

Solutions @ Fiscal Innovation Limited

FINANCIAL STATEMENTS

for the year ended

31 March 2004



Company Registration No. 3794407

Solutions @ Fiscal Innovation Limited

DIRECTOR'S REPORT

For the year ended 31 March 2004

The director submits his report and the financial statements of the company for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company's principal activity is the sale of specialised tax strategies. No strategies were sold in the year.

RESULTS AND DIVIDENDS

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

The director has not recommended a dividend.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

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	
	31 March 2004	31 March 2003
F H Harris (resigned 10 May 2004)	-	-
M J Hull (resigned 6 May 2004)	-	-
P J Sills (resigned 26 March 2004)	-	-
G Garner-Jones	-	-

G Garner-Jones is a partner of Baker Tilly, the ultimate controlling party.

By order of the board on 18 November 2004



G GARNER-JONES
Director

Solutions @ Fiscal Innovation Limited

DIRECTOR'S RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

United Kingdom Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. 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 group and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Solutions @ Fiscal Innovation Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2004

	<i>Notes</i>	2004 £	2003 £
TURNOVER		-	-
Cost of sales		-	-
GROSS PROFIT		<hr/> -	<hr/> -
Net operating expenses		-	-
OPERATING PROFIT		<hr/> -	<hr/> -
Interest payable and similar charges		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<hr/> -	<hr/> -
Tax on profit on ordinary activities		-	-
RETAINED PROFIT FOR THE YEAR		<hr/> - <hr/>	<hr/> - <hr/>

The company did not trade during the year.

The accompanying policies and notes form an integral part of these Financial Statements.

Solutions @ Fiscal Innovation Limited

BALANCE SHEET

31 March 2004

	Notes	2004 £	2003 £
CURRENT ASSETS			
Debtors	3	8,790	8,790
NET CURRENT ASSETS		<u>8,790</u>	<u>8,790</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,790</u>	<u>8,790</u>
CAPITAL AND RESERVES			
Called up equity share capital	4	1,000	1,000
Profit and loss account		<u>7,790</u>	<u>7,790</u>
SHAREHOLDERS' FUNDS	5	<u>8,790</u>	<u>8,790</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, 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 this Act relating to accounts, so far as applicable to the company.

Approved by the board on 18 November 2004

G GARNER-JONES



Director

The accompanying policies and notes form an integral part of these Financial Statements.

Solutions @ Fiscal Innovation Limited

CASHFLOW STATEMENT

for the year ended 31 March 2004

	2004 £	2003 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	-	40,071
NET CASH INFLOW	-	40,071
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2004 £	2003 £
Operating profit	-	-
Decrease in debtors	-	4,342,134
(Decrease) in creditors	-	(4,302,063)
NET CASH INFLOW FROM OPERATING ACTIVITIES	-	40,071
RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET FUNDS	2004 £	2003 £
Increase in cash in the year	-	40,071
Movement in net funds in the year	-	40,071
Net funds at 31 March 2003	-	(40,071)
Net funds at 31 March 2004	-	-

Solutions @ Fiscal Innovation Limited Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2004

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents amounts invoiced, exclusive of Value Added Tax. The company did not trade during the year.

2 PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the director, during the period.

3 DEBTORS

	2004 £	2003 £
Called up share capital not paid	1,000	1,000
Owed by controlling party	7,790	7,790
	<u>8,790</u>	<u>8,790</u>

4 SHARE CAPITAL

	2004 £	2003 £
Authorised share capital: 1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid: 1,000 ordinary share of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

5 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Opening and closing shareholders' equity funds	8,790	8,790
	<u>8,790</u>	<u>8,790</u>

6 ULTIMATE CONTROLLING PARTY

The company is controlled by Baker Tilly.