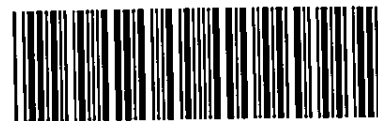


REGISTERED NUMBER 04226899 (England and Wales)

BLACKFISH CAPITAL MANAGEMENT LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2007

SATURDAY



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23/08/2008
COMPANIES HOUSE

BLACKFISH CAPITAL MANAGEMENT LIMITED

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FOR THE YEAR ENDED 30 NOVEMBER 2007

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BLACKFISH CAPITAL MANAGEMENT LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2007

DIRECTORS.

J Rowland
M Konig
V Lean
H Rowland

SECRETARY.

M D L Smith

REGISTERED OFFICE

5 Saville 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 2007**

The directors present their report with the financial statements of the company for the year ended 30 November 2007

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

During the year the company provided investment advice to two funds which were launched in May 2007 and June 2007 respectively. The advisory fee income arising is included in the results for the year, which together with the financial position are shown in the annexed accounts

DIVIDENDS

No dividends will be distributed for the year ended 30 November 2007

FUTURE DEVELOPMENTS

With effect from 1 January 2008 the company was restructured, resulting in a number of operational employees being transferred to a new services-based company, allowing Blackfish Capital Management to concentrate on investment advice

DIRECTORS

The directors shown below have held office during the whole of the period from 1 December 2006 to the date of this report

J Rowland
M König

Other changes in directors holding office are as follows

E L Rowland resigned on 1 November 2007
V Lean was appointed a director on 27 April 2007
H Rowland was appointed a director on 1 November 2007

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 International Financial Reporting Standards as adopted for use in the European Union. 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 that the financial statements comply with IFRS,
- 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

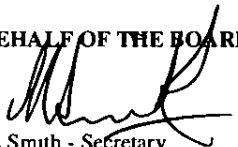
BLACKFISH CAPITAL MANAGEMENT LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 NOVEMBER 2007

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 or she ought to have taken as a director in order to make himself or herself 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

27 June 2008

**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 2007 on pages five to thirteen. 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 International Financial Reporting Standards as adopted for use in the European Union 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 International Financial Reporting Standards as adopted for use in the European Union, of the state of the company's affairs as at 30 November 2007 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
6-7 Castle Gate
Castle Street
Hertford
Hertfordshire
SG14 1HD

27 June 2008

BLACKFISH CAPITAL MANAGEMENT LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2007

| | Notes | 30 11 07 £ | 30 11 06 £ |
|------------------------------|-------|-------------------------|-------------------------|
| CONTINUING OPERATIONS | | | |
| Revenue | | 339,664 | - |
| Administrative expenses | | <u>(648,150)</u> | <u>(139,546)</u> |
| OPERATING LOSS | | (308,486) | (139,546) |
| Finance income | 3 | <u>4,772</u> | <u>260</u> |
| LOSS BEFORE TAX | 4 | (303,714) | (139,286) |
| Tax | 5 | <u>-</u> | <u>-</u> |
| LOSS FOR THE YEAR | | <u>(303,714)</u> | <u>(139,286)</u> |

The notes form part of these financial statements

BLACKFISH CAPITAL MANAGEMENT LIMITED
STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 NOVEMBER 2007

| | 30 11 07 £ | 30 11 06 £ |
|--|------------------|------------------|
| LOSS FOR THE FINANCIAL YEAR | <u>(303,714)</u> | <u>(139,286)</u> |
| TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR | <u>(303,714)</u> | <u>(139,286)</u> |

The notes form part of these financial statements

BLACKFISH CAPITAL MANAGEMENT LIMITED

BALANCE SHEET
30 NOVEMBER 2007

| | Notes | 30 11 07 £ | 30 11 06 £ |
|---|-------|------------------|------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | <u>146,287</u> | <u>89,197</u> |
| CURRENT ASSETS | | | |
| Trade and other receivables | 7 | 182,366 | 28,502 |
| Cash and cash equivalents | 8 | <u>277,020</u> | <u>353,539</u> |
| | | <u>459,386</u> | <u>382,041</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 9 | 144,637 | 191,488 |
| Financial liabilities - borrowings | | | |
| Interest bearing loans and borrowings | 10 | <u>100,000</u> | <u>225,000</u> |
| | | <u>244,637</u> | <u>416,488</u> |
| NET CURRENT ASSETS/(LIABILITIES) | | <u>214,749</u> | <u>(34,447)</u> |
| NET ASSETS | | <u>361,036</u> | <u>54,750</u> |
| SHAREHOLDERS' EQUITY | | | |
| Called up share capital | 11 | 1,047,800 | 437,800 |
| Retained earnings | 12 | <u>(686,764)</u> | <u>(383,050)</u> |
| TOTAL EQUITY | | <u>361,036</u> | <u>54,750</u> |

The financial statements were approved by the Board of Directors on 27 June 2008 and were signed on its behalf by



M König - Director

The notes form part of these financial statements

BLACKFISH CAPITAL MANAGEMENT LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2007

| | Notes | 30 11 07 £ | 30 11 06 £ |
|---|-------|------------------|-----------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | <u>(471,446)</u> | <u>24,883</u> |
| Net cash from operating activities | | <u>(471,446)</u> | <u>24,883</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (94,845) | (91,232) |
| Interest received | | <u>4,772</u> | <u>260</u> |
| Net cash from investing activities | | <u>(90,073)</u> | <u>(90,972)</u> |
| Cash flows from financing activities | | | |
| New loans in year | | - | 225,000 |
| Loan repayments in year | | (125,000) | - |
| Share issue | | <u>610,000</u> | <u>160,000</u> |
| Net cash from financing activities | | <u>485,000</u> | <u>385,000</u> |
| (Decrease)/Increase in cash and cash equivalents | | (76,519) | 318,911 |
| Cash and cash equivalents at beginning of year | 2 | <u>353,539</u> | <u>34,628</u> |
| Cash and cash equivalents at end of year | 2 | <u>277,020</u> | <u>353,539</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 2007

1 RECONCILIATION OF LOSS BEFORE TAX TO CASH GENERATED FROM OPERATIONS

| | 30 11 07 | 30 11 06 |
|---|-------------------------|----------------------|
| | £ | £ |
| Loss before tax | (303,714) | (139,286) |
| Depreciation charges | 37,755 | 2,175 |
| Finance income | <u>(4,772)</u> | <u>(260)</u> |
| | (270,731) | (137,371) |
| Increase in trade and other receivables | (153,864) | (27,867) |
| (Decrease)/Increase in trade and other payables | <u>(46,851)</u> | <u>190,121</u> |
| Cash generated from operations | <u>(471,446)</u> | <u>24,883</u> |

2 CASH AND CASH EQUIVALENTS

The amounts disclosed on the cash flow statement in respect of cash and cash equivalents are in respect of these balance sheet amounts

Year ended 30 November 2007

| | 30 11 07 | 1 12 06 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Cash and cash equivalents | <u>277,020</u> | <u>353,539</u> |

Year ended 30 November 2006

| | 30 11 06 | 1 12 05 |
|---------------------------|----------------|---------------|
| | £ | £ |
| Cash and cash equivalents | <u>353,539</u> | <u>34,628</u> |

The notes form part of these financial statements

BLACKFISH CAPITAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2007

1 ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

Property, plant and equipment

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 | - 33% on cost |

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2 EMPLOYEES AND DIRECTORS

| | 30 11 07 | 30 11 06 |
|-----------------------|-----------------------|----------------------|
| | £ | £ |
| Wages and salaries | 276,105 | 37,500 |
| Social security costs | <u>31,810</u> | <u>2,239</u> |
| | <u><u>307,915</u></u> | <u><u>39,739</u></u> |

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

| | 30 11 07 | 30 11 06 |
|----------------|----------|----------|
| Administration | <u>7</u> | <u>4</u> |

| | 30 11 07 | 30 11 06 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Directors' emoluments | <u>79,917</u> | <u>18,750</u> |

3 NET FINANCE INCOME

| | 30 11 07 | 30 11 06 |
|--------------------------|--------------|------------|
| | £ | £ |
| Finance income | | |
| Deposit account interest | <u>4,772</u> | <u>260</u> |

4 LOSS BEFORE TAX

The loss before tax is stated after charging:

| | 30 11 07 | 30 11 06 |
|---|------------|------------|
| | £ | £ |
| Other operating leases | 89,651 | - |
| Depreciation - owned assets | 37,755 | 2,175 |
| Auditors' remuneration | 1,825 | 1,775 |
| Auditors' remuneration for non audit work | <u>115</u> | <u>110</u> |

BLACKFISH CAPITAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2007

5 TAX

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 November 2007 nor for the year ended 30 November 2006

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 07 £ | 30 11 06 £ |
|--|------------------|------------------|
| Loss on ordinary activities before tax | <u>(303,714)</u> | <u>(139,286)</u> |
| Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2006 - 19%) | (60,743) | (26,464) |
| Effects of Expenses in excess of taxable income | <u>60,743</u> | <u>26,464</u> |
| Total tax | <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.

6 PROPERTY, PLANT AND EQUIPMENT

| | Furniture & fittings £ | Office equipment £ | Totals £ |
|-----------------------|------------------------------|--------------------------|----------------|
| COST | | | |
| At 1 December 2006 | 78,961 | 14,571 | 93,532 |
| Additions | <u>79,798</u> | <u>15,047</u> | <u>94,845</u> |
| At 30 November 2007 | <u>158,759</u> | <u>29,618</u> | <u>188,377</u> |
| DEPRECIATION | | | |
| At 1 December 2006 | 1,656 | 2,679 | 4,335 |
| Charge for year | <u>30,499</u> | <u>7,256</u> | <u>37,755</u> |
| At 30 November 2007 | <u>32,155</u> | <u>9,935</u> | <u>42,090</u> |
| NET BOOK VALUE | | | |
| At 30 November 2007 | <u>126,604</u> | <u>19,683</u> | <u>146,287</u> |
| At 30 November 2006 | <u>77,305</u> | <u>11,892</u> | <u>89,197</u> |

BLACKFISH CAPITAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2007

7 TRADE AND OTHER RECEIVABLES

| | 30 11 07 | 30 11 06 |
|---------------|----------------|---------------|
| | £ | £ |
| Current | | |
| Trade debtors | 157,036 | - |
| Other debtors | 5,000 | 521 |
| VAT | - | 27,202 |
| Prepayments | <u>20,330</u> | <u>779</u> |
| | <u>182,366</u> | <u>28,502</u> |

8 CASH AND CASH EQUIVALENTS

| | 30 11 07 | 30 11 06 |
|----------------------|----------------|----------------|
| | £ | £ |
| Bank deposit account | - | 200,000 |
| Bank accounts | <u>277,020</u> | <u>153,539</u> |
| | <u>277,020</u> | <u>353,539</u> |

9 TRADE AND OTHER PAYABLES

| | 30 11 07 | 30 11 06 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Current | | |
| Trade creditors | 4,596 | 73,228 |
| Social security and other taxes | 16,280 | 2,854 |
| Other creditors | 143 | 100,260 |
| Rent deposit | 100,000 | - |
| Accrued expenses | 15,178 | 15,146 |
| VAT | <u>8,440</u> | <u>-</u> |
| | <u>144,637</u> | <u>191,488</u> |

10 FINANCIAL LIABILITIES - BORROWINGS

| | 30 11 07 | 30 11 06 |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| Current | | |
| Other loans | <u>100,000</u> | <u>225,000</u> |
| Terms and debt repayment schedule | | |
| | | 1 year or less |
| | | £ |
| Other loans | | <u>100,000</u> |

BLACKFISH CAPITAL MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2007

11 CALLED UP SHARE CAPITAL

| Authorised Number | Class | Nominal value £1 | 30 11 07 £ | 30 11 06 £ |
|--------------------------------------|----------|------------------------|---------------|---------------|
| 10,000,000 (30 11 06 - 1,000,000) | Ordinary | | 10,000,000 | 1,000,000 |

| Allotted, issued and fully paid Number | Class | Nominal value £1 | 30 11 07 £ | 30 11 06 £ |
|---|----------|------------------------|---------------|---------------|
| 437,800 | Ordinary | | 1,047,800 | 437,800 |

610,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the year

12 RESERVES

| | Retained earnings £ |
|----------------------|---------------------------|
| At 1 December 2006 | (383,050) |
| Deficit for the year | (303,714) |
| At 30 November 2007 | (686,764) |

13 ULTIMATE PARENT COMPANY

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

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 30 11 07 £ | 30 11 06 £ |
|--|----------------|---------------|
| Loss for the financial year | (303,714) | (139,286) |
| Shares issued | 610,000 | 160,000 |
| Net addition to shareholders' funds | 306,286 | 20,714 |
| Opening shareholders' funds | 54,750 | 34,036 |
| Closing shareholders' funds | 361,036 | 54,750 |