

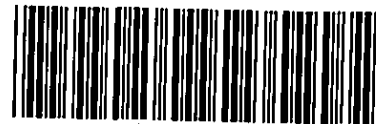
Company Registration No. 3203923

Morley Limited

Report and Financial Statements

Year ended 31 October 2006

SATURDAY



ALT4LO45

A10

24/03/2007

603

COMPANIES HOUSE

Morley Limited

Report and financial statements 2006

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

Morley Limited

Report and financial statements 2006

Officers and professional advisers

Directors

K W Maynard
G P Crawford
J D Randall

Secretary

J D Randall

Registered Office

10 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4LT

Bankers

Barclays Bank PLC
54 Lombard Street
London EC3V 9EX

Solicitors

Clifford Chance
10 Upper Bank Street
London E14 5JJ

Auditors

Deloitte & Touche LLP
London

Morley Limited

Directors' report

The directors present their report on the affairs of the Company, together with the financial statements and auditors' report, for the year ended 31 October 2006

Activities

The principal activity of the Company during the year was to act as trustee of a portfolio of unsecured loans and of all payments received on those loans. The Company did not trade during the year.

Results and dividends

The audited financial statements for the year ended 31 October 2006 are set out on pages 5 to 8. The Company's result for the year after taxation was £nil (2005 - £nil). The directors do not recommend the payment of a dividend (2005 - £nil).

The directors do not expect the business to trade during the coming year.

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

Directors and their interests

The directors who held office throughout the year were as follows:

K W Maynard

G P Crawford

J D Randall

The interests in the Cabot group held by directors during the year relate only to Cabot Financial Group Limited and are disclosed in that company's financial statements.

Supplier payment policy

It is the Company's policy to abide by the terms of payment agreed with suppliers.

Auditors

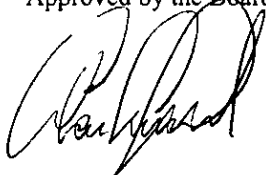
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director in order to make himself 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 s234ZA of the Companies Act 1985.

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



G P Crawford
Director

26 February 2007

Morley Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare the accounts for the Company in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Company and of the profit or loss of the Company for that period and comply with UK GAAP and the Companies Act 1985. In preparing those 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 accounting standards have been followed, 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 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.

Independent auditors' report to the members of Morley Limited

We have audited the financial statements of Morley Limited for the year ended 31 October 2006 which comprise the profit and loss account, the balance sheet and the related notes 1 to 7. These financial statements have been prepared under the accounting policies set out therein.

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 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' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether, in our opinion, the information given in the directors' report is not consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is 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

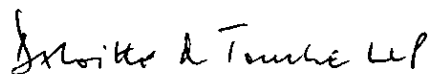
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 October 2006 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London
18 February 2007

Morley Limited

Profit and loss account Year ended 31 October 2006

	Note	2006 £	2005 £
Other operating income		-	-
Administrative expenses		-	-
Operating profit	2	-	-
Interest receivable and similar income		-	-
Profit on ordinary activities before taxation		-	-
Tax on ordinary activities	4	-	-
Profit for the year after taxation		-	-

The company did not trade during the current or preceding year. There have been no recognised gains and losses attributable to the shareholders other than the result for the current year and preceding year and accordingly no statement of total recognised gains and losses is shown.

The accompanying notes are an integral part of this profit and loss account.

Morley Limited

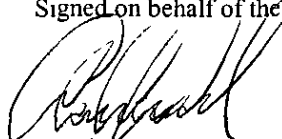
Balance sheet As at 31 October 2006

	Note	2006 £	2005 £
Current assets			
Cash at bank and in hand		<u>2</u>	<u>2</u>
		2	2
		<u>2</u>	<u>2</u>
Net current assets		<u>2</u>	<u>2</u>
Capital and reserves			
Called up share capital	5	2	2
Profit and loss account		<u>-</u>	<u>-</u>
		2	2
Equity shareholders' funds		<u>2</u>	<u>2</u>

The accompanying notes are an integral part of this balance sheet

These financial statements were approved by the Board of Directors on 28 February 2007

Signed on behalf of the Board of Directors



G P Crawford

Director

Morley Limited

Notes to the financial statements Year ended 31 October 2006

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially 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.

Cash flow statement

Under the provisions of FRS 1 (Revised) "Cash Flow Statements", the Company has not provided a cash flow statement. This is because the Company is a wholly owned subsidiary of Cabot Financial Holdings Group Limited which prepares such a statement.

2. Profit from ordinary activities

Profit on ordinary activities before taxation is stated after charging auditors' remuneration.

The auditors' remuneration with respect to audit fees for the year of £2,350 (2005 - £2,350) was borne by the Company's intermediate holding company, Cabot Financial Group Limited.

3. Staff costs and directors' remuneration

There were no employees of the Company during the year ended 31 October 2006 (2005 - nil). The directors received no remuneration during the year (2005 - £nil).

4. Tax on ordinary activities

No tax was charged for the year ended 31 October 2006 (2005 - £nil).

Morley Limited

Notes to the financial statements Year ended 31 October 2006

5. Called up share capital

	2006 £	2005 £
Authorised:		
100 (2005 - 100) ordinary shares of £1 each	100	100
Called up, allotted, and fully paid:		
2 (2005 - 2) ordinary shares of £1 each	2	2

6. Related party transactions

The Company has taken advantage of the exemption in paragraph 3(c) of FRS 8 not to disclose transactions with group companies, as it is a wholly owned subsidiary. There were no other related party transactions or balances requiring disclosure.

7. Ultimate parent company

The Company's immediate parent company is Cabot Financial (UK) Limited (formerly Kings Hill (No. 1) Limited). The smallest group of which the Company is a member and for which group financial statements are drawn up is Cabot Financial Holdings Group Limited.

For the period from 1 November 2005 to 7 April 2006, the directors regarded Cabot Financial Holdings Group Limited, a company incorporated in the UK, as the ultimate parent company and the ultimate controlling party and its results are included in the consolidated financial statements of that company, as the largest group of which the Company was a member. Copies of the financial statements of Cabot Financial Holdings Group Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

On 7 April 2006, Cabot Financial Holdings Group Limited was acquired by Cabot Financial Limited, a company wholly owned by Cabot Financial Group Limited, a company incorporated in the UK. The results of the Company are included in the consolidated financial statements of Cabot Financial Group Limited. Since 7 April 2006 the ultimate UK parent undertaking is NPIL Hold Co Limited and the directors believe that consolidated accounts will be prepared by this company. The ultimate parent undertaking is Nikko Cordial Corporation, a company listed on the Tokyo Stock Exchange in Japan, and the directors believe that consolidated accounts will be prepared for this company, making it the largest group of which the Company was a member post-7 April 2006. Copies of the financial statements are available from www.nikko.jp.