

**BLACKFISH CAPITAL MANAGEMENT LIMITED**  
**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2006**

WEDNESDAY



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**BLACKFISH CAPITAL MANAGEMENT LIMITED**

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**FOR THE YEAR ENDED 30 NOVEMBER 2006**

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**BLACKFISH CAPITAL MANAGEMENT LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**DIRECTORS.**

E L Rowland  
J Rowland  
M Konig

**SECRETARY:**

M D L Smith

**REGISTERED OFFICE:**

5 Savile Row  
London  
W1S 3PD

**REGISTERED NUMBER:**

04226899 (England and Wales)

**AUDITORS:**

Thomas David  
6-7 Castle Gate  
Castle Street  
Hertford  
Hertfordshire  
SG14 1HD

**BLACKFISH CAPITAL MANAGEMENT LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

The directors present their report with the financial statements of the company for the year ended 30 November 2006

**PRINCIPAL ACTIVITY**

The principal activity of the company is to act as an investment manager

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements

**DIVIDENDS**

No dividends will be distributed for the year ended 30 November 2006

**DIRECTORS**

The directors during the year under review were

|             |                     |
|-------------|---------------------|
| E L Rowland | - appointed 2 5 06  |
| J Rowland   | - appointed 31 8 06 |
| M Konig     | - appointed 2 5 06  |

The directors holding office at 30 November 2006 did not hold any beneficial interest in the issued share capital of the company at date of appointment or 30 November 2006

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

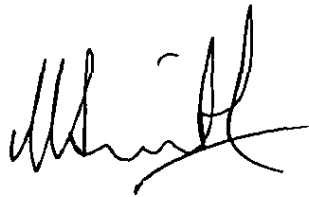
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each 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.

**ON BEHALF OF THE BOARD:**



M D L Smith - Secretary

29 March 2007

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF**  
**BLACKFISH CAPITAL MANAGEMENT LIMITED**

We have audited the financial statements of Blackfish Capital Management Limited for the year ended 30 November 2006 on pages four to eleven. 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 on page two.

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 Report of the Directors is 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 not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

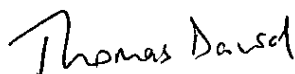
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 30 November 2006 and of its loss 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 Report of the Directors is consistent with the financial statements.



Thomas David  
Chartered Accountants and Registered Auditors

6-7 Castle Gate  
Castle Street  
Hertford  
Hertfordshire  
SG14 1HD

29 March 2007

**BLACKFISH CAPITAL MANAGEMENT LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

|  | Notes | 30 11 06<br>£    | 30 11 05<br>£  |
|--|-------|------------------|----------------|
| <b>TURNOVER</b>  |       | -                | -              |
| Administrative expenses                                |       | <u>139,546</u>   | <u>7,143</u>   |
| <b>OPERATING LOSS</b>                                  | 3     | (139,546)        | (7,143)        |
| Interest receivable and similar income                 |       | <u>260</u>       | -              |
| <b>LOSS ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       | (139,286)        | (7,143)        |
| Tax on loss on ordinary activities                     | 4     | -                | -              |
| <b>LOSS FOR THE FINANCIAL YEAR<br/>AFTER TAXATION</b>  |       | <u>(139,286)</u> | <u>(7,143)</u> |

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

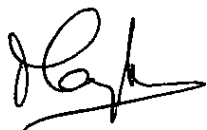
**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the losses for the current year or previous year

**BLACKFISH CAPITAL MANAGEMENT LIMITED****BALANCE SHEET**  
**30 NOVEMBER 2006**

|  | Notes | 30 11 06<br>£  | £                | 30 11 05<br>£ | £                |
|--|-------|----------------|------------------|---------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                |                  |               |                  |
| Tangible assets                              | 5     |                | 89,197           |               | 140              |
| <b>CURRENT ASSETS</b>                        |       |                |                  |               |                  |
| Debtors                                      | 6     | 28,502         |                  | 635           |                  |
| Cash at bank                                 |       | <u>353,539</u> |                  | <u>34,628</u> |                  |
|  |       | 382,041        |                  | 35,263        |                  |
| <b>CREDITORS</b>                             |       |                |                  |               |                  |
| Amounts falling due within one year          | 7     | <u>416,488</u> |                  | <u>1,367</u>  |                  |
| <b>NET CURRENT (LIABILITIES)/ASSETS</b>      |       |                | <u>(34,447)</u>  |               | <u>33,896</u>    |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                | <u>54,750</u>    |               | <u>34,036</u>    |
| <b>CAPITAL AND RESERVES</b>                  |       |                |                  |               |                  |
| Called up share capital                      | 10    |                | 437,800          |               | 277,800          |
| Profit and loss account                      | 11    |                | <u>(383,050)</u> |               | <u>(243,764)</u> |
| <b>SHAREHOLDERS' FUNDS</b>                   | 13    |                | <u>54,750</u>    |               | <u>34,036</u>    |

The financial statements were approved by the Board of Directors on 29 March 2007 and were signed on its behalf by



M König - Director

**BLACKFISH CAPITAL MANAGEMENT LIMITED****CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

|  | Notes | 30 11 06<br>£ | £               | 30 11 05<br>£ | £              |
|--|-------|---------------|-----------------|---------------|----------------|
| Net cash inflow/(outflow)<br>from operating activities | 1     |               | 24,883          |               | (12,764)       |
| Returns on investments and<br>servicing of finance     | 2     |               | 260             |               | -              |
| Capital expenditure                                    | 2     |               | <u>(91,232)</u> |               | <u>-</u>       |
|  |       |               | (66,089)        |               | (12,764)       |
| Financing  | 2     |               | <u>385,000</u>  |               | <u>5,000</u>   |
| Increase/(Decrease) in cash in the period              |       |               | <u>318,911</u>  |               | <u>(7,764)</u> |

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**Reconciliation of net cash flow  
to movement in net funds**

|  |   |                  |                |
|--|---|------------------|----------------|
|  | 3 |                  |                |
| Increase/(Decrease)<br>in cash in the period     |   | 318,911          | (7,764)        |
| Cash inflow<br>from increase in debt             |   | <u>(225,000)</u> | <u>-</u>       |
| Change in net funds resulting<br>from cash flows |   | <u>93,911</u>    | <u>(7,764)</u> |
| Movement in net funds in the period              |   | 93,911           | (7,764)        |
| Net funds at 1 December                          |   | <u>34,628</u>    | <u>42,392</u>  |
| Net funds at 30 November                         |   | <u>128,539</u>   | <u>34,628</u>  |

The notes form part of these financial statements



**BLACKFISH CAPITAL MANAGEMENT LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**1 RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

|  | 30 11 06             | 30 11 05               |
|--|----------------------|------------------------|
|  | £                    | £                      |
| Operating loss   | (139,546)            | (7,143)                |
| Depreciation charges                                       | 2,175                | 760                    |
| (Increase)/Decrease in debtors                             | (27,867)             | 986                    |
| Increase/(Decrease) in creditors                           | <u>190,121</u>       | <u>(7,367)</u>         |
| <b>Net cash inflow/(outflow) from operating activities</b> | <b><u>24,883</u></b> | <b><u>(12,764)</u></b> |

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

|  | 30 11 06               | 30 11 05            |
|--|------------------------|---------------------|
|  | £                      | £                   |
| <b>Returns on investments and servicing of finance</b>                     |                        |                     |
| Interest received  | <u>260</u>             | <u>-</u>            |
| <b>Net cash inflow for returns on investments and servicing of finance</b> | <b><u>260</u></b>      | <b><u>-</u></b>     |
| <br><b>Capital expenditure</b>   |                        |                     |
| Purchase of tangible fixed assets  | <u>(91,232)</u>        | <u>-</u>            |
| <b>Net cash outflow for capital expenditure</b>                            | <b><u>(91,232)</u></b> | <b><u>-</u></b>     |
| <br><b>Financing</b>   |                        |                     |
| New loans in year  | 225,000                | -                   |
| Share issue  | <u>160,000</u>         | <u>5,000</u>        |
| <b>Net cash inflow from financing</b>                                      | <b><u>385,000</u></b>  | <b><u>5,000</u></b> |

**3 ANALYSIS OF CHANGES IN NET FUNDS**

|                                   | At<br>1 12 05<br>£   | Cash flow<br>£       | At<br>30 11 06<br>£   |
|-----------------------------------|----------------------|----------------------|-----------------------|
| <b>Net cash</b>                   |                      |                      |                       |
| Cash at bank                      | <u>34,628</u>        | <u>318,911</u>       | <u>353,539</u>        |
|                                   | <u>34,628</u>        | <u>318,911</u>       | <u>353,539</u>        |
| <br><b>Debt</b>                   |                      |                      |                       |
| Debts falling due within one year | <u>-</u>             | <u>(225,000)</u>     | <u>(225,000)</u>      |
|                                   | <u>-</u>             | <u>(225,000)</u>     | <u>(225,000)</u>      |
| <br><b>Total</b>                  | <b><u>34,628</u></b> | <b><u>93,911</u></b> | <b><u>128,539</u></b> |

The notes form part of these financial statements

**BLACKFISH CAPITAL MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**1 ACCOUNTING POLICIES**

**Accounting convention**

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

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

|                      |               |
|----------------------|---------------|
| Furniture & fittings | - 20% on cost |
| Office equipment     | - 20% on cost |

**2 STAFF COSTS**

|                       | 30 11 06      | 30 11 05     |
|-----------------------|---------------|--------------|
|                       | £             | £            |
| Wages and salaries    | 37,500        | 5,350        |
| Social security costs | <u>2,239</u>  | <u>-</u>     |
|                       | <u>39,739</u> | <u>5,350</u> |

The average monthly number of employees during the year was as follows

|                | 30 11 06 | 30 11 05 |
|----------------|----------|----------|
| Administration | <u>4</u> | <u>2</u> |

**3 OPERATING LOSS**

The operating loss is stated after charging

|   | 30 11 06      | 30 11 05     |
|---|---------------|--------------|
|   | £             | £            |
| Depreciation - owned assets               | 2,175         | 760          |
| Auditors' remuneration                    | 1,775         | 1,000        |
| Auditors' remuneration for non audit work | <u>110</u>    | <u>250</u>   |
|   | <u>18,750</u> | <u>4,000</u> |

**4 TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 30 November 2006 nor for the year ended 30 November 2005

**BLACKFISH CAPITAL MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**4 TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

|  | 30 11 06         | 30 11 05       |
|--|------------------|----------------|
|  | £                | £              |
| Loss on ordinary activities before tax   | <u>(139,286)</u> | <u>(7,143)</u> |
| Loss on ordinary activities<br>multiplied by the standard rate of corporation tax<br>in the UK of 19% (2005 - 19%) | (26,464)         | (1,357)        |
| Effects of<br>Expenses in excess of taxable income   | <u>26,464</u>    | <u>1,357</u>   |
| Current tax charge   | <u>-</u>         | <u>-</u>       |

**Factors that may affect future tax charges**

The company has substantial accumulated tax losses which may be available for offset against future taxable profits. A deferred tax asset has not been provided as its recovery is uncertain at this time.

**5 TANGIBLE FIXED ASSETS**

|                       | Furniture<br>& fittings<br>£ | Office<br>equipment<br>£ | Totals<br>£   |
|-----------------------|------------------------------|--------------------------|---------------|
| <b>COST</b>           |                              |                          |               |
| At 1 December 2005    | -                            | 2,300                    | 2,300         |
| Additions             | <u>78,961</u>                | <u>12,271</u>            | <u>91,232</u> |
| At 30 November 2006   | <u>78,961</u>                | <u>14,571</u>            | <u>93,532</u> |
| <b>DEPRECIATION</b>   |                              |                          |               |
| At 1 December 2005    | -                            | 2,160                    | 2,160         |
| Charge for year       | <u>1,656</u>                 | <u>519</u>               | <u>2,175</u>  |
| At 30 November 2006   | <u>1,656</u>                 | <u>2,679</u>             | <u>4,335</u>  |
| <b>NET BOOK VALUE</b> |                              |                          |               |
| At 30 November 2006   | <u>77,305</u>                | <u>11,892</u>            | <u>89,197</u> |
| At 30 November 2005   | <u>-</u>                     | <u>140</u>               | <u>140</u>    |

**6 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|               | 30 11 06      | 30 11 05   |
|---------------|---------------|------------|
|               | £             | £          |
| Other debtors | 521           | -          |
| VAT           | 27,202        | -          |
| Prepayments   | <u>779</u>    | <u>635</u> |
|               | <u>28,502</u> | <u>635</u> |

**BLACKFISH CAPITAL MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | 30 11 06       | 30 11 05     |
|---------------------------------|----------------|--------------|
|                                 | £              | £            |
| Other loans (see note 8)        | 225,000        | -            |
| Trade creditors                 | 73,228         | -            |
| Social security and other taxes | 2,854          | 17           |
| Other creditors                 | 100,260        | 100          |
| Accrued expenses                | <u>15,146</u>  | <u>1,250</u> |
|                                 | <u>416,488</u> | <u>1,367</u> |

**8 LOANS**

During the year the company received loans from it's shareholders of £225,000 which are considered to be unsecured, non-interest bearing and repayable on demand

**9 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

|                         | 30 11 06      | 30 11 05 |
|-------------------------|---------------|----------|
|                         | £             | £        |
| Expiring                | 83,938        | -        |
| In more than five years | <u>83,938</u> | <u>-</u> |

**10 CALLED UP SHARE CAPITAL**

| Authorised<br>Number | Class    | Nominal<br>value<br>£1 | 30 11 06<br>£    | 30 11 05<br>£    |
|----------------------|----------|------------------------|------------------|------------------|
| 1,000,000            | Ordinary |                        | <u>1,000,000</u> | <u>1,000,000</u> |

| Allotted, issued and fully paid<br>Number | Class    | Nominal<br>value<br>£1 | 30 11 06<br>£  | 30 11 05<br>£  |
|---|----------|------------------------|----------------|----------------|
| 437,800<br>(30 11 05 - 277,800)           | Ordinary |                        | <u>437,800</u> | <u>277,800</u> |

160,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the year

**BLACKFISH CAPITAL MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

**11 RESERVES**

|                      |                                    |
|----------------------|------------------------------------|
|                      | Profit<br>and loss<br>account<br>£ |
| At 1 December 2005   | (243,764)                          |
| Deficit for the year | <u>(139,286)</u>                   |
| At 30 November 2006  | <u>(383,050)</u>                   |

**12 ULTIMATE PARENT COMPANY**

The ultimate parent undertaking is Dolphin Limited, which is incorporated in Guernsey

**13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

|   |                |               |
|---|----------------|---------------|
|   | 30 11 06       | 30 11 05      |
|   | £              | £             |
| Loss for the financial year                     | (139,286)      | (7,143)       |
| Shares issued                                   | <u>160,000</u> | <u>5,000</u>  |
| Net addition/(reduction) to shareholders' funds | 20,714         | (2,143)       |
| Opening shareholders' funds                     | <u>34,036</u>  | <u>36,179</u> |
| Closing shareholders' funds                     | <u>54,750</u>  | <u>34,036</u> |
| Equity interests                                | <u>54,750</u>  | <u>34,036</u> |

**BLACKFISH CAPITAL MANAGEMENT LIMITED****PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 NOVEMBER 2006**

|   | 30 11 06   |                  | 30 11 05   |                |
|---|------------|------------------|------------|----------------|
|   | £          | £                | £          | £              |
| <b>Income</b>                             |            | -                |            | -              |
| <b>Other income</b>                       |            |                  |            |                |
| Deposit account interest                  |            | <u>260</u>       |            | <u>-</u>       |
|   |            | 260              |            | -              |
| <b>Expenditure</b>                        |            |                  |            |                |
| Directors' fees                           | 18,750     |                  | 4,000      |                |
| Salaries                                  | 18,750     |                  | 1,350      |                |
| Social security                           | 2,239      |                  | -          |                |
| Staff recruitment and training            | 23,038     |                  | -          |                |
| Post and stationery                       | 279        |                  | -          |                |
| Travelling                                | 912        |                  | -          |                |
| Sundry expenses                           | 28         |                  | 30         |                |
| Membership fees                           | 2,230      |                  | 2,166      |                |
| Professional fees                         | 21,568     |                  | -          |                |
| Legal fees                                | 46,555     |                  | (2,435)    |                |
| Auditors' remuneration                    | 1,775      |                  | 1,000      |                |
| Auditors' remuneration for non audit work | 110        |                  | 250        |                |
| Depreciation of tangible fixed assets     |            |                  |            |                |
| Furniture and fittings                    | 1,656      |                  | -          |                |
| Office equipment                          | <u>519</u> |                  | <u>760</u> |                |
|   |            | <u>138,409</u>   |            | <u>7,121</u>   |
|   |            | (138,149)        |            | (7,121)        |
| <b>Finance costs</b>                      |            |                  |            |                |
| Bank charges                              |            | <u>1,137</u>     |            | <u>22</u>      |
| <b>NET LOSS</b>                           |            | <u>(139,286)</u> |            | <u>(7,143)</u> |

This page does not form part of the statutory financial statements