COY HOUSE

Dalveen Limited

Directors' report and financial statements for the year ended 5 April 2007

Registered number SC215917

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COMPANIES HOUSE

Chartered Accountants' Report to the Directors
on the Unaudited Financial Statements of Dalveen Limited

In accordance with the engagement letter dated 14 December 2007 and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the Company which comprise the Profit and Loss Account, the Balance Sheet, and the related notes from the accounting records and information and explanations given to us by the Company's Directors

This report is made to the Company's Directors, as a body, in accordance with the terms of our engagement Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Directors, as a body, for our work or for this report

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements

The Directors have acknowledged on the balance sheet for the year ended 5 April 2007 their duty to ensure that the Company has kept proper accounting records and prepare financial statements that give a true and fair view under the Companies Act 1985 The Directors consider that the Company is exempt from the statutory requirement for an audit

We have not been instructed to carry out an audit of the financial statements For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations given to us by the Directors and we do not, therefore, express any opinion on the financial statements

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
Edinburgh

Date 30 January 2008

Dalveen Limited

Financial statements
for the year ended 5 April 2007

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Directors and advisors

Directors	David C Mathewson Janet E Mathewson
Company secretary	T M Company Services Limited Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9AG
Registered office	Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9AG
Solicitors	Tods Murray Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9AG

Directors' report for the year ended 5 April 2007

The directors present their report and the financial statements of the company for the year ended 5 April 2007

Principal Activities

The company provides business consultancy services.

Review of the business and future developments

The profit and loss account for the year is set out on page 4.
The net loss after providing for taxation amounted to £38,632 (2006 profit £71,558)

The results for the year ended 5 April 2007 reflect the sixth year of trading The directors expect the company to become dormant.

Dividends and transfers to reserves

The directors do not recommend a dividend for the year (2006 £75,000)

It is proposed that the retained loss for the period of £38,632 (2006 loss £3,442) be transferred from reserves

Directors and their interests

The directors who held office during the period and their interests in the company's issued ordinary share capital were as follows

	05/04/2007	05/04/2006
	number	number
David C Mathewson	**450**	450
Janet E Mathewson	**50**	50

Directors' report for the year ended 5 April 2007 (continued)

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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 The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business

The directors confirm that suitable accounting policies have been used and applied consistently They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 5 April 2007 and that applicable standards have been followed

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

On behalf of the board

Date 3 1st July 2008

David C Mathewson
Director

Profit and loss account
For the year ended 5 April 2007

	Notes	2007 £	2006 £
Turnover		**11,700**	146,300
Administrative expenses		**52,851**	56,500
		(41,151)	89,800
Interest receivable		**3,469**	335
Profit/(Loss) on ordinary activities before taxation		**(37,682)**	90,135
Taxation UK corporation tax	3	**950**	18,577
Profit/(Loss) for the period after taxation		**(38,632)**	71,558
Dividends paid			75,000
Retained loss for the year	10	**(38,632)**	(3,442)
Retained profit at 6 April 2006		**465**	3,907
Retained profit/(loss) at 5 April 2007		**(38,167)**	465

There are no recognised gains or losses other than the profits for the periods noted above and therefore no statement of total recognised gains and losses has been presented All activities have now ceased

Balance sheet as at 5 April 2007

	Notes	2007	2006
		£	£
Fixed assets			
Tangible assets	4		3,018
Investments	5	**10,658**	46,724
		10,658	49,742
Current assets			
Debtors	6	**1,158**	
Cash at bank		**25,769**	569
		26,927	569
Creditors: amounts falling due within one year	7	**(75,252)**	(49,412)
Net current liabilities		**(48,325)**	(48,843)
Total assets less current liabilites		**(37,667)**	899
Provisions for liabilities			
Deferred tax	8	**-**	66
Net liabilities		**(37,667)**	965
		£	£
Capital and reserves			
Called up share capital	9	**500**	500
Profit and loss account	10	**(38,167)**	465
Deficiency in equity shareholders' funds	11	**(37,667)**	965

Balance sheet
as at 5 April 2007 (continued)

Advantage has been taken of the audit exemptions available for the small companies conferred by section 249A(1) of the companies Act 1985 on the grounds

(a) that for the period ended 5 April 2007 the company was entitled to the exemption from a statutory audit under section 249A(1) of the Companies Act 1985, and

(b) that no notice has been deposited under section 249B(2) of the Companies Act 1985 in relation to the financial statements for the year

The directors acknowledge their responsibilities for

(a) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985, and

(b) preparing financial statements which give a true and fair view of the state of the affairs of the company as at 5 April 2007 and of its profit or loss for the period then ended in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985

Approved by the board of directors on 3rd January 08 and signed on its behalf by

David C Mathewson
Director

The notes on pages 7 to 10 form part of these financial statements

Notes to the financial statements for the year ended 5 April 2007

1 Statement of accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom A summary of the more important accounting policies of the company, which have been applied consistently, is set out below

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention The company has suffered a loss for the year of £38,632 and at 5 April 2007 its liabilities exceed its assets by £37,667 The company's existence as a going concern is dependent on the receipt of continued support from David Mathewson who has indicated it is his current intention to provide such support for the ensuing twelve months following the approval of these accounts The directors have therefore prepared the accounts on the going concern basis

Cash flow statement

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985 As a consequence it is exempt from the requirement to publish a cash flow statement

Turnover

Turnover, which excludes value added tax, represents the sales value of all work done in the period

Pension costs

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws Deferred tax assets and liabilities are not discounted

2 Operating profit

	2007	2006
	£	£
Operating profit is stated after charging		
Depreciation	1,510	1,510
Loss on sale of investments	31,734	7,597
Pension costs	5,900	1,000
Directors emoluments		9,000

The company contributes to a self administered pension scheme in respect of one director

Notes to the financial statements for the year ended 5 April 2007 (continued)

3 Tax on profit on ordinary activities

a) Analysis of charge in period	2007	2006
Current tax	£	£
UK corporation tax on profits of the year		18,732
Adjustment in respect of previous periods	884	(30)
Total current tax	884	18,702
Deferred tax		
Origination and reversal of timing differences (note 8)	66	(125)
Tax on profit on ordinary activities	950	18,577

b) Factors affecting tax charge for period	2007	2006
	£	£
Profit on ordinary activities before tax	(37,682)	90,135
Profit on ordinary activities multiplied by starting rate of corporation tax in the UK of 19%	(7,160)	17,126
Effects of		
Expenses not deductible for tax purposes	7,036	1,482
Accelerated capital allowances	124	124
Adjustment in respect of previous periods	884	(30)
Current tax charge for the year	884	18,702

4 Tangible assets

	Plant and machinery
Cost	£
At 6 April 2006	6,038
Disposal	(6,038)
At 5 April 2007	
Accumulated depreciation	
At 6 April 2006	3,020
Charge for the year	1,510
Disposal	(4,530)
At 5 April 2007	
Net book value at 5 April 2007	
Net book value at 5 April 2006	3,018

Notes to the financial statements for the year ended 5 April 2007 (continued)

5 Fixed asset investments

	£
At 6 April 2006	46,724
Additions during the year	10,658
Disposals	(46,724)
At 5 April 2007	**10,658**

Investments comprise equity shares with a cost of £10,658 (2006 £46,724)
These are listed on the NASDAQ exchange

6 Debtors

	2007	2006
	£	£
Corporation tax	**1,158**	

7 Creditors: amounts falling due within one year

	2007	2006
	£	£
Amounts owed to Directors	**62,632**	1,033
Taxation and social security	**8,820**	20,139
Corporation tax		16,690
Other creditors	**3,800**	11,550
	75,252	49,412

8 Deferred taxation

	2007	2006
	£	£
The deferred tax comprises		
Accelerated capital allowances		124
Short term timing differences		(190)
Total provision		(66)

The deferred tax is calculated using a corporation tax rate of 19%	£	£
At start of period	**(66)**	59
Deferred tax charge in profit and loss account for the period (note 3a)	**66**	(125)
At end of period		(66)

Notes to the financial statements for the year ended 5 April 2007 (continued)

9 Share capital

	2007	2006
	£	£
Authorised		
500 Ordinary shares of £1	**500**	500
Allotted, called up and fully paid		
Ordinary shares of £1	**500**	500

10 Profit and loss account

	2007	2006
	£	£
Retained profit at 6 April 2006	**465**	3,907
Loss for the period	**(38,632)**	(3,442)
Retained profit at 5 April 2007	**(38,167)**	465

11 Reconciliation of movements in shareholders' funds

	2007	2006
	£	£
Opening shareholders' funds	**965**	4,407
Loss for the period	**(38,632)**	(3,442)
Closing shareholders' funds	**(37,667)**	965

12 Controlling party and related party transactions

David Mathewson, a director of the company, controls the company

David Mathewson bought the plant and machinery, which comprised office equipment, at its net book value on 5 April 2007 of £1,508, from the company