on 1 February 2010.

On 8 February 2010 it was announced that Execution Holdings Limited and Banco Espirito Santo de Investimento S.A. ("BESI") agreed a recommended offer for BESI to acquire a 50.1% shareholding in Execution Holdings Limited.

On 29 November 2010 the Banco Espirito Santo de Investimento SA ("BESI") deal was completed and the 50.1% controlling stake was acquired.

Although current market conditions continue to have an adverse impact on the trading of the Group the new group which is being formed will have substantial capital and other resources both within the entity itself, as well as with its ultimate parent, Banco Espirito Santo. The Group maintains significant cash balances with a defined liquidity risk appetite and extensive controls around detailed cash reporting.

In addition it is anticipated that there will be significant revenue synergies, in both product and geography, as a result of the combination of the businesses.

Directors' Report (continued)

Going concern

The Company's forecasts and projections, taking account of the principal risks and uncertainties, including the possible changes in economic and trading performance, show that the Company will be able to operate within the level of their working capital resources. The directors believe that the company will have access to adequate resources to continue in operational existence for the foreseeable future.

The Directors have received confirmation from the ultimate holding entity Espirito Santo Investment Holdings Limited (ESIHL), for so long as it remains a subsidiary of ESIHL, that it will provide financial and other support for at least twelve months and thereafter for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Results and Dividends

There was no interim dividend in the year to 31 December 2010 (period to 31 December 2009: £nil). The directors propose that no final dividend be paid (period to 31 December 2009: £nil).

Directors

The directors of the Company who served throughout the year to 31 December 2010, were as follows:

Edward John Llewellyn-Lloyd
Rupert Angus Macpherson
Charles James Ashton
Nicholas Jeremy Bruce Paulson-Ellis

The Company confirms that it has in place a Directors' and Officers' Liability Insurance Policy.

Directors' indemnities

The company has made qualifying third-party indemnity provisions for the benefit of the directors which were made during the year and remain in force at the date of this report.

Disclosure of information to auditors

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

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Directors' Report (continued)

Initial appointment of auditors

On 15 December 2010 the board gave approval for the appointment of KPMG Audit Plc as auditor of the Company.

Approved by the Board and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C Ashton', written over the printed name.

By Order of the Board
Charles James Ashton
Director
26 April 2011

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgements 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and 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 2006. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Noble Financial Holdings Limited

We have audited the financial statements of Noble Financial Holdings Limited for the year ended 31 December 2010 set out on pages 10 to 25. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Noble Financial Holdings Limited (*continued*)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



M. Davies (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants

London, England

4 May 2011

Noble Financial Holdings Limited

Profit and Loss Account

For the year ended 31 December 2010

		Year to 31 December 2010 £	13 month period to 31 December 2009 £
	Notes		
Turnover		1,454,317	3,139,794
Administrative expenses		(4,759,339)	(3,717,726)
		<hr/>	<hr/>
Operating loss	2	(3,305,022)	(577,932)
(Loss)/profit on sale of tangible fixed assets		(80,541)	233
Dividend income	5	-	1,032,000
Loss on sale of subsidiaries		-	(448,749)
Profit on sale of investments		-	757,751
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before interest		(3,385,563)	763,303
Interest receivable	4	1,866	25,347
Interest payable		-	(70,255)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(3,383,697)	718,395
Taxation	6	-	-
		<hr/>	<hr/>
(Loss)/profit for the year/period		<u>(3,383,697)</u>	<u>718,395</u>

There were no recognised gains or losses other than the (loss) / profit for the current year or prior period.

The notes on pages 12 - 25 form part of these financial statements.

Noble Financial Holdings Limited

Balance Sheet

As at 31 December 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible assets	8	89,396	190,644
Investments	9	1,517,786	1,152,786
		<hr/>	<hr/>
		1,607,182	1,343,430
		<hr/>	<hr/>
Current assets			
Debtors: amounts falling due within one year	10	4,322,849	2,375,965
Cash at bank		164,933	1,144,391
		<hr/>	<hr/>
		4,487,782	3,520,356
Creditors: amounts falling due within one year	11	(5,915,115)	(1,871,531)
		<hr/>	<hr/>
Net current (liabilities)/assets		(1,427,333)	1,648,825
		<hr/>	<hr/>
Net assets		<u>179,849</u>	<u>2,992,225</u>
 Capital and reserves			
Called up share capital	12	733,929	733,929
Share premium	13	2,711,820	2,711,820
Profit and loss account	13	(3,265,900)	(453,494)
		<hr/>	<hr/>
Shareholders' funds	13	<u>179,849</u>	<u>2,992,255</u>

The accounts of Noble Financial Holdings Limited, Registered Number SC071689 were approved by the board and authorised for issue on 26 April 2011.



Charles James Ashton
Director
26 April 2011

Noble Financial Holdings Limited

Notes to the financial statements

For the year ended 31 December 2010

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and the Companies Act 2006.

The financial statements have been prepared for the year ended 31 December 2010. The comparatives are for the 13 month period ended 31 December 2009.

Going concern

The Company's forecasts and projections, taking account of the principal risks and uncertainties, including the possible changes in economic and trading performance, show that the Company will be able to operate within the level of their working capital resources. The directors believe that the company will have access to adequate resources to continue in operational existence for the foreseeable future.

The Directors have received confirmation from the ultimate holding entity Espirito Santo Investment Holdings Limited (ESIHL), for so long as it remains a subsidiary of ESIHL, that it will provide financial and other support for at least twelve months and thereafter for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover represents inter-company recharges to operating companies within the original Noble group and income for the rental of office space which is credited to the profit and loss account on an accruals basis.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows:

Leasehold improvements	-	over the lease term
Office equipment	-	over 3 years and 5 years
Computer equipment	-	over 3 years
Antiques and Paintings	-	No provision

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to the recoverable amount, unless the relevant asset is carried at a revalued amount, in which case the impairment is treated as a revaluation decrease. Impairment losses are recognised as an expense immediately.

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

1. Accounting policies (continued)

Revaluations

At each balance sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Leasing agreements

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Investments

Listed and unlisted investments are included at cost less provision for impairment.

The carrying value will be reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to the recoverable amount, unless the relevant asset is carried at a revalued amount, in which case the impairment is treated as a revaluation decrease. Impairment losses are recognised as an expense immediately.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, 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 is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

1. Accounting policies (continued)

Pension scheme

Certain employees can choose to be members of a Group Personal Pension scheme operated by the Noble Group. Depending on contracts the Noble Group matches employee contributions up to a maximum of 5 % of salary in the defined contribution scheme.

The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions paid in the year.

Dividends

Final dividends are recognised in the Company's financial statements in the period in which the dividends are approved by shareholders. Interim equity dividends are recognised in the period they are paid.

Share-based payments

The group has applied the requirements of FRS 20 Share-Based Payment.

The original Noble group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the directors' estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured by use of the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

On 1 February 2010, the Execution Holdings Limited acquisition of Noble Group Holdings was completed. All existing option holders were able to exercise their options from this date.

Cash flow statement

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly-owned subsidiary undertaking of Espirito Santo Investment Holdings Limited which prepares a consolidated cash flow statement.

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

1. Accounting policies (continued)

Preparation of group accounts

The Company is exempt from preparing group financial statements under s400 of the Companies Act 2006. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group. Group financial statements are prepared by the Company's intermediate parent, Espirito Santo Investment Holdings Limited. Copies of the consolidated financial statements of Espirito Santo Investment Holdings Limited can be obtained from the Registrar of Companies, Companies House. Information is therefore presented for the individual company, not the group.

2. Operating loss on ordinary activities before taxation

	Year to 31 December 2010 £	13 month period to 31 December 2009 £
Operating loss on ordinary activities before taxation is stated after charging:		
Fees payable to the Company's auditors for the audit of the Company's annual accounts	15,000	15,000
Fees payable to the Company's auditors and its associates for other services	-	4,000
Total fees paid to auditors	<u>15,000</u>	<u>19,000</u>
Operating lease rentals – property	556,038	438,035
Depreciation of fixed tangible assets	<u>30,012</u>	<u>109,088</u>

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

3. Staff numbers and costs

The average number of employees including directors during the year was 14 (period to 31 December 2009: 23).

The aggregate remuneration and associated costs of the company's employees were:

	Year to 31 December 2010 £	13 month period to 31 December 2009 £
Wages and salaries	815,968	1,303,223
Share-based payments	571,291	349,234
Social security costs	104,444	327,137
Pension contributions	29,852	33,080
	<u>1,521,555</u>	<u>2,012,674</u>
Directors' emoluments	Year to 31 December 2010 £	13 month period to 31 December 2009 £
Emoluments	205,236	429,485
Pension contributions	6,500	14,604
	<u>211,736</u>	<u>444,089</u>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director were £205,236 (2009:£147,371), and Company pension contributions of £6,500 (2009:£7,313) were made to a money purchase scheme on his behalf. During the year, the highest paid director exercised 314,999 share options.

4. Interest receivable

	Year to 31 December 2010 £	13 Month period to 2009 £
Bank interest receivable	<u>1,866</u>	<u>25,347</u>
	<u>1,866</u>	<u>25,347</u>

5. Dividend income

No dividends were paid during the year (Period to 31 December 2009: £1,032,000).

Noble Financial Holdings Limited

For the year ended 31 December 2010

6. Tax on (loss)/profit on ordinary activities

	Year to 31 December 2010 £	13 month period to 31 December 2009 £
The tax charge comprises:		
Current tax		
UK corporation tax	-	-
	<u>-</u>	<u>-</u>

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the (loss)/profit before tax is as follows.

Factors affecting tax charge in the year	Year to 31 December 2010 £	13 month period to 31 December 2009 £
Profit/(Loss) on ordinary activities before tax	<u>(3,383,697)</u>	<u>718,395</u>
Profit/(Loss) on ordinary activities at standard rate of tax 28%	(947,435)	201,151
Capital allowances in excess of depreciation	30,980	24,999
Expenses not deductible for tax purposes	25,221	34,013
Income not taxable for tax purposes	-	(288,960)
Generation of tax losses	891,234	28,797
Current tax charge based on profit/(loss) for the year/period	<u>-</u>	<u>-</u>

A deferred tax asset in relation to excess of capital allowances over depreciation has not been recognised, due to uncertainty over its future realisation. The asset will be recovered if there is suitable taxable profit generated from this trade in future years.

Deferred tax	2010 £	2009 £
Deferred tax asset not recognised	<u>919,541</u>	<u>130,430</u>

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

7. Share-based payments

The former Noble Group had two share option schemes for employees, an EMI Options Scheme and an Unapproved Options Scheme. Options in the EMI Options Scheme were exercisable at prices equal to the market price of the company's shares on the date of the grant of the option. The vesting period was between one and three years. If the options remained unexercised after a period of between three and ten years from the date of grant the options expired. Options were forfeited if the employee left the Group before the options vested. Options in the Unapproved Options Scheme were either exercisable at £0.01 (nominal) or the market price of the company's shares on the date of grant of the option. The options vested equally over four years for the £0.01 options while the market value options vested on the date of grant. If the options remained unexercised after five years from the date of grant the options expired. The options contained bad leaver restrictions that may have meant that unvested options lapsed. All options were exercised 1 February 2010.

Details of the share options outstanding during the year/period are as follows:

	Year to 31 December 2010		13 Month period to 31 December 2009	
	Share options	Weighted average exercise price £	Share options	Weighted average exercise price £
Outstanding at beginning of period	1,263,620	0.04	175,100	0.42
Granted during the period	453,418	0.01	1,111,120	0.01
Transferred during the period	437,814	0.20	(22,600)	1.77
Exercised during the period	(2,154,852)	0.04	-	-
Outstanding at the end of the period	-	-	<u>1,263,620</u>	<u>0.04</u>
Exercisable at the end of the period	-	-	-	-

There were no options outstanding at 31 December 2010.

In 2010, unapproved share options were granted on 1 January 2010. The estimated fair value at that date was £91,541. In 2009, unapproved share options were granted on 1 January 2009 and 24 April 2009. The estimated fair value at 31 December 2010 of the options granted on these dates is £425,430. In 2008, unapproved share options were granted on 1 December 2007. The estimated fair value of the options granted on this date at 31 December 2010 is £580,895 (2010: £540,963). In 2007, EMI options were granted on 20 June 2007. The estimated fair value of the options granted on this date at 31 December 2010 is £10,151 (2010: £25,039). In 2006, EMI options were granted on 3 July 2006. The estimated fair value at 31 December 2009 of the options granted on this date is £1,865 (2010: £2,424).

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

7. Share-based payments (Continued)

The inputs to the Black-Scholes Option Pricing Model are as follows:

	3 Jul 2006	20 Jun 2007	1 Dec 2007	1 Jan 2009	27 Apr 2009	4 Jan 2010
Weighted average share price	£1.75	£1.75	£4.00	£0.40	£0.40	£0.23
Weighted average exercise price	£1.75	£1.75	£0.01	£0.01	£0.03	0.01
Expected volatility	40%	40%	34%	36%	36%	36%
Expected life	4 years	4 years	4 years	4 years	4 years	4 years
Risk-free rate	4.50%	5.50%	5.50%	1.60%	1.60%	1.60%
Expected dividend yield	-	-	-	-	-	-

In 2010, 420,314 options were transferred from Noble Fund Management Limited and 17,500 options were transferred from Noble Corporate Management, following their disposal.

Expected volatility was determined by calculating the historical volatility of a basket of comparable quoted stocks. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavior considerations.

The share price is determined by reference to price/earnings ratios, earnings before interest, tax, depreciation and amortization and revenue multiples of listed peers discounted to reflect the Noble Group Holdings Limited private status.

The Company recognised total expenses of £571,291 related to equity settled share-based payment transactions in 2010 (2009: £349,234).

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

8. Tangible fixed assets

	Property	Office equipment	IT equipment	Antiques and paintings	Total
	£	£	£	£	£
Cost/valuation					
At 1 January 2010	32,411	1,020,302	206,013	34,546	1,293,272
Additions	-	1,995	7,400	-	9,395
Disposals	-	(498,765)	(86,395)	-	(585,160)
Impairment	-	-	-	-	-
At 31 December 2010	<u>32,411</u>	<u>523,532</u>	<u>127,018</u>	<u>34,546</u>	<u>717,507</u>
Depreciation					
At 1 January 2010	3,241	967,356	132,031	-	1,102,628
Disposals	-	(456,803)	(47,785)	-	(504,588)
Charge for year	<u>3,241</u>	<u>10,807</u>	<u>16,023</u>	<u>-</u>	<u>30,071</u>
At 31 December 2010	<u>6,482</u>	<u>521,360</u>	<u>100,269</u>	<u>-</u>	<u>628,111</u>
Net book value					
At 31 December 2010	<u>25,929</u>	<u>2,172</u>	<u>26,749</u>	<u>34,546</u>	<u>89,396</u>
At 1 January 2010	<u>29,170</u>	<u>52,946</u>	<u>73,982</u>	<u>34,546</u>	<u>190,644</u>

During the year the company disposed of assets resulting in a loss on sale of £80,541.

9. Fixed asset investments

	Shares in group undertakings £	Other investments £	Total £
Cost as at 1 January 2010	1,050,001	102,785	1,152,786
Additions at cost	350,000	15,000	365,000
Cost less provision for impairment as at 31 December 2010	<u>1,400,001</u>	<u>117,785</u>	<u>1,517,786</u>

Details of trading subsidiary undertakings are as noted below (* denotes subsidiaries held indirectly). Noble Capital Limited and Sitka Limited were dissolved on 24 March 2010.

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

9. Fixed asset investments (continued)

<u>Subsidiary undertakings</u>	<u>Country of registration</u>	<u>Principal activity</u>	<u>Percentage of ordinary shares</u>
Execution Noble & Company Limited (Subsidiary)	Scotland	Corporate Finance Advice	100%
Clear Capital Group Limited (Subsidiary)	England	Holding Company	100%
Execution Noble Research Limited (Subsidiary of Clear Capital Group Limited)	England	Provision of Research Services	100%*
Clear Info-Analytics Private Limited (Subsidiary of Clear Capital Group Limited)	India	Provision of Research Services	100%*
Noble Fund Advisers Limited (Subsidiary)	Scotland	Fund Management	100%*
Noble Venture Finance General Partner Limited (Subsidiary of Noble Fund Advisers Limited)	Jersey	General Partner	100% *
Nemo Services Limited (Subsidiary)	Scotland	Expert Services	100%*

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

10. Debtors

	2010 £	2009 £
Amounts falling due within one year:		
Trade debtors	9,717	5,146
Other debtors	21,966	174,511
Prepayments and accrued income	177,822	307,272
Amounts owed by group undertakings	4,020,385	1,859,678
VAT debtor	49,535	29,358
Other tax and social security	43,424	-
	<u>4,322,849</u>	<u>2,375,965</u>

11. Creditors: amounts falling due within one year

	2010 £	2009 £
Trade creditors	110,607	399,497
Other creditors	31,261	564,355
Accruals and deferred income	590,877	486,371
Amounts owed to parent	-	421,308
Amounts owed to group undertakings	5,182,370	-
	<u>5,915,115</u>	<u>1,871,531</u>

12. Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
733,929 Ordinary shares of £1 each	<u>733,929</u>	<u>733,929</u>

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

13. Reconciliation of movements in shareholders' funds

	Share capital £	Share premium £	Profit and loss account £	Shareholders' funds £
As at 1 January 2010	733,929	2,711,820	(453,494)	2,992,255
Profit/(Loss) for the financial year	-	-	(3,383,697)	(3,383,697)
Share based payment	-	-	571,291	571,291
As at 31 December 2010	<u>733,929</u>	<u>2,711,820</u>	<u>(3,265,900)</u>	<u>179,849</u>

14. Operating leases

At 31 December 2010 the Company had annual commitments under operating leases for rental of other property as follows:

	Year to 31 December 2010	13 Month period to 31 December 2009 (restated)
	£	£
Operating leases which expire:		
Within one year	25,864	4,062
Within two to five years		
Rental of office space	632,877	556,070
Other property	10,800	36,664
After more than five years	-	-
	<u>669,541</u>	<u>596,796</u>

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

15. Financial risk management objectives

The Group's (Espirito Santo Investment Holdings Limited) Finance function provides services to the company, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the company through internal reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest, rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Market Risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates (see below).

Foreign currency risk management

The company undertakes transactions denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters towards foreign exchange purchase and expenditure.

Interest rate risk management

The company is not exposed to interest rate risk as there are no borrowings.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The company only transacts with entities that are rated the equivalent of investment grade and above.

The information is supplied by independent rating agencies where available, and if not available, the company uses other publicly available financial information and its own trading records to rate its major customers. The company's exposure and the credit ratings of its counterparties are continuously monitored.

Liquidity and Cashflow risk management

Ultimate responsibility for liquidity and cashflow risk management rests with the board of directors, which has established an appropriate liquidity risk management framework with the Executive Committee (ExCo) for the management of the Group's short-, medium-, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows.

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2010

Other Price Risks

The group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The group does not actively trade these investments.

16. Ultimate holding company

The immediate parent company is Noble Group Limited, a company registered in Scotland, registration number SC203624.

The Company is a subsidiary undertaking of Banco Espirito Santo, S.A. which is the ultimate parent company incorporated in Portugal.

The largest group in which the results of the Company are consolidated is that headed by Banco Espirito Santo, S.A., incorporated in Portugal. The consolidated financial statements of this group are available to the public and may be obtained from www.bes.pt.

The smallest group in which they are consolidated is that headed by Espirito Santo Investment Holdings Limited, incorporated in England, registration number 07142126. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

17. Related parties

Related parties include other subsidiary companies of Espirito Santo Investment Holdings Limited. Transactions between these related parties have been eliminated in the consolidated accounts of Espirito Santo Investment Holdings Limited and, as such, are not required to be disclosed in accordance with Financial Reporting Standard 8.

18. Change of Parent

At 1 February 2010 the parent company Noble Group Holdings Limited, a company registered in the Isle of Man, registration number 002013V, in whose accounts the results of the Company were consolidated was purchased by Execution Holdings Limited, a company registered in England, registration number 4916295 which was the parent of the Execution group. Consolidated accounts for Execution Holdings Limited are not publicly available.

At 29 November 2010 the parent company Execution Holdings Limited, a company registered in England, registration number 4916295, in whose accounts the results of the Company were consolidated within was purchased by Espirito Santo Investment Holdings Limited, a company registered in England, registration number 07142126 which is now the parent of the group. Consolidated accounts for Espirito Santo Investment Holdings Limited are publicly available.