

**NIALL HOBHOUSE LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 APRIL 2002**

Company Registration Number 3469728



**Tenon Limited**  
The Old Mill  
Park Road  
Shepton Mallet  
Somerset  
BA4 5BS

**NIALL HOBHOUSE LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

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<b>The director</b>	N A Hobhouse
<b>Company secretary</b>	J Hague
<b>Registered office</b>	Flat 5 59-60 Jermyn Street London SW1Y 6LX
<b>Accountants</b>	Tenon Limited The Old Mill Park Road Shepton Mallet Somerset BA4 5BS
<b>Bankers</b>	Adam and Company Plc 42 Pall Mall London

# NIALL HOBHOUSE LIMITED

## THE DIRECTOR'S REPORT

YEAR ENDED 30 APRIL 2002

The director presents his report and the unaudited financial statements of the company for the year ended 30 April 2002.

### PRINCIPAL ACTIVITIES

The principal activity of the company is that of fine art dealing.

### THE DIRECTOR AND HIS INTERESTS IN SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

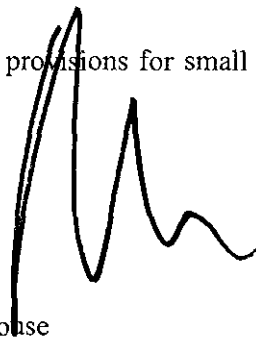
	Ordinary Shares of £1 each	
	At 30 April 2002	At 1 May 2001
N A Hobhouse	<u>215,001</u>	<u>215,001</u>

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
Flat 5  
59-60 Jermyn Street  
London  
SW1Y 6LX

Signed by



N A Hobhouse  
Director

Approved by the director on .....

28/11/02

# NIAL HOBHOUSE LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 APRIL 2002

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	Note	2002 £	2001 £
<b>TURNOVER</b>		20,000	12,926
Cost of sales		<u>(20,000)</u>	<u>(9,645)</u>
<b>GROSS PROFIT</b>		—	3,281
Administrative expenses		<u>(5,693)</u>	<u>(5,196)</u>
<b>OPERATING LOSS</b>	<b>2</b>	<u>(5,693)</u>	<u>(1,915)</u>
Interest payable		—	(60)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(5,693)</u>	<u>(1,975)</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><u>(5,693)</u></u>	<u><u>(1,975)</u></u>

The notes on pages 6 to 8 form part of these financial statements.

# NIALL HOBHOUSE LIMITED

## BALANCE SHEET

30 APRIL 2002

	Note	2002 £	2001 £
<b>CURRENT ASSETS</b>			
Stocks		181,359	201,359
Debtors	4	21,499	6,839
Cash at bank		161	2,512
		<u>203,019</u>	<u>210,710</u>
<b>CREDITORS: Amounts falling due within one year</b>			
	5	<u>940</u>	<u>2,938</u>
<b>NET CURRENT ASSETS</b>		<u>202,079</u>	<u>207,772</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>202,079</u>	<u>207,772</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	8	215,002	215,002
Profit and Loss Account	9	(12,923)	(7,230)
<b>SHAREHOLDERS' FUNDS</b>		<u>202,079</u>	<u>207,772</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

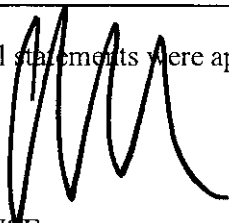
The balance sheet continues on the following page.  
The notes on pages 6 to 8 form part of these financial statements.

# NIAL HOBHOUSE LIMITED

## BALANCE SHEET *(continued)*

30 APRIL 2002

These financial statements were approved and signed by the director on .....



22/11/02 -

N A HOBHOUSE  
Director

The notes on pages 6 to 8 form part of these financial statements.

**NIALL HOBHOUSE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 APRIL 2002**

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**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

**Turnover**

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

**Deferred taxation**

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

**2. OPERATING LOSS**

Operating loss is stated after charging:

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Director's emoluments	<b><u>3,750</u></b>	<b><u>—</u></b>

**3. TAXATION**

The company has tax losses of £12,623 (2001: £6,930) carried forward at the balance sheet date for utilisation in future periods.

**4. DEBTORS**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b><u>21,499</u></b>	<b><u>6,839</u></b>

**NIALL HOBHOUSE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 APRIL 2002**

**5. CREDITORS: Amounts falling due within one year**

	2002	2001
	£	£
Other creditors including taxation:		
VAT	—	2,338
Accruals and deferred income	940	600
	<u>940</u>	<u>2,938</u>

**6. DEFERRED TAXATION**

No provision has been made in the accounts and the amounts unprovided at the end of the year are as follows:

	2002	2001
	£	£
Tax losses available	<u>1,262</u>	<u>693</u>

**7. RELATED PARTY TRANSACTIONS**

**Controlling interest**

The company is controlled by its sole director, N A Hobhouse, by virtue of him holding 99.99% of the issued share capital of the company.

**Related party transactions**

During the year the company traded at arms length with Hobhouse Limited, a company controlled by N A Hobhouse. The company purchased stock amounting to £nil (2001: £130,000). Shared costs of £5,177 (2001: £2,871) were reallocated to it during the year from Hobhouse Limited, and Hobhouse Limited made payments on behalf of the company amounting to £163 (2001: £9,020). A sale of £20,000 (2001: £12,926) was made to Hobhouse Limited by the company. At the year end there was a net balance due from Hobhouse Limited to the company of £21,499 (2001: £6,839). The balance has no fixed repayment term, and does not incur interest.

**8. SHARE CAPITAL**

**Authorised share capital:**

	2002	2001
	£	£
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

**Allotted, called up and fully paid:**

	2002	2001
	£	£
Ordinary share capital	215,002	85,002
Issue of ordinary shares	—	130,000
	<u>215,002</u>	<u>215,002</u>



**NIALl HOBHOUSE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 APRIL 2002**

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**9. PROFIT AND LOSS ACCOUNT**

	2002	2001
	£	£
Balance brought forward	(7,230)	(5,255)
Accumulated loss for the financial year	(5,693)	(1,975)
Balance carried forward	<u>(12,923)</u>	<u>(7,230)</u>