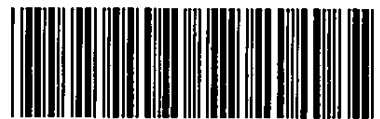


Noble Financial Holdings Limited
Directors' Report and Financial Statements
For the year ended 31 December 2011

Registered Number SC071689

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Noble Financial Holdings Limited

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Noble Financial Holdings Limited

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: Lloyds Banking Group
25 Gresham Street
London
EC2V 7HN

Auditor: KPMG Audit Plc
15 Canada Square
London
E14 5GL

Noble Financial Holdings Limited

Directors' Report

The Directors present the report and financial statements for Noble Financial Holdings Limited ("the Company"), for the year to 31 December 2011. The comparatives are for the year ended 31 December 2010.

Activities

The principal activity of the Company is to act as management and holding Company to the three main operating companies in the previous Noble Group, namely Execution Noble & Company Limited, Noble Fund Advisers Limited and Execution Noble Research Limited. The Company held the payroll for the main Noble operating companies.

Results and review of business

The results for the year to 31 December 2011 are set out in the accompanying financial statements and the accompanying notes.

The Company has continued to provide services to other group companies and with the current economic situation a full review is being undertaken of the Company's role within the group. The results were broadly in line with expectations of the Company as a service provider.

Going concern

The Directors have considered the Company's forecasts and projections, taking account of the principal risks and uncertainties, including the possible changes in economic and trading performance, which show that the Company will be able to operate within the level of its working capital resources. The Directors are satisfied 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 intermediate 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 following the issuance of financial statements and thereafter for the foreseeable future. Accordingly, the financial statements are prepared on the going concern basis.

Results and Dividends

The Directors propose that no final dividend be paid in the year to 31 December 2011 (year to 31 December 2010: £nil).

Directors

The Directors of the Company who served throughout the year to 31 December 2011, 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.

Noble Financial Holdings Limited

Directors' Report (continued)

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of the Directors which were not utilised 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.

Appointment of auditors

Pursuant to Section 487 of the Companies Act 2006 the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

Noble Financial Holdings Limited

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 these 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; and
- 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 adequate 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 have general responsibility 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.

Further information on the Company can be found at www.execution-noble.com.

Approved by the Board and signed on its behalf by:



By Order of the Board
Charles James Ashton
Director
27 April 2012

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 2011 set out on pages 6 to 21. 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 auditor's 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 auditor's

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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, and express an opinion on, 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 website 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 2011 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.

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
15 Canada Square, London, E14 5GL, England
27 April 2012

Noble Financial Holdings Limited

Profit and Loss Account

For the year ended 31 December 2011

		Year to 31 December 2011 £	Year to 31 December 2010 £
	Notes		
Turnover		268,634	1,454,317
Administrative expenses		(2,614,989)	(4,759,339)
		<hr/>	<hr/>
Operating loss	2	(2,346,355)	(3,305,022)
Loss on sale of tangible fixed assets		-	(80,541)
		<hr/>	<hr/>
Loss on ordinary activities before interest		(2,346,355)	(3,385,563)
Interest receivable	4	856	1,866
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(2,345,499)	(3,383,697)
Taxation	6	17,200	-
		<hr/>	<hr/>
Loss for the year		<u>(2,328,299)</u>	<u>(3,383,697)</u>

The notes on pages 8 to 21 form part of these financial statements.

There are no recognised gains and losses for the year other than those shown in the above profit and loss.

All activities pertain to continuing activities.

Noble Financial Holdings Limited

Balance Sheet

As at 31 December 2011

	Notes	2011 £	2010 £
Fixed assets			
Tangible assets	8	68,905	89,396
Investments	9	1,485,974	1,517,786
		<hr/>	<hr/>
		1,554,879	1,607,182
		<hr/>	<hr/>
Current assets			
Debtors: amounts due within one year	10	2,852,104	4,322,849
Cash at bank		33,054	164,933
		<hr/>	<hr/>
		2,885,158	4,487,782
		<hr/>	<hr/>
Creditors: amounts due within one year	11	(6,588,487)	(5,915,115)
		<hr/>	<hr/>
Net current liabilities		(3,703,329)	(1,427,333)
		<hr/>	<hr/>
Net assets		<u>(2,148,450)</u>	<u>179,849</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	(5,594,199)	(3,265,900)
		<hr/>	<hr/>
Shareholders' funds	13	<u>(2,148,450)</u>	<u>179,849</u>

The notes on pages 8 to 21 form part of these financial statements.

The accounts of Noble Financial Holdings Limited, Registered Number SC071689 were approved by the Board and authorised for issue on 19 April 2012.



Charles James Ashton
Director
27 April 2012

Noble Financial Holdings Limited

Notes to the financial statements

For the year ended 31 December 2011

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of Preparation

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable United Kingdom Generally Accepted accounting standards and Companies Act 2006.

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 its working capital resources. The Directors believe that the Company will have access to adequate resources from the group to continue in operational existence for the foreseeable future.

The Directors have received confirmation from the intermeditate 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 2011

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 2011

1. Accounting policies (continued)

Pension scheme

Certain employees can choose to be members of a Group Personal Pension scheme operated by the previous 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 during 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 issued 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 behavioural considerations.

On 1 February 2010, the Execution Holdings Limited acquisition of Noble Group Holdings was completed. The share based payments scheme ceased after this action.

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 2011

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 2011 £	Year to 31 December 2010 £
Operating loss on ordinary activities before taxation is stated after charging:		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	28,000	15,000
Operating lease rentals – property	556,038	556,038
Depreciation of fixed tangible assets	20,491	30,012

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2011

3. Staff numbers and costs

The average number of employees including Directors during the year was 8 (period to 31 December 2010: 14).

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

	Year to 31 December 2011	Year to 31 December 2010
	£	£
Wages and salaries	589,679	723,376
Share-based payments	-	571,291
Social security costs	81,376	92,592
Pension contributions	28,028	29,852
	<u>699,083</u>	<u>1,417,111</u>

Directors' emoluments

	Year to 31 December 2011	Year to 31 December 2010
	£	£
Emoluments	352,765	205,236
Pension contributions	8,750	6,500
	<u>361,515</u>	<u>211,736</u>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid Director were £352,765 (2010:£205,236), and Company pension contributions of £8,750 (2010:£6,500) were made to a money purchase scheme on his behalf. During the year, the highest paid Director exercised no share options (2010:£314,999).

4. Interest receivable

	Year to 31 December 2011	Year to 2010
	£	£
Bank interest receivable	<u>856</u>	<u>1,866</u>

5. Dividend income

No dividends were paid during the year (Period to 31 December 2010: nil).

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2011

6. Tax on loss on ordinary activities

	Year to 31 December 2011 £	Year to 31 December 2010 £
The tax charge comprises:		
Current tax		
UK corporation tax	(17,200)	-
	<u>(17,200)</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 before tax is as follows.

	Year to 31 December 2011 £	Year to 31 December 2010 £
Factors affecting tax charge in the year		
Loss on ordinary activities before tax	<u>(2,345,499)</u>	<u>(3,383,697)</u>
Loss on ordinary activities at standard rate of tax 26.5% (2010: 28%)	(621,557)	(947,435)
Capital allowances in excess of depreciation	5,430	30,980
Expenses not deductible for tax purposes	8,033	25,221
Income not taxable for tax purposes	11,012	-
Generation of tax losses	597,082	891,234
Prior year adjustment	(17,200)	-
Current tax charge based on loss for the year/period	<u>(17,200)</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.

	2011 £	2010 £
Deferred tax		
Deferred tax asset not recognised	<u>843,918</u>	<u>919,541</u>

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2011

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 2011		Year to 31 December 2010	
	Share options	Weighted average exercise price £	Share options	Weighted average exercise price £
Outstanding at beginning of period	-	-	1,263,620	0.04
Granted during the period	-	-	453,418	0.01
Transferred during the period	-	-	437,814	0.20
	-	-		
Exercised during the period	-	-	(2,154,852)	0.04
Outstanding at the end of the period	-	-	-	0.04
Exercisable at the end of the period	-	-	-	-

There were no options outstanding at 31 December 2011.

In 2011, no unapproved share options were granted. In 2010, unapproved share options were granted on 1 January 2010. The estimated fair value at 31 December 2011 of the options granted on these dates is £nil (2010: £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 2011 is £nil (2010: £580,895). In 2007, EMI options were granted on 20 June 2007. The estimated fair value of the options granted on this date at 31 December 2011 is £nil (2010: £10,151). In 2006, EMI options were granted on 3 July 2006. The estimated fair value at 31 December 2011 of the options granted on this date is £nil (2010: £1,865).

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2011

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 behaviour 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 £nil related to equity settled share-based payment transactions in 2011 (2010: £571,291).

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2011

8. Tangible fixed assets

	Property	Office equipment	IT equipment	Antiques and paintings	Total
	£	£	£	£	£
Cost/valuation					
At 1 January 2011	32,411	523,532	127,018	34,546	717,507
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
At 31 December 2011	<u>32,411</u>	<u>523,532</u>	<u>127,018</u>	<u>34,546</u>	<u>717,507</u>
Depreciation					
At 1 January 2011	6,482	521,360	100,269	-	628,111
Disposals	-	-	-	-	-
Charge for year	<u>3,241</u>	<u>1,196</u>	<u>16,054</u>	-	<u>20,491</u>
At 31 December 2011	<u>9,723</u>	<u>522,556</u>	<u>116,323</u>	-	<u>648,602</u>
Net book value					
At 31 December 2011	<u>22,688</u>	<u>976</u>	<u>10,695</u>	<u>34,546</u>	<u>68,905</u>
At 1 January 2011	<u>25,929</u>	<u>2,172</u>	<u>26,749</u>	<u>34,546</u>	<u>89,396</u>

During the year, the Company did not dispose of any assets (2010 loss on disposal:£80,541).

9. Fixed asset investments

	Shares in group undertakings £	Other investments £	Total £
Cost as at 1 January 2011	1,400,001	117,785	1,517,786
Additions at cost	-	10,000	10,000
Impairment	-	(41,812)	(41,812)
Cost less provision for impairment as at 31 December 2011	<u>1,400,001</u>	<u>85,973</u>	<u>1,485,974</u>

During the year, the Company made impairment write-offs on its Vegastream (£41,558) and Invesco Aim Management (£255) investments (2010:£nil).

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 2011

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	Scotland	Corporate Finance Advice	100%
Clear Capital Group Limited	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	Provision and facilitation of networks of experts	100%*

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2011

10. Debtors: amounts due within one year

	2011 £	2010 £
Amounts falling due within one year:		
Trade debtors	95,837	9,717
Other debtors	7,903	21,966
Prepayments and accrued income	329,661	177,822
Amounts owed by group undertakings	2,383,602	4,020,385
VAT debtor	35,101	49,535
Other tax and social security	-	43,424
	<u>2,852,104</u>	<u>4,322,849</u>

11. Creditors: amounts due within one year

	2011 £	2010 £
Trade creditors	44,471	110,607
Other creditors	1,416	31,261
Accruals and deferred income	711,389	590,877
Amounts owed to group undertakings	5,713,615	5,182,370
Other tax and social security	117,596	-
	<u>6,588,487</u>	<u>5,915,115</u>

12. Share capital

		2011 £	2010 £
Number	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 2011

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
Loss for the financial year			(3,383,697)	(3,383,697)
Share based payment			571,291	571,291
As at 31 December 2010	733,929	2,711,820	(3,265,900)	179,849
Loss for the financial year	-	-	(2,328,299)	(2,328,299)
As at 31 December 2011	<u>733,929</u>	<u>2,711,820</u>	<u>(5,594,199)</u>	<u>(2,148,450)</u>

14. Operating leases

At 31 December 2011 the Company had annual commitments under operating leases for rental of other property as follows:

	Year to 31 December 2011 £	Year to 31 December 2010 £
Operating leases which expire:		
Within one year	900	25,864
Within two to five years	613,675	643,677
Rental of office space	613,675	632,877
Other property	-	10,800
	<u>614,575</u>	<u>669,541</u>

During the year, the Company sublet part of its rented office space to a third party. Annual rental receipts due after the balance sheet date are as follows:

	Year to 31 December 2011 £	Year to 31 December 2010 £
Operating leases which expire:		
Within two to five years	<u>169,733</u>	-
	<u>169,733</u>	-

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2011

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), credit risk, interest rate risk, liquidity and cash flow 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 to deal with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company 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-term, medium-term, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and continuous monitoring of its forecast and actual cash flows.

Noble Financial Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 December 2011

Other Price Risks

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company 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

The Company is a wholly owned subsidiary of Espirito Santo Investment Holdings Limited. Related parties include other subsidiary companies of Espirito Santo Investment Holdings Limited. The Company has taken advantage of the exemption contained in Financial Reporting Standard 8 and therefore have not disclosed transactions or balances with other wholly owned subsidiaries, which have been eliminated in the consolidated accounts of Espirito Santo Investment Holdings Limited.