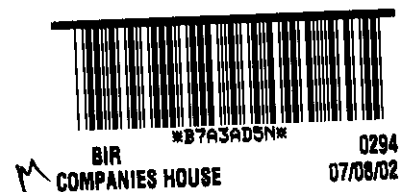


SOLUTIONS @ FISCAL INNOVATION LIMITED
FINANCIAL STATEMENTS
FOR
30 APRIL 2001

Company Registration Number 3794407 ✓



WENHAM MAJOR
Chartered Accountants & Registered Auditors
89 Cornwall Street
Birmingham

SOLUTIONS @ FISCAL INNOVATION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2001

CONTENTS	PAGE
The directors' report	1
Auditors' report to the shareholders	3
Profit and loss account	4
Reconciliation of movements in shareholders' funds	5
Balance sheet	6
Cash flow statement	7
Notes to the financial statements	9
The following pages do not form part of the financial statements	
Detailed profit and loss account	13
Notes to the detailed profit and loss account	14

SOLUTIONS @ FISCAL INNOVATION LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 APRIL 2001

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 April 2001.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the sale of specialised tax strategies. All activities were terminated on 31 March 2002.

The directors have reviewed the financial statements and consider the position at the year end to be satisfactory.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 April 2001	At 1 May 2000
T M Kelk	-	-
P A Douglas	-	-
F H Harris	-	-
M J Hull	-	-
P J Sills	-	-
	<hr/>	<hr/>

G G Jones was appointed as a director on 28 December 2001.

T M Kelk retired as a director on 28 May 2002.

P A Douglas retired as a director on 21 November 2001.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

SOLUTIONS @ FISCAL INNOVATION LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 APRIL 2001

DIRECTORS' RESPONSIBILITIES *(continued)*

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. The directors 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.

AUDITORS

A resolution to re-appoint Wenham Major as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
12th Floor
Bank House
Cherry Street
Birmingham
B2 5AD

Signed on behalf of the directors

F H Harris
Director



Approved by the directors on 25 June 2002

SOLUTIONS @ FISCAL INNOVATION LIMITED
AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 30 APRIL 2001

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on pages 1 to 2, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with 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.

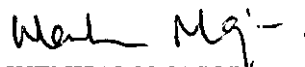
OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2001 and of the loss of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

89 Cornwall Street
Birmingham

B3 3BY

25 June 2002


WENHAM MAJOR
Chartered Accountants
& Registered Auditors

SOLUTIONS @ FISCAL INNOVATION LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 APRIL 2001**

	Note	Year to 30 Apr 01 £	Period from 18 Jun 99 to 30 Apr 00 £
TURNOVER	2	3,543,697	3,009,986
Cost of sales		<u>1,384,518</u>	<u>1,715,786</u>
GROSS PROFIT		2,159,179	1,294,200
Administrative expenses		<u>2,039,196</u>	<u>1,278,069</u>
OPERATING PROFIT	3	119,983	16,131
Interest receivable		4,346	4,661
Interest payable	5	<u>(124,329)</u>	<u>(10,902)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	9,890
Tax on profit on ordinary activities	6	<u>(70)</u>	<u>(2,100)</u>
(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR		(70)	7,790
Balance brought forward		<u>7,790</u>	<u>-</u>
Balance carried forward		<u>7,720</u>	<u>7,790</u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

SOLUTIONS @ FISCAL INNOVATION LIMITED**YEAR ENDED 30 APRIL 2001****RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	Year to 30 Apr 01 £	Period from 18 Jun 99 to 30 Apr 00 £
(Loss)/Profit for the financial year	(70)	7,790
New equity share capital subscribed	-	<u>1,000</u>
Net (reduction)/addition to funds	(70)	8,790
Opening shareholders' equity funds	<u>8,790</u>	<u>-</u>
Closing shareholders' equity funds	<u>8,720</u>	<u>8,790</u>

SOLUTIONS @ FISCAL INNOVATION LIMITED

BALANCE SHEET

30 APRIL 2001

	Note	2001		2000	
		£	£	£	£
CURRENT ASSETS					
Debtors	7	2,015,713		1,419,275	
Cash at bank		<u>48,170</u>		<u>386,875</u>	
		2,063,883		1,806,150	
CREDITORS: Amounts falling due within one year					
	8	<u>(2,055,163)</u>		<u>(1,797,360)</u>	
NET CURRENT ASSETS			8,720		8,790
TOTAL ASSETS LESS CURRENT LIABILITIES			8,720		8,790
CAPITAL AND RESERVES					
Called-up equity share capital	10		1,000		1,000
Profit and Loss Account			<u>7,720</u>		<u>7,790</u>
SHAREHOLDERS' FUNDS			8,720		8,790

These financial statements were approved by the directors on the 25 June 2002 and are signed on their behalf by:

F H HARRIS



SOLUTIONS @ FISCAL INNOVATION LIMITED**CASH FLOW STATEMENT****YEAR ENDED 30 APRIL 2001**

	Year to 30 Apr 01 £	£	Period from 18 Jun 99 to 30 Apr 00 £	£
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES		(216,552)		392,116
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	4,346		4,661	
Interest paid	(124,329)		(10,902)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(119,983)		(6,241)
TAXATION		(2,170)		-
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(338,705)		385,875
FINANCING				
Issue of equity share capital	-		1,000	
NET CASH INFLOW FROM FINANCING		-		1,000
(DECREASE)/INCREASE IN CASH		(338,705)		386,875

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year to 30 Apr 01 £	£	Period from 18 Jun 99 to 30 Apr 00 £	£
Operating profit	119,983		16,131	
Increase in debtors	(596,438)		(1,419,275)	
Increase in creditors	259,903		1,795,260	
Net cash (outflow)/inflow from operating activities	(216,552)		392,116	

SOLUTIONS @ FISCAL INNOVATION LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 30 APRIL 2001

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2001 £	2000 £
(Decrease)/Increase in cash in the period	<u>(338,705)</u>	<u>386,875</u>
Movement in net funds in the period	<u>(338,705)</u>	<u>386,875</u>
Net funds at 1 May 2000	<u>386,875</u>	-
Net funds at 30 April 2001	<u>48,170</u>	<u>386,875</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 May 2000 £	Cash flows £	At 30 Apr 2001 £
Net cash:			
Cash in hand and at bank	<u>386,875</u>	<u>(338,705)</u>	<u>48,170</u>
Net funds	<u>386,875</u>	<u>(338,705)</u>	<u>48,170</u>

SOLUTIONS @ FISCAL INNOVATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2001

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	Year to 30 Apr 01 £	Period from 18 Jun 99 to 30 Apr 00 £
United Kingdom	<u>3,543,697</u>	<u>3,009,986</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	Year to 30 Apr 01 £	Period from 18 Jun 99 to 30 Apr 00 £
Auditors' remuneration - as auditors	<u>2,500</u>	<u>5,000</u>

4. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the year.

5. INTEREST PAYABLE

	Year to 30 Apr 01 £	Period from 18 Jun 99 to 30 Apr 00 £
Interest payable on bank borrowing	6,311	10,902
Other similar charges payable	<u>118,018</u>	-
	<u>124,329</u>	<u>10,902</u>

SOLUTIONS @ FISCAL INNOVATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2001

6. TAX ON PROFIT OR LOSS ON ORDINARY ACTIVITIES

	Year to 30 Apr 01 £	Period from 18 Jun 99 to 30 Apr 00 £
Corporation Tax based on the results for the year at 20% (2000 - 20%)	-	2,100
Adjustment in respect of previous years:		
Corporation Tax	70	-
	<u>70</u>	<u>2,100</u>

7. DEBTORS

	2001 £	2000 £
Trade debtors	2,010,467	1,412,975
Prepayments and accrued income	5,246	6,300
	<u>2,015,713</u>	<u>1,419,275</u>

8. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Trade creditors	1,746,344	1,560,099
Corporation Tax	-	2,100
Other taxation and social security	33,008	57,134
Accruals and deferred income	275,811	178,027
	<u>2,055,163</u>	<u>1,797,360</u>

SOLUTIONS @ FISCAL INNOVATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2001

9. RELATED PARTY TRANSACTIONS

During the year the following recharges were made by HLB Kidsons, the company's ultimate parent undertaking:-

Year Ended
30 April 01

Direct Costs	753,844
Overhead Costs	<u>1,770,647</u>

The balance owed to HLB Kidsons at the year end was £1,037,914.

10. SHARE CAPITAL

Authorised share capital:

	2001	2000
	£	£
1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2001	2000
	£	£
Ordinary share capital brought forward	1,000	-
Issue of ordinary shares	<u>-</u>	<u>1,000</u>
	<u>1,000</u>	<u>1,000</u>

11. POST BALANCE SHEET EVENTS

On 31 March 2002, the activities of the company were terminated.

12. ULTIMATE CONTROLLING PARTY

The company is controlled by its ultimate parent undertaking HLB Kidsons, a partnership.