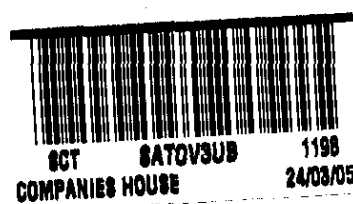


**Noble Financial Holdings Limited**  
**Directors' Report and Financial Statements**  
**31 August 2004**

**Registered Number SC71689**



# **Noble Financial Holdings Limited**

## **Directors' report and financial statements**

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# **Noble Financial Holdings Limited**

<b>Directors:</b>	Henry Chaplin Joseph Philipsz Benjamin Thomson
<b>Secretary:</b>	Stephen Churchill
<b>Registered Office:</b>	76 George Street Edinburgh EH2 3BU
<b>Bankers:</b>	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB
<b>Solicitors:</b>	Murray Beith Murray WS 39 Castle Street Edinburgh EH2 3BH
<b>Auditor:</b>	Scott-Moncrieff Chartered Accountants Registered Auditor 17 Melville Street Edinburgh EH3 7PH

# Noble Financial Holdings Limited

## Directors' Report

The directors have pleasure in presenting their twenty-fourth annual report together with the financial statements for the year ended 31 August 2004.

### Activities

The principal activity of the company is to act as management and holding company to the group's three main operating companies namely Noble Partnership Limited, Noble & Company Limited and Noble Fund Managers Limited.

### Results and review of business

The results for the year ended 31 August 2004 are set out in the accompanying financial statements and attached notes. The directors consider that the performance for the year was satisfactory.

### Dividends

No interim dividend was paid in the year and the directors propose that no final dividend be paid (2003: £nil).

### Directors

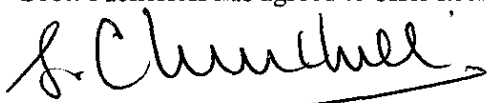
The directors of the company during the year to 31 August 2004, and their shareholdings in the ultimate holding company, Noble Group Limited, were as follows:

Noble Group Limited				
Ordinary shares of 10p each				
	31 August 2004		31 August 2003	
	Beneficial	Non-Beneficial	Beneficial	Non-Beneficial
Henry Chaplin	60,620	-	60,620	-
Joseph Philipsz	46,200	-	46,200	-
Benjamin Thomson	75,180	-	75,180	-
Timothy Noble (resigned 31 August 2004)	70,000	10,400	70,000	10,400
Timothy Kimber (resigned 19 December 2003)	1,900	-	1,900	-
Angus MacDonald (resigned 19 December 2003)	2,000	-	2,000	-
David Potter (resigned 19 December 2003)	2,000	-	2,000	-

No director had any interest in the share capital of the company during the year.

### Auditor

Scott-Moncrieff has agreed to offer itself for re-appointment as auditor of the company.



By Order of the Board  
Stephen Churchill  
Company Secretary  
Edinburgh

2 February 2005

# **Noble Financial Holdings Limited**

## **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 group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make adjustments and estimates that are reasonable and prudent;
- state whether applicable 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 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 Financial Holdings Limited**

## **Independent Auditor's Report to the Shareholders of Noble Financial Holdings Limited**

We have audited the financial statements of Noble Financial Holdings Limited for the year ended 31 August 2004 set out on pages 7 to 14. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 9.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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.

# **Noble Financial Holdings Limited**

## **Independent Auditor's Report to the Shareholders of Noble Financial Holdings Limited**

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 August 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Scott-Moncrieff  
Chartered Accountants  
Registered Auditor

17 Melville Street  
Edinburgh  
EH3 7PH  
2 February 2005

# Noble Financial Holdings Limited

## Profit and Loss Account

for the year ended 31 August 2004

	Notes	2004 £	2003 £
Turnover	1	1,296,274	1,192,083
Administrative expenses	2	(1,279,226)	(1,081,643)
		<hr/>	<hr/>
		17,048	110,440
Net interest receivable	4	51,113	27,437
		<hr/>	<hr/>
Operating profit		68,161	137,877
Gain on disposal of investments		-	104,493
Loss on revaluation of investments		(1,547)	(87,032)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		66,614	155,338
Taxation	5	(9,181)	(91,610)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		57,433	63,728
Dividends receivable		200,000	330,000
		<hr/>	<hr/>
Retained profit for the financial year		257,433	393,728
Retained profit brought forward		1,620,550	1,226,822
		<hr/>	<hr/>
Retained profit carried forward		<u>1,877,983</u>	<u>1,620,550</u>



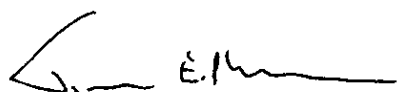
# Noble Financial Holdings Limited

## Balance Sheet

as at 31 August 2004

	Notes	2004 £	2003 £
<b>Fixed assets</b>			
Tangible assets	6	342,523	101,673
Investments	7	231,702	188,249
		<hr/>	<hr/>
		574,225	289,922
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	552,151	628,376
Debtors: amounts falling due after one year	9	55,000	55,000
Cash at bank and in hand		1,073,270	1,031,396
		<hr/>	<hr/>
		1,680,421	1,714,772
<b>Creditors: amounts falling due within one year</b>	10	(266,663)	(274,144)
		<hr/>	<hr/>
<b>Net current assets</b>		1,413,758	1,440,628
		<hr/>	<hr/>
<b>Net assets</b>		<u>1,987,983</u>	<u>1,730,550</u>
<b>Capital and reserves</b>			
Called up share capital	11	100,000	100,000
Revaluation reserve		10,000	10,000
Profit and loss account		1,877,983	1,620,550
		<hr/>	<hr/>
		<u>1,987,983</u>	<u>1,730,550</u>

The accounts were approved by the board of directors on 2 February 2005.



Joseph Philipsz  
Director

# **Noble Financial Holdings Limited**

## **Notes**

(forming part of the financial statements)

### **1. Accounting policies**

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards and the Companies Act 1985.

#### **Turnover**

Turnover represents the value of work done and is credited to the profit and loss account on an accruals basis.

#### **Fixed tangible assets**

Heritable property, antique furniture and paintings are considered by the company to have a useful life in excess of 50 years. No provision for depreciation is therefore considered necessary.

Office equipment and motor vehicles which are owned by the company or its subsidiaries are depreciated on a straight line basis over a three to five year period in order to write off their cost over their expected useful lives.

#### **Leases**

Operating lease costs are charged on a straight line basis to the profit and loss account.

#### **Investments**

Unlisted investments are included at the lower of cost or directors' valuation. Quoted investments are included at mid market price.

#### **Deferred taxation**

The company has adopted FRS 19 Deferred Tax in the current year. It requires full provision of deferred tax assets and liabilities arising from timing differences between recognition of gains and losses in the financial statements and the tax computations.

#### **Group financial statements**

The Company is exempt from preparing group financial statements as it and its subsidiaries are included by consolidation in the consolidated financial statements of Noble Group Limited. Copies of the consolidated financial statements of Noble Group Limited can be obtained from the Registrar of Companies, Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB.

#### **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.

# Noble Financial Holdings Limited

## Notes

(forming part of the financial statements)

### 2. Administrative expenses

	2004 £	2003 £
Administrative expenses include:		
Operating leases – property	230,163	171,117
Auditor's remuneration	2,405	5,707
Depreciation of fixed tangible assets	70,465	10,889
Directors' emoluments (including pension contributions and benefits)	<u>521,124</u>	<u>497,356</u>
Particulars of directors' emoluments and other remuneration:		
Consultancy fees	46,312	46,256
Other emoluments	451,954	421,217
Pension scheme contributions	22,858	29,883
	<u>521,124</u>	<u>497,356</u>

The emoluments of the highest paid director were £127,635 (2003 - £115,000) excluding pension contributions amounting to £nil (2003 - £nil). Retirement benefits are accruing to three (2003 – three) directors under money purchase schemes. Other emoluments were paid to four (2003 - four) directors.

### 3. Employees

	2004 £	2003 £
The average number of employees during the year was 5 (2003 – 8)		
Salaries	460,700	492,936
Social security costs	56,771	55,802
Other pension costs	22,858	32,917
	<u>540,329</u>	<u>581,655</u>

### 4. Interest

	2004 £	2003 £
Bank interest receivable	51,113	27,437
	<u>51,113</u>	<u>27,437</u>

# Noble Financial Holdings Limited

## Notes

(forming part of the financial statements)

### 5. Taxation

	2004 £	2003 £
<b>Analysis of tax charge in the year</b>		
UK corporation tax	14,000	44,000
(Over)/under provision in previous years	(4,819)	1,578
Payment for group relief	-	46,032
	<u>9,181</u>	<u>91,610</u>

The tax assessed for the year differs from the standard rate of tax as follows:

#### Factors affecting tax charge in the year

Profit on ordinary activities before tax	<u>66,614</u>	<u>155,338</u>
Profit on ordinary activities at standard rate of tax 30% (2003 – 30%)	19,984	46,601
Capital allowances in excess of depreciation	(5,984)	-
Expenses not deductible for tax purposes	-	(2,601)
(Over)/under provision in previous years	(4,819)	1,578
Payment for group relief	-	46,032
	<u>9,181</u>	<u>91,610</u>
Corporation tax charge based on profit for the year	<u>9,181</u>	<u>91,610</u>

### 6. Fixed tangible assets

	Heritable property £	Office equipment £	Computer equipment £	Antique furniture, paintings £	Total £
<b>Cost/valuation</b>					
At 1 September 2003	25,000	148,878	78,665	43,628	296,171
Additions	-	310,064	-	1,250	311,314
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2004	<u>25,000</u>	<u>458,942</u>	<u>78,665</u>	<u>44,878</u>	<u>607,485</u>
<b>Depreciation</b>					
At 1 September 2003	-	115,833	78,665	-	194,498
Charge for year	-	70,464	-	-	70,464
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2004	<u>-</u>	<u>186,297</u>	<u>78,665</u>	<u>-</u>	<u>264,962</u>
<b>Net book value</b>					
At 31 August 2004	<u>25,000</u>	<u>272,645</u>	<u>-</u>	<u>44,878</u>	<u>342,523</u>
At 1 September 2003	<u>25,000</u>	<u>33,045</u>	<u>-</u>	<u>43,628</u>	<u>101,673</u>

# Noble Financial Holdings Limited

## Notes

(forming part of the financial statements)

### 7. Fixed asset investments

	Shares in group undertakings £	Other investments £	Total £
At 1 September 2003	90,000	98,249	188,249
Additions at cost	-	45,000	45,000
Revaluation	-	(1,547)	(1,547)
	<hr/>	<hr/>	<hr/>
At 31 August 2004	<u>90,000</u>	<u>141,702</u>	<u>231,702</u>

Details of trading subsidiary undertakings are as noted below.

<u>Subsidiary undertakings</u>	<u>Country of registration</u>	<u>Principal activity</u>	<u>Percentage of shares held</u>
Noble & Company Limited	Scotland	Corporate finance advice	100%
Noble Partnership Limited	Scotland	Company secretarial, accounting and compliance services	100%
Noble Fund Managers Limited	Scotland	Fund management	100%
Noble Capital Limited	England	Administration of trusts	100%
Gap Fund Managers Limited	Scotland	Venture capital fund management	100%
NVF 1 General Partner Limited	Scotland	General partner to Limited Partnership	100%

# Noble Financial Holdings Limited

## Notes

(forming part of the financial statements)

### 8. Debtors: amounts falling due within one year

	2004 £	2003 £
Trade debtors	4,001	3,422
Other debtors	20,196	20,011
Prepayments and accrued income	265,957	66,897
Amounts owed by group undertakings	50,000	11,715
Vat debtor	18,266	-
Dividends receivable	-	330,000
Loan investments	193,731	196,331
	<u>552,151</u>	<u>628,376</u>

### 9. Debtors: amounts falling due after one year

	2004 £	2003 £
Subordinated loan to subsidiary undertaking	<u>55,000</u>	<u>55,000</u>

The loan is interest free and is repayable on demand any time after 21 November 2006.

### 10. Creditors: amounts falling due within one year

	2004 £	2003 £
Trade creditors	83,983	58,696
Other tax and social security	15,744	29,066
Other creditors	7,847	7,847
Accruals and prepaid income	132,940	39,498
Taxation	9,181	45,665
Amounts owed to group undertakings	16,968	93,372
	<u>266,663</u>	<u>274,144</u>

An unlimited inter company composite guarantee is held, dated 1 March 1991 between Noble Financial Holdings Limited and Noble & Company Limited.

### 11. Share capital

	2004 £	2003 £
<b>Authorised</b>		
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
<b>Allotted and fully paid</b>		
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

# Noble Financial Holdings Limited

## Notes

(forming part of the financial statements)

### 12. Reconciliation of movements in shareholder's funds

	2004 £	2003 £
Opening shareholder's funds	1,730,550	1,336,822
Profit for the financial year	257,433	393,728
	<hr/>	<hr/>
Shareholder's funds at 31 August 2004	<u>1,987,983</u>	<u>1,730,550</u>

### 13. Ultimate holding company

The ultimate holding company is Noble Group Limited, a company registered in Scotland, registration number 203624, in whose accounts the results of the Company are consolidated. The accounts of Noble Group Limited are available from Companies House, 37 Castle Terrace, Edinburgh EH1 2EB.

### 14. Related parties

Related parties include other subsidiary companies of Noble Group Limited. Transactions between these related parties have been eliminated in the consolidated accounts of Noble Group Limited (note 13) and as such do not require to be disclosed in accordance with Financial Reporting Standard 8.

### 15. Commitments and contingent liabilities

#### Capital commitments

There were no capital commitments at the year end (2003: none).

#### Operating leases

At 31 August 2004 the company had annual commitments under operating leases as follows:

	2004 £	2003 £
Operating leases which expire:		
After five years	<u>335,724</u>	<u>249,000</u>