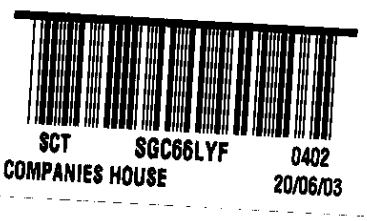
112862

NOBLE SITUATIONS LIMITED

REPORT & ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2002



NOBLE SITUATIONS LIMITED

Directors:	Timothy P Noble (Chairman) Elizabeth M Noble
Company secretaries:	Noble Group Limited 76 George Street Edinburgh EH2 3BU
Registered office:	76 George Street Edinburgh EH2 3BU
Auditors:	Chiene & Tait CA 61 Dublin Street Edinburgh EH3 6NL
Bankers:	Lloyds TSB Bank plc 28 Hanover Street Edinburgh EH2 2DS
Company number:	SC112862

NOBLE SITUATIONS LIMITED

Directors' Report

The directors' submit their report and accounts for the year ended 31 December 2002.

Results and dividends

The profit for the year after taxation amounted to £288 (2001 – £175,598). The directors do not recommend the payment of a dividend (2001 – Nil).

Principal activities

The company's principal business is investment in selected venture capital situations and other special investment opportunities.

Directors and their interests

The directors who served during the year are listed below together with their shareholdings at the beginning and end of the year.

	Shareholding Ordinary Shares of £1	
	31.12.2002	31.12.2001
T P Noble	-	-
E M Noble	-	-

Darnaway Venture Capital plc, a company wholly owned by T P Noble and his family, owns 100% of the share capital of Noble Situations Limited.

Auditors

The company has passed a resolution to dispense with the requirement to reappoint auditors annually.

NOBLE SITUATIONS LIMITED

Statement of directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that the accounts comply with the above requirements.

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 accounts 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.

By order of the Board



R C Smeaton
For and on behalf of
Noble Group Limited
Secretaries

9 June 2003

Report of the independent auditors to the shareholders of Noble Situations Limited

We have audited the accounts of Noble Situations Limited for the year ended 31 December 2002 set out on pages 6 to 12. These accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the Company's shareholders, 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 shareholders 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 shareholders, 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 accounts in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the accounts 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 accounts, 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 accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion
In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chiene & Tait CA

Chiene & Tait CA
Registered Auditors
61 Dublin Street
Edinburgh
EH3 6NL

9 June 2003

NOBLE SITUATIONS LIMITED

Profit & Loss Account
For the year ended 31 December 2002

	Notes	2002 £	2001 £
Revenue			
Investment income		364	182
Deposit interest receivable		-	43
		364	225
Expenses			
Administrative expenses		(76)	(4)
Operating profit	2	288	221
Gain on sale of investments		-	285,643
Related transfer from capital reserve		-	(110,266)
Profit on ordinary activities before taxation		288	175,598
Taxation	4	-	-
Retained profit for the year	10	288	175,598

The notes on pages 9 to 12 form part of these accounts.

NOBLE SITUATIONS LIMITED

Statement of Total Recognised Gains & Losses
For the year ended 31 December 2002

	2002 £	2001 £
Profit for the financial year	288	175,598
Gain / (Reduction) in unrealised surplus on revaluation of investments	(24,041)	32,325
Total recognised gains and losses for the year	(23,753)	207,923

Note of historical cost profits and losses

Profit on ordinary activities before taxation	288	175,598
Realisation of investment valuation surpluses of previous years	-	110,266
	288	285,864
Historical cost profit on ordinary activities after taxation	288	285,864

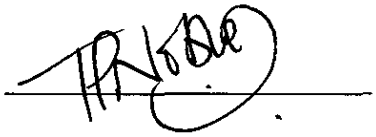
The notes on pages 9 to 12 form part of these accounts.

NOBLE SITUATIONS LIMITED

Balance Sheet
As at 31 December 2002

	Notes	2002 £	2001 £
Fixed assets			
Investments	5	85,301	109,342
Current assets			
Debtors	6	534,495	534,495
Cash at bank and in hand		775	487
		535,270	534,982
Current liabilities			
Creditors: amounts falling due within one year		-	-
Net current assets		535,270	534,982
Net assests		620,571	644,324
Capital and reserves			
Called up share capital	7	600,000	600,000
Share premium		83,412	83,412
Capital reserve	8	27,468	51,509
Profit and loss account	9	(90,309)	(90,597)
Equity shareholders' funds	10	620,571	644,324

The accounts were approved by the board on 9 June 2003 and signed on its behalf by



T P Noble, Director

The notes on pages 9 to 12 form part of these accounts.

Notes To The Accounts
For the year ended 31 December 2002

1. *Accounting Policies*

Accounting Convention:
The accounts have been prepared under the historical cost convention modified by the revaluation of investments and in accordance with applicable accounting standards.

Foreign Currencies:
Transactions in foreign currencies are recorded at the date of the transaction.

Fixed assets denominated in foreign currencies are translated at the rate of exchange ruling at the date of purchase.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Investments:
Listed investments are shown on the balance sheet at their market value. Unlisted investments are shown on the balance sheet at the directors' valuation.

Capital Reserve:
Unrealised gains or losses on investments are taken to capital reserve. The relevant reserve attributable to each investment is transferred to the profit and loss account on sale of the investment.

Investment Income:
Investment income excludes related tax credits and is included on a receipts basis. Deposit interest receivable is included on an accruals basis.

Cash Flow Statement:
The company is a small company as defined by Section 247 of the Companies Act 1985 and is entitled to exemption from the preparation of a cash flow statement as required under FRS1. Consequently a cash flow statement is not prepared.

Deferred tax
FRS 19 'Deferred tax' has been implemented for the first time this year. The change in accounting policy has had no impact on the current or prior period results.

2. *Operating Profit/(Loss)*

This is stated after charging	2002 £	2001 £
Other costs	76	4

3. *Directors' Remuneration and Staff Costs*

No directors' remuneration has been paid during the year (2001 – Nil). There were no employees during the year.

4. *Taxation*

a) **Analysis of charge in the year**	2002 £	2001 £
UK Corporation tax on profits of the year	-	-
Total current tax	-	-
b) **Factors affecting tax charge for the year**		
Profit on ordinary activities before taxation	288	175,598
Profit on ordinary activities multiplied by small companies rate of corporation tax 19% (2002: 20%)	55	35,120
Effect of:		
Franked investment income	(69)	(36)
Losses carried forward / (brought forward now utilised)	14	(57,018)
Adjustments for tax purposes in connection with disposal of investments	-	21,933
Other adjustments	-	1
Current tax charge for year	-	-

A deferred tax asset of £13,043 exists at the year end in respect of tax losses carried forward, which has not been recognised in the accounts. This amount is net of £10,416 of tax in respect of potential capital gains arising were the investments to be sold at their revalued amounts. £577 of the asset is recoverable against future taxable non-trading profits and the remaining £12,466 is recoverable against future capital gains.

5. ***Investments***

	Listed	Unlisted	Total 2002	Total 2001
	£	£	£	£
Valuation at start of year	35,842	73,500	109,342	176,657
Additions at cost	-	-	-	21,000
Disposals at revalued amount	-	-	-	(120,640)
	35,842	73,500	109,342	77,017
Unrealised gain on revaluation	7,459	(31,500)	(24,041)	32,325
Valuation at end of year	43,301	42,000	85,301	109,342
Historic cost at end of year	21,833	36,000	57,833	57,833

Unlisted investments are stated at directors' valuation.

6. ***Debtors***

	2002	2001
	£	£
Loan to parent company	534,495	534,495

The loan is to Darnaway Venture Capital plc (the parent company) and is repayable on demand. The loan is interest free.

7. ***Share Capital***

	Authorised Number		Allotted, called up and fully paid	
	2002	2001	2002	2001
	£	£	£	£
Ordinary shares of £1 each	5,000,000	5,000,000	600,000	600,000

8. ***Capital Reserve***

	2002	2001
	£	£
At start of year	51,509	129,450
Revaluation of investments	(24,041)	32,325
Realisation of unrealised profits	-	(110,266)
At end of year	27,468	51,509

9. ***Profit and Loss Account***

	2002	2001
	£	£
At start of year	(90,597)	(376,461)
Retained profit for the year	288	175,598
Realisation of unrealised gains	-	110,266
At end of year	620,571	(90,597)

10. ***Reconciliation of Movements in Shareholders' Funds***

	2002	2001
	£	£
As at start of year	644,324	436,401
Profit for the year	288	175,598
Gain on revaluation of investments	(24,041)	32,325
As at end of year	620,571	644,324

11. ***Capital Commitments and Contingent Liabilities***

At 31 December 2002, the company had no capital commitments or contingent liabilities (2001 : Nil).

12. ***Ultimate Parent Undertaking***

The ultimate parent undertaking is Darnaway Venture Capital plc, which is registered in Scotland.