

TALLSPRINGS UK LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2006



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

TALLSPRINGS UK LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 1 FEBRUARY 2006 TO 31 DECEMBER 2006

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TALLSPRINGS UK LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Falcor Management Limited Lumley Management Limited Pitfield Management Limited
Company secretary	Falcor Management Limited
Registered office	68 Crockford Park Road Addlestone Surrey KT15 2LU
Accountants	Slaven Jeffcote LLP Chartered Certified Accountants 1 Lumley Street Mayfair London W1K 6TT
Solicitors	Mishcon de Reya 12 Red Lion Square London WC1R 4QD

TALLSPRINGS UK LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 1 FEBRUARY 2006 TO 31 DECEMBER 2006

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the period from 1 February 2006 to 31 December 2006

PRINCIPAL ACTIVITIES

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

DIRECTORS

The directors who served the company during the period were as follows

Falcor Management Limited
Lumley Management Limited
Falcor BC Limited
Ms M H Gifford
Pitfield Management Limited

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

Lumley Management Limited retired as a director on 22 January 2007

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 on behalf of the directors



Pitfield Management Limited

Director

Approved by the directors on 13/12/07

TALLSPRINGS UK LIMITED
ACCOUNTANTS' REPORT TO THE DIRECTORS OF TALLSPRINGS UK
LIMITED
PERIOD FROM 1 FEBRUARY 2006 TO 31 DECEMBER 2006

As described on the balance sheet, the directors of the company are responsible for the preparation of the financial statements for the period ended 31 December 2006, set out on pages 4 to 9

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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W1K 6TT

13/12/08

TALLSPRINGS UK LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 1 FEBRUARY 2006 TO 31 DECEMBER 2006

	Note	Period from 1 Feb 06 to 31 Dec 06 £	Year to 31 Jan 06 £
TURNOVER		—	—
Administrative expenses		<u>6,220</u>	<u>1,175</u>
OPERATING LOSS	2	(6,220)	(1,175)
Interest receivable		<u>127,286</u>	—
Interest payable and similar charges		<u>(114,679)</u>	—
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		6,387	(1,175)
Tax on profit/(loss) on ordinary activities	3	<u>801</u>	—
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		<u>5,586</u>	<u>(1,175)</u>

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 period as set out above

The notes on page 4 form part of these financial statements

TALLSPRINGS UK LIMITED

BALANCE SHEET

31 DECEMBER 2006

	Note	31 Dec 06 £	£	31 Jan 06 £
CURRENT ASSETS				
Debtors	4	2,793,846		1,700,100
Cash at bank		3,305		-
		<u>2,797,151</u>		<u>1,700,100</u>
CREDITORS: Amounts falling due within one year	5	<u>2,793,640</u>		<u>1,702,175</u>
NET CURRENT ASSETS/(LIABILITIES)			<u>3,511</u>	<u>(2,075)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,511</u>	<u>(2,075)</u>
CAPITAL AND RESERVES				
Called-up equity share capital	7		100	100
Profit and loss account	8		<u>3,411</u>	<u>(2,175)</u>
SHAREHOLDERS' FUNDS/(DEFICIT)	9		<u>3,511</u>	<u>(2,075)</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 period 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 period and of its profit or loss for the financial period 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 and authorised for issue on 13/12/07, and are signed on their behalf by



PHFIELD MANAGEMENT LIMITED

The notes on page 5 form part of these financial statements

TALLSPRINGS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 FEBRUARY 2006 TO 31 DECEMBER 2006

1. ACCOUNTING POLICIES

Basis of accounting

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

The Financial statements have been prepared on a going concern basis dependent upon the continued support of the shareholders

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, as either 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

PERIOD FROM 1 FEBRUARY 2006 TO 31 DECEMBER 2006

2. OPERATING LOSS

Operating loss is stated after charging

	Period from 1 Feb 06 to 31 Dec 06 £	Year to 31 Jan 06 £
Directors' emoluments	<u>-</u>	<u>-</u>

3. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

	Period from 1 Feb 06 to 31 Dec 06 £	Year to 31 Jan 06 £
Current tax		
UK Corporation tax based on the results for the period at 19% (To 31 Jan 06 - 19%)	<u>801</u>	<u>-</u>
Total current tax	<u>801</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 19% (To 31 Jan 06 - 19%)

	Period from 1 Feb 06 to 31 Dec 06 £	Year to 31 Jan 06 £
Profit/(loss) on ordinary activities before taxation	<u>6,387</u>	<u>(1,175)</u>
Profit/(loss) on ordinary activities by rate of tax	1,214	(223)
Utilisation of tax losses	(413)	-
Tax Losses carried forward	-	223
Total current tax (note 3(a))	<u>801</u>	<u>-</u>

4. DEBTORS

	31 Dec 06 £	31 Jan 06 £
Called up share capital not paid	-	100
Other debtors	<u>2,793,846</u>	<u>1,700,000</u>
	<u>2,793,846</u>	<u>1,700,100</u>

Included in other debtors is a short term loan on which interest is charged at 5% pa

TALLSPRINGS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 FEBRUARY 2006 TO 31 DECEMBER 2006

5. CREDITORS: Amounts falling due within one year

	31 Dec 06	31 Jan 06
	£	£
Corporation tax	801	—
Other creditors	2,792,839	1,702,175
	<u>2,793,640</u>	<u>1,702,175</u>

Included in other creditors is a short term loan on which interest is charged at 5.5% pa

6. 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

7. SHARE CAPITAL

Authorised share capital:

	31 Dec 06	31 Jan 06
	£	£
10,000,000 Ordinary £0.01 Shares	<u>100,000</u>	<u>100,000</u>

Allotted and called up:

	31 Dec 06		31 Jan 06	
	No	£	No	£
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

	31 Dec 06	31 Jan 06
	£	£
Ordinary £0.01 Shares	<u>-</u>	<u>100</u>

8. PROFIT AND LOSS ACCOUNT

	Period from 1 Feb 06 to 31 Dec 06	Year to 31 Jan 06
	£	£
Balance brought forward	(2,175)	(1,000)
Profit/(loss) for the financial period	<u>5,586</u>	<u>(1,175)</u>
Balance carried forward	<u>3,411</u>	<u>(2,175)</u>

TALLSPRINGS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 FEBRUARY 2006 TO 31 DECEMBER 2006

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 Dec 06	31 Jan 06
	£	£
Profit/(Loss) for the financial period	5,586	(1,175)
Opening shareholders' deficit	(2,075)	(900)
Closing shareholders' funds/(deficit)	<u>3,511</u>	<u>(2,075)</u>