

## ERNEST NOAD & ASSOCIATES LIMITED

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**ERNEST NOAD & ASSOCIATES LIMITED**

COMPANY NUMBER: 3109469

DIRECTORS: E.G. Noad, Esq.  
Mrs D.M. Noad

COMPANY SECRETARY: E.G. Noad, Esq.

REGISTERED OFFICE: Wayman House,  
141, Wickham Road,  
Shirley,  
CROYDON,  
Surrey, CR0 8TE

AUDITORS: Messrs. Jeffrey Altman & Company,  
Chartered Accountants,  
Wayman House,  
141, Wickham Road,  
Shirley,  
CROYDON,  
Surrey, CR0 8TE

BANKERS: Barclays Bank PLC.,  
Barclays House,  
3, Beckenham Road,  
BECKENHAM,  
Kent, BR3 4ES  
  
Cater Allen Limited,  
Sovereign House,  
16-22, Western Road,  
ROMFORD,  
Essex, RM1 3SP.

## **ERNEST NOAD & ASSOCIATES LIMITED**

### **REPORT OF THE DIRECTORS**

#### **ACCOUNTS**

The Directors herewith present their Report and the Audited Financial Statements of the Company for the year ended 31st December, 2003.

#### **ACTIVITIES**

The principal activity of the Company is that of an Independent Financial Adviser.

#### **REVIEW OF THE BUSINESS**

A summary of the Company results during the trading year is set out in the attached Financial Statements.

#### **DIRECTORS AND THEIR INTERESTS**

The Directors who held Office throughout the year and their interests in the Shares of the Company, as shown in the Register of Directors Interests, were as stated below:

	<u>Class of Share</u>	<u>As at 31.12.2003</u>	<u>As at 01.01.2003</u>
E.G. Noad, Esq.	£1 Ordinary	51	51
Mrs D.M. Noad	£1 Ordinary	49	49

#### **DIRECTORS RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS**

The Directors are obliged by law to prepare Financial Statements for each financial year and to present them annually to the Company's Members in Annual General Meeting.

The Financial Statements, of which the form and content is prescribed by the Companies Act, 1985, must give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the profit or loss of the Company for that period, and they must comply with applicable accounting standards.

The Directors are also responsible for the adoption of suitable Accounting Policies and their consistent use in the Financial Statements, supported where necessary by reasonable and prudent judgements and estimates, and for applying the going concern basis to the Financial Statements unless it is not appropriate to presume that the Company will continue in business.

The Directors confirm that the above requirements have been complied with in the Financial Statements.

In addition, the Directors are responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the Company and to prevent and detect fraud or any other irregularities.

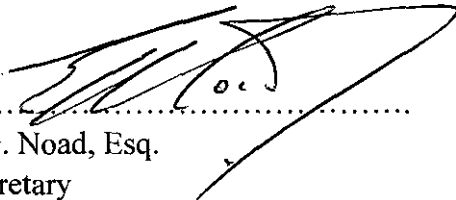
**ERNEST NOAD & ASSOCIATES LIMITED**

**REPORT OF THE DIRECTORS** (continued)

**AUDITORS**

During the year Messrs. Sinclairs, Chartered Accountants were replaced as Auditors to the Company by Messrs. Jeffrey Altman & Company, Chartered Accountants. In accordance with Section 384 of the Companies Act, 1985, a resolution for the reappointment of Messrs. Jeffrey Altman & Company, Chartered Accountants, as Auditors to the Company will be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD



.....

E.G. Noad, Esq.  
Secretary

17th March, 2004

## **ERNEST NOAD & ASSOCIATES LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ERNEST NOAD & ASSOCIATES LIMITED**

We have audited the Financial Statements of Ernest Noad & Associates Limited for the year ended 31st December, 2003 on pages 4 to 8. These Financial Statements have been prepared under the historical cost convention and the accounting policies set out therein.

#### **Respective Responsibilities of Directors and Auditors**

As described on page 2 the company's directors are responsible for the preparation of 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 Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

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.

#### **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 judgements made by the directors in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

#### **Opinion**

In our opinion the Financial Statements give a true and fair view of the state of the company's affairs as at 31st December, 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Wayman House,  
141, Wickham Road,  
Shirley,  
CROYDON,  
Surrey, CR0 8TE.

17th March, 2004



**JEFFREY ALTMAN & COMPANY**

Chartered Accountants &  
Registered Auditors

**ERNEST NOAD & ASSOCIATES LIMITED****PROFIT AND LOSS ACCOUNT FOR THE  
YEAR ENDED 31st DECEMBER, 2003**

	<u>NOTE</u>	<u>2003</u> <u>£</u>	<u>2002</u> <u>£</u>
<u>TURNOVER</u>	1	112,659	103,917
<u>ADMINISTRATIVE EXPENSES</u>		<u>87,459</u>	<u>90,782</u>
<u>OPERATING PROFIT FOR THE YEAR</u>	2	25,200	13,135
<u>OTHER INCOME</u>	3	<u>470</u>	<u>3,802</u>
<u>INTEREST PAYABLE</u>	4	25,670	16,937
		<u>42</u>	<u>-</u>
<u>PROFIT ON ORDINARY ACTIVITIES FOR THE YEAR BEFORE TAXATION</u>		25,628	16,937
<u>TAXATION</u>	5	<u>3,637</u>	<u>1,761</u>
<u>PROFIT FOR THE YEAR AFTER TAXATION</u>		21,991	15,176
<u>DIVIDENDS</u>	6	<u>20,600</u>	<u>33,220</u>
<u>RETAINED PROFIT/(LOSS) FOR THE YEAR</u>		<u>1,391</u>	(18,044)
<u>RETAINED PROFITS BROUGHT FORWARD</u>		<u>19,601</u>	<u>37,645</u>
<u>RETAINED PROFITS CARRIED FORWARD</u>	£	<u>20,992</u>	<u>19,601</u>

There were no recognised gains or losses either in the current or preceding year other than those recorded in the profit and loss account.

**ERNEST NOAD & ASSOCIATES LIMITED**

**BALANCE SHEET AS AT 31st DECEMBER, 2003**

	NOTE	£	2003 £	£	2002 £
<b><u>FIXED ASSETS</u></b>					
Tangible	7		1,569		1,229
<b><u>CURRENT ASSETS</u></b>					
Debtors	8	4,369		10,029	
Cash at Bank and in Hand		29,032		24,514	
		<u>33,401</u>		<u>34,543</u>	
<b><u>CREDITORS</u></b>					
Amounts falling due within one year	9	<u>13,878</u>		<u>16,071</u>	
<b><u>NET CURRENT ASSETS</u></b>			<u>19,523</u>		<u>18,472</u>
<b><u>TOTAL ASSETS LESS CURRENT LIABILITIES</u></b>			<u>21,092</u>		<u>19,701</u>
<b><u>NET ASSETS</u></b>			<u>£ 21,092</u>		<u>£ 19,701</u>
<b><u>CAPITAL AND RESERVES</u></b>					
<b><u>CALLED UP SHARE CAPITAL</u></b>	10		100		100
<b><u>PROFIT AND LOSS ACCOUNT</u></b>			<u>20,992</u>		<u>19,601</u>
<b><u>SHAREHOLDERS' FUNDS</u></b>	11		<u>£ 21,092</u>		<u>£ 19,701</u>

..... )  
..... )  
..... ) DIRECTORS  
..... )  
..... )

Approved by the Board

17th March, ..... 2004

**ERNEST NOAD & ASSOCIATES LIMITED****CASH FLOW STATEMENT****FOR THE YEAR ENDED 31st DECEMBER, 2003**

	<u>2003</u>	<u>2002</u>
	£	£
<b><u>CASH GENERATED FROM OPERATIONS</u></b>		
Operating Profit	25,628	16,937
Reconciliation to cash generated from operations:		
Depreciation	523	409
Decrease in Debtors	5,660	328
Decrease in Creditors	<u>(3,323)</u>	<u>(639)</u>
	28,488	17,035
<b><u>CASH FROM OTHER SOURCES</u></b>		
Amount introduced by Directors	<u>-</u>	<u>56</u>
	28,488	17,091
<b><u>APPLICATION OF CASH</u></b>		
Taxation paid	(2,405)	(9,795)
Dividends paid	(20,600)	(33,220)
Purchase of Tangible Fixed Assets	(863)	(1,133)
Amount withdrawn by Directors	<u>(103)</u>	<u>-</u>
	<u>(23,971)</u>	<u>(44,148)</u>
<b><u>NET INCREASE/(DECREASE) IN CASH</u></b>	4,517	(27,057)
Cash at Bank and in Hand at beginning of year	<u>24,515</u>	<u>51,572</u>
<b><u>CASH AT BANK AND IN HAND AT END OF YEAR</u></b>	£ <u>29,032</u>	£ <u>24,515</u>



## **ERNEST NOAD & ASSOCIATES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2003**

#### **1. ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently by the Company in the preparation of its Financial Statements.

##### **(a) Basis of Accounting**

The Financial Statements have been prepared in accordance with applicable Accounting Standards and under the Historical Cost Convention.

##### **(b) Turnover**

Turnover represents gross commissions and fees received in and receivable for the year under review, excluding Value Added Tax.

##### **(c) Depreciation**

Depreciation is calculated at the following rates, so as to write off each asset over its estimated useful life, on the reducing balance basis.

Computer Equipment	-	25% per annum
Fixtures and Fittings	-	25% per annum

##### **(d) Deferred Taxation**

Provision is only made for deferred taxation in respect of material timing differences.

##### **(e) Pensions**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions payable for the year are charged to the Profit and Loss Account.

	<u>2003</u> £	<u>2002</u> £
<b>2. <u>OPERATING PROFIT</u></b>		
This is arrived at after charging:		
Company Pension Scheme Contributions	7,500	12,900
Directors' Emoluments and other Benefits	22,800	21,984
Auditors' Remuneration	1,469	1,469
Amounts written off Tangible Fixed Assets - owned	<u>523</u>	<u>409</u>
<b>3. <u>OTHER INCOME</u></b>		
Bank Deposit Interest Receivable	470	834
Investment Income Receivable	-	46
Profit on Disposal of Investments	<u>-</u>	<u>2,922</u>
	<u>£470</u>	<u>£3,802</u>
<b>4. <u>INTEREST PAYABLE</u></b>		
Interest on the late payment of Corporation Tax	<u>£42</u>	<u>£ -</u>

**ERNEST NOAD & ASSOCIATES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER, 2003**

	<u>2003</u> £	<u>2002</u> £	
5. <u>TAXATION</u>			
United Kingdom Corporation Tax is provided for, based on the profits for the year at the prevailing Small Companies Rates of 0% and 19% (2002 - 0% and 19%) and is officially due for payment on 1st October, 2004	3,637	1,766	
Interest received on the early payment of Corporation Tax	-	(5)	
	£ <u>3,637</u>	£ <u>1,761</u>	
6. <u>DIVIDENDS</u>			
Interim Dividends totalling £206.00p (2002 - £332.20p) on each issued £1 Ordinary Share, paid during the year	20,600	33,220	
Final Dividend proposed	-	-	
	£ <u>20,600</u>	£ <u>33,220</u>	
7. <u>FIXED ASSETS</u>			
<u>Tangible</u>	<u>Computer</u> <u>Equipment</u> £	<u>Fixtures and</u> <u>Fittings</u> £	<u>TOTAL</u> £
<u>COST OR VALUATION</u>			
Balance as at 1st January, 2003	7,468	1,649	9,117
Additions	-	863	863
<u>Balance as at 31st December, 2003</u>	<u>7,468</u>	<u>2,512</u>	<u>9,980</u>
<u>DEPRECIATION</u>			
Balance as at 1st January, 2003	6,783	1,105	7,888
Charge for the year	171	352	523
<u>Balance as at 31st December, 2003</u>	<u>6,954</u>	<u>1,457</u>	<u>8,411</u>
<u>NET BOOK VALUES:</u>			
<u>As at 31st December, 2002</u>	£ <u>685</u>	£ <u>544</u>	£ <u>1,229</u>
<u>As at 31st December, 2003</u>	£ <u>514</u>	£ <u>1,055</u>	£ <u>1,569</u>
	<u>2003</u> £	<u>2002</u> £	
8. <u>DEBTORS</u> - amounts falling due within one year			
Trade Debtors	1,832	7,830	
Other Debtors	902	902	
Prepayments and Accrued Income	1,635	1,297	
	<u>£4,369</u>	<u>£10,029</u>	

**ERNEST NOAD & ASSOCIATES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DECEMBER, 2003**

	<u>2003</u>	<u>2002</u>		
	<u>£</u>	<u>£</u>		
9. <u>CREDITORS</u> - amounts falling due within one year				
Trade Creditors	5,535	9,384		
Taxation and Social Security Costs	3,072	2,381		
Corporation Tax	3,637	2,404		
Directors' Current Accounts	90	193		
Accruals	1,544	1,709		
	<u>£ 13,878</u>	<u>£ 16,071</u>		
10. <u>SHARE CAPITAL</u>				
<u>Authorised</u>				
100 Ordinary Shares of £1 each	<u>£ 100</u>	<u>£ 100</u>		
<u>Issued, Allotted and Fully Paid</u>				
100 Ordinary Shares of £1 each	<u>£ 100</u>	<u>£ 100</u>		
11. <u>SHAREHOLDERS' FUNDS</u>				
	<u>Called Up</u>	<u>Profit and</u>		
	<u>Share Capital</u>	<u>Loss Account</u>		
Balance as at 1st January, 2003	100	19,601	19,701	37,745
Transfer of Realised Profits/(Losses)	<u>-</u>	<u>1,391</u>	<u>1,391</u>	<u>(18,044)</u>
<u>Balance as at 31st December, 2003</u>	<u>£100</u>	<u>£20,992</u>	<u>£21,092</u>	<u>£19,701</u>