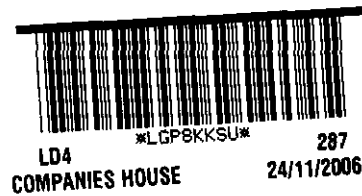


TALLSPRINGS UK LIMITED
FINANCIAL STATEMENTS
31 JANUARY 2006



SLAVEN JEFFCOTE LLP
Chartered Certified Accountants
1 Lumley Street
Mayfair
London
W1K 6TT

TALLSPRINGS UK LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2006

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TALLSPRINGS UK LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Falcor Management Limited Lumley Management Limited
Company secretary	Falcor Management Limited
Registered office	68 Crockford Park Road Addlestone Surrey KT15 2LU
Solicitors	Mishcon de Reya 12 Red Lion Square London WC1R 4QD

TALLSPRINGS UK LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 JANUARY 2006

The directors present their report and the unaudited financial statements of the company for the year ended 31 January 2006.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was as a holding and investment company.

THE DIRECTORS AND THEIR INTERESTS IN THE 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 £0.01 Shares	Shares of £0.01 each
	At 31 January 2006	At 1 February 2005 or later date of appointment
Falcor Management Limited	-	-
Lumley Management Limited	-	-
Ms M H Gifford	-	-

Falcor Management Limited was appointed as a director on 23 March 2005.

Falcor BC Limited was appointed as a director on 8 February 2006.

Falcor BC Limited retired as a director on 23 March 2006.

Ms M H Gifford retired as a director on 8 February 2006.

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:
68 Crockford Park Road
Addlestone
Surrey
KT15 2LU

Signed by order of the directors


FALCOR MANAGEMENT LIMITED
Company Secretary

Approved by the directors on21/11/06

TALLSPRINGS UK LIMITED

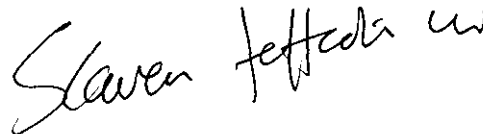
**ACCOUNTANTS' REPORT TO THE DIRECTORS OF TALLSPRINGS UK
LIMITED**

YEAR ENDED 31 JANUARY 2006

As described on the balance sheet, the directors of the company are responsible for the preparation of the financial statements for the year ended 31 January 2006, set out on pages 4 to 8.

You consider that the company is exempt from an audit under the Companies Act 1985.

In accordance with your instructions we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



SLAVEN JEFFCOTE LLP
Chartered Certified Accountants

1 Lumley Street
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London
W1K 6TT

21/11/06.....

TALLSPRINGS UK LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 JANUARY 2006

	Note	Year to 31 Jan 06 £	Period from 29 Jan 04 to 31 Jan 05 £
TURNOVER		—	—
Administrative expenses		1,175	1,000
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,175)	(1,000)
Tax on loss on ordinary activities		—	—
LOSS FOR THE FINANCIAL YEAR		(1,175)	(1,000)

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

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

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

TALLSPRINGS UK LIMITED

BALANCE SHEET

31 JANUARY 2006

	Note	2006 £	2005 £
CURRENT ASSETS			
Debtors	3	1,700,100	1,250,100
CREDITORS: Amounts falling due within one year	4	<u>1,702,175</u>	<u>1,251,000</u>
NET CURRENT LIABILITIES		<u>(2,075)</u>	<u>(900)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(2,075)</u>	<u>(900)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	6	100	100
Profit and loss account	7	<u>(2,175)</u>	<u>(1,000)</u>
DEFICIT	8	<u>(2,075)</u>	<u>(900)</u>

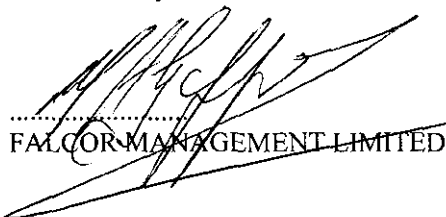
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2)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

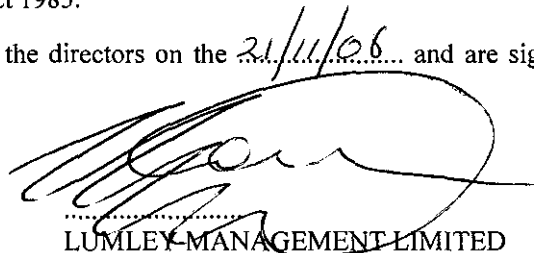
The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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.

These financial statements were approved by the directors on the 21/11/06 and are signed on their behalf by:


FALCOR MANAGEMENT LIMITED


LUMLEY MANAGEMENT LIMITED

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

TALLSPRINGS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2006

1. ACCOUNTING POLICIES

Basis of accounting

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

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

-FRS 21 'Events after the Balance Sheet date (IAS 10)'; and

-the presentation requirements of 'FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)''.

FRS 21 'Events after the Balance Sheet date (IAS 10)'

The adoption of FRS 21 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, *the company does not recognise those dividends as a liability at the balance sheet date.* As the company has not proposed dividends for this period or the prior period there has been no effect on the financial statements.

FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'

The presentation requirements of FRS 25 "Financial Instruments: Disclosure and Presentation (IAS 32)" have been adopted for the first time in this accounting period. The adoption of this policy effects the presentation of the dividend, removing it from the profit and loss account and deducting it straight from equity. The deduction from equity is reported in the notes to the Financial Statements.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Fixed assets

All fixed assets are initially recorded at cost.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, either as, financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

TALLSPRINGS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2006

2. OPERATING LOSS

Operating loss is stated after charging:

	Year to 31 Jan 06 £	Period from 29 Jan 04 to 31 Jan 05 £
Directors' emoluments	—	—

3. DEBTORS

	2006 £	2005 £
Called up share capital not paid	100	100
Other debtors	1,700,000	1,250,000
	<u>1,700,100</u>	<u>1,250,100</u>

4. CREDITORS: Amounts falling due within one year

	2006 £	2005 £
Other creditors	1,702,175	1,251,000

5. RELATED PARTY TRANSACTIONS

In the opinion of the directors the controlling parties are the trustees of Jiki Trust, a trust registered in the Isle of Man.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

TALLSPRINGS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2006

6. SHARE CAPITAL

Authorised share capital:

	2006 £	2005 £
10,000,000 Ordinary £0.01 Shares	<u>100,000</u>	<u>100,000</u>

Allotted and called up:

	2006 No	£	2005 No	£
Ordinary £0.01 Shares	<u>10,000</u>	<u>100</u>	<u>10,000</u>	<u>100</u>
Equity shares				
Ordinary £0.01 Shares	<u>10,000</u>	<u>100</u>	<u>10,000</u>	<u>100</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows:

	2006 £	2005 £
Ordinary £0.01 Shares	<u>100</u>	<u>100</u>

7. PROFIT AND LOSS ACCOUNT

	Year to 31 Jan 06 £	Period from 29 Jan 04 to 31 Jan 05 £
Balance brought forward	(1,000)	-
Loss for the financial year	(1,175)	(1,000)
Balance carried forward	<u>(2,175)</u>	<u>(1,000)</u>

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Loss for the financial year	(1,175)	(1,000)
New ordinary share capital subscribed	-	100
Net reduction to shareholders' deficit	(1,175)	(900)
Opening shareholders' deficit	(900)	-
Closing shareholders' deficit	<u>(2,075)</u>	<u>(900)</u>