

NPK Holdings Limited

**Abbreviated Financial Statements
For the Year Ending 30 September 2006**



NPK Holdings Limited

Abbreviated Accounts

Year Ended 30 September 2006

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NPK Holdings Limited

Independent Auditors' Report to NPK Holdings Limited under section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of NPK Holdings Limited for the year ended 30 September 2006 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B 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 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

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.


BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 'The special auditor's report on abbreviated accounts in the United Kingdom' published by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the Company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts have been properly prepared in accordance with those provisions.

Salisbury House
Station Road
Cambridge
CB1 2LA



PETERS ELWORTHY & MOORE
Chartered Accountants
& Registered Auditors

19 March 2007

NPK Holdings Limited

Abbreviated Balance Sheet

30 September 2006

		2006	2005 (restated)
	Note	£	£
Fixed Assets	2		
Intangible assets		6,326	6,530
Tangible assets		5,108,260	3,643,129
Investments		4,325,988	3,892,763
		<u>9,440,574</u>	<u>7,542,422</u>
Current Assets			
Stocks		6,503	6,820
Debtors		103,668	151,243
Cash at bank and in hand		3,761	112,863
		<u>113,932</u>	<u>270,926</u>
Creditors: Amounts Falling due Within One Year	3	<u>1,665,379</u>	<u>1,149,982</u>
Net Current Liabilities		<u>(1,551,447)</u>	<u>(879,056)</u>
Total Assets Less Current Liabilities		<u>7,889,127</u>	<u>6,663,366</u>
Provisions for Liabilities and Charges		<u>-</u>	<u>88,318</u>
		<u>7,889,127</u>	<u>6,575,048</u>
Capital and Reserves			
Called-up share capital	4	225,381	225,381
Revaluation reserve		2,618,002	1,408,001
Other reserves		228,192	103,376
Profit and loss account		4,817,552	4,838,290
Shareholders' Funds		<u>7,889,127</u>	<u>6,575,048</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 14 Dec 06 and are signed on their behalf by:



J R M Keatley

The notes on pages 3 to 6 form part of these abbreviated accounts.

NPK Holdings Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2006

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The company is exempt by virtue of section 228 of the Companies Act 1985 to prepare consolidated financial statements and, on this basis, these financial statements present information about the company as an individual entity and not about its group.

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standard:

- Financial Reporting Standard for Smaller Entities (effective January 2005)

The adoption of FRSSE 2005 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the financial statements, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the financial statements. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

The adoption of FRSSE 2005 has also resulted in a change in the classification of preference shares; these are now classified as a financial liability, and any dividend or premium on redemption paid is recognised as an expense in the profit and loss account.

These changes in accounting policies have resulted in a prior year adjustment for the company. For year ended 30 September 2005, the change in accounting policy has resulted in a net decrease in the profit before tax of £17,007 and an increase in retained profit for the year of £40,569. The balance sheet at 30 September 2005 has been restated to reflect the de-recognition of a liability for proposed equity dividends of £40,569 and the recognition of the preference shares as a liability of £124,816. For year ended 30 September 2006, the change in accounting policy has resulted in a net increase in retained profit for the year of £40,570.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Manor and market rights - 2% on cost

Year Ended 30 September 2006

All fixed assets are initially recorded at cost.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and vehicles - 10% / 33.3% on cost

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the FRSSE which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Stocks are valued at the lower of cost and net realisable value.

The company operates a defined contribution scheme, the assets of which are held separately from those of the company. In addition the company pays pensions to former employees. Both costs are written off in the year in which they are incurred.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or receive more, tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

NPK Holdings Limited

Notes to the Financial Statements

Year Ended 30 September 2006

1. Accounting Policies *(continued)*

Listed and unlisted investments

Listed investments are stated at market value and unlisted investments at cost. Movements in the market value of listed investments are taken to the investment revaluation reserve. Where there is a permanent diminution in the value of listed and unlisted investments, the deficit is taken immediately to the profit and loss account. Temporary diminutions in the value of listed investments are carried forward in the investment revaluation reserve, the deficit being shown in the statement of total recognised gains and losses as a movement on the investment revaluation reserve.

2. Fixed Assets

	Intangible Assets £	Tangible Assets £	Investments £	Total £
At 1 October 2005	10,202	3,870,186	4,302,128	8,182,516
Additions	-	685,485	1,296,963	1,982,448
Disposals	-	(326)	(1,314,417)	(1,314,743)
Revaluation	-	798,620	450,679	1,249,299
At 30 September 2006	10,202	5,353,965	4,735,353	10,099,520
Depreciation and Amounts Written Off				
At 1 October 2005	3,672	227,057	409,365	640,094
Charge for year	204	18,648	-	18,852
At 30 September 2006	3,876	245,705	409,365	658,946
Net Book Value				
At 30 September 2006	6,326	5,108,260	4,325,988	9,440,574
At 30 September 2005	6,530	3,643,129	3,892,763	7,542,422

Financial details of subsidiaries are as follows:

	2006 £	2005 £
Subsidiary companies:		
Nash Fordham Limited 208 Ordinary shares of £1 each Cost less amounts written off	-	-
Cantabrigia Limited 2,000 Ordinary shares of £1 each Cost less amounts written off	2,000	2,000
Total	2,000	2,000

Share capital and reserves £

Nash Fordham Limited	-
Cantabrigia	2,000

The above subsidiary companies are wholly owned, registered in England and did not trade in the year.

NPK Holdings Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2006

3. Creditors: Amounts Falling due Within One Year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2006	2005
	£	£
Bank loans and overdrafts	<u>1,441,225</u>	<u>659,354</u>

4. Share Capital

Authorised share capital:

	2006	2005
	£	(restated) £
300,000 Ordinary shares of £1 each	300,000	300,000
700,000 10% Redeemable preference shares of £1 each	700,000	700,000
	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	225,381	225,381	225,381	225,381
10% Redeemable preference shares of £1 each	-	-	124,816	124,816
	<u>225,381</u>	<u>225,381</u>	<u>350,197</u>	<u>350,197</u>

The redeemable preference shares have been reclassified as financial liabilities.

During the year, the company redeemed its preference shares at a price of £2 per share.