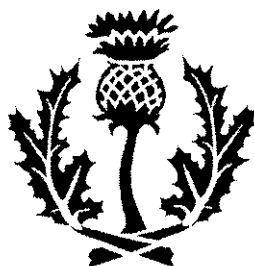


# Fynegold Exploration Limited



Registered Number : SC 084497

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2008

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**FYNEGOLD EXPLORATION LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**

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**FYNEGOLD EXPLORATION LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**



**DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2008**

The directors present their report and the financial statements for the year ended 31 March 2008.

**Principal activities**

The company was dormant during the year.

**Directors**

The directors who served during the year were:

	Appointed	Resigned
Shane Beatty Sadleir	02/10/2006	31/10/2008
Christopher Sangster	31/10/2008	

**Small company special provisions**

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

**Exemption from audit**

The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

This report was approved by the board on 11 March 2009 and signed on its behalf.



Chris Sangster  
Director

11 March 2009

Fynegold Exploration Limited



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**STATEMENT OF DIRECTORS' RESPONSIBILITIES  
FOR THE PERIOD ENDED 31 MARCH 2008.**

The directors are responsible for preparing the annual report and 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 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 year. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently,
- Make judgments and estimates that are reasonable and prudent,
- 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 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.



Chris Sangster  
Director

11 March 2009

Fynegold Exploration Limited

**FYNEGOLD EXPLORATION LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**



**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2008**

	Note	Year ended 31 March 2008 £	Period ended 31 March 2007 £
TURNOVER			
Administrative expenses	2	(7,748)	(6,087,512)
OPERATING PROFIT/(LOSS)		<u>(7,748)</u>	<u>(6,087,512)</u>
Interest receivable		18	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(7,730)</u>	<u>(6,087,512)</u>
Tax on profit/(loss) on ordinary activities	4	-	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(7,730)</u>	<u>(6,087,512)</u>

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

**FYNEGOLD EXPLORATION LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**



**BALANCE SHEET  
AS AT 31 MARCH 2008**

	Note	31 March 2008 £	31 March 2007 £
<b>Fixed Assets</b>			
Intangible Assets		-	-
Tangible Assets		-	-
<b>Current Assets</b>			
Debtors		-	-
Cash at Bank and in hand		2,447	6,877
		<u>2,447</u>	<u>6,877</u>
<b>Creditors : amounts falling due within one year</b>	5	-	(6,300)
Net current assets/(liabilities)		<u>2,447</u>	<u>577</u>
Total assets less current liabilities		<u>2,447</u>	<u>577</u>
<b>Creditors : amounts falling due after more than one year</b>	8	9,600	-
Net assets		<u>(7,153)</u>	<u>577</u>
<b>Capital and reserves</b>			
Called up share capital	6	7,023,432	7,023,432
Share Premium		-	-
Profit and loss account	7	(7,030,585)	(7,022,855)
Shareholders' funds		<u>(7,153)</u>	<u>577</u>

For the year ended 30 June 2008 the company was entitled to exemption under Section 249A(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

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

**FYNEGOLD EXPLORATION LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**

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The directors acknowledge their responsibility for :

- i) Ensuring the company keeps accounting records which comply with section 221; and
- ii) Preparing accounts 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 Companies Act relating to accounts, so far as applicable to the company.

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

These financial statements were approved by the directors on the 11<sup>th</sup> March 2009 and are signed on their behalf by :

A handwritten signature in black ink, appearing to be 'C Sangster', is written over a horizontal line.

C Sangster  
Director  
11 March 2009

The notes on pages 6 to 10 form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

1. ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

1.2. Turnover

Turnover comprises the value of sales by the company in the year, exclusive of Value Added Tax and trade discounts. Revenue is recognised directly in relation to the even equipment is hired for or at the point of sale.

1.3. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Hire equipment	-	25%	original cost
Motor vehicles-		25%	original cost
Fixtures & office equipment		15%	original cost

1.4. Intangible fixed assets

Exploration expenditures are capitalised until the results of the related projects are known. If a project is successful, the related expenditures will be amortised over the life of the estimated ore reserves on the unit of production basis. Provision for loss is made where a project is abandoned or considered to be of no further interest to the company.

1.5. Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company.

Obligations under such agreement are included in creditors net of the finance charge allocated to future years. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each year.





## 1.6. Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing difference between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognized only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

## 2. OPERATING PROFIT

	Year ended 31 March 2008 £	Period ended 31 March 2007 £
The operating profit is stated after charging:		
Write off of Intangible Assets	-	3,581,998
Write off of Tangible Assets	-	2,491,646
Other Administrative expenses	7,730	13,868
	<u>7,730</u>	<u>6,087,512</u>

## 3. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including directors, during the year.

## 4. TAXATION

	Year ended 31 March 2008 £	Period ended 31 March 2007 £
Analysis of tax charge in the year		
UK Corporation tax charge/(credit) on profit/(loss) for the year at 30%	2,319	1,826,254
Deferred tax asset not recognised	(2,319)	(1,826,254)
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

**FYNEGOLD EXPLORATION LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**



**5. CREDITORS**

Amounts falling due within one year

	31 March 2008 £	31 March 2007 £
Trade Creditors	-	6,300
	<u>-</u>	<u>6,300</u>

**6. SHARE CAPITAL**

	2008 Number	2007 Number	31 March 2008 £	31 March 2007 £
<b>Authorised Share Capital</b>				
Ordinary Shares	25,000,000	25,000,000	<u>25,000,000</u>	<u>25,000,000</u>
<b>Issued Share Capital</b>				
Ordinary Shares on issue brought forward	7,023,432	3,723,481	7,023,432	3,723,481
Issue to holding company	-	25,000	-	25,000
Issued in satisfaction of amounts owed to group undertakings	-	3,274,951	-	3,274,951
Ordinary Shares on Issue carried forward	<u>7,023,432</u>	<u>7,023,432</u>	<u>7,023,432</u>	<u>7,023,432</u>

**7. PROFIT AND LOSS ACCOUNT**

	31 March 2008 £	31 March 2007 £
Opening Balance	(7,022,855)	(935,343)
Loss for the period	(7,730)	(6,087,512)
At 31 March 2007	<u>(7,030,585)</u>	<u>(7,022,855)</u>

**FYNEGOLD EXPLORATION LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**



**8. RELATED PARTY TRANSACTIONS**

	31 March 2008 £	31 March 2007 £
Amounts owed to group undertakings	9,600	-
	<u>9,600</u>	<u>-</u>

**9. ULTIMATE PARENT COMPANY**

At the date of this report the company is controlled by Scotgold Resources Limited, a company incorporated in Australia.