

**Oystergreen Limited**

**Directors' report and financial statements**

31 August 2005

Registered number 3253112



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COMPANIES HOUSE 05/05/2006

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## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 August 2005.

### Principal activities

The principal activity of the company is that of an investment holding company.

### Results and proposed dividends

The profit of £134,499 for the year ended 31 August 2005 and transfer to reserves (2004: loss of £302,473) are set out in the profit and loss account on page 5.

The directors do not recommend the payment of a dividend for the year under review (2004: £nil).

### Directors and directors' interests

The directors who held office during the year were as follows:

NRA Butterfield (Resigned 31/12/05)  
PR Lenton (Resigned 28/02/06)  
MD Connole (Appointed 01/01/06)  
CR Potterell (Appointed 28/02/06)

None of the directors who held office at the end of the financial year had any interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

At 31 August 2005, NRA Butterfield was a director of Chrysalis Group PLC, the ultimate parent company, and his share interests are disclosed in the directors' report of that company.

In December 2004, PR Lenton was granted options over 1,807 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC. As at 31 August 2005, PR Lenton held 1,000 (2004: 1,000) ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC.

As at 31 August 2005, MD Connole held 6,956 (2004: 6,956) ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC. On 25 January 1999, MD Connole was granted options over 50,000 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £1.271 per share. On 8 December 2000, MD Connole was granted options over 50,000 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £3.20 per share. On 23 November 2001, MD Connole was granted options over 50,000 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £2.30 per share. In December 2001, MD Connole was granted options over 8,871 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC. On 1 August 2003, MD Connole was granted options over 39,473 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £2.09 per share. On 1 August 2003, a conditional award of 14,952 Performance Shares was made to MD Connole. On 29 August 2003, a conditional award of 15,022 Matching Shares was made to MD Connole. On 18 November 2003, MD Connole was granted options over 40,778 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £2.185 per share. On 18 November 2003, a conditional award of 15,446 Performance Shares was made to MD Connole. On 17 December 2003, a conditional award of 14,445 Matching Shares was made to MD Connole. On 3 December 2004, MD Connole was granted options over 53,389 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £1.7925 per share. On 3 December 2004, a conditional award of 20,223 Performance Shares was made to MD Connole. On 29 November 2005, MD Connole was granted options over 127,281 ordinary shares of 2p each in the

ultimate parent company, Chrysalis Group PLC, at an exercise value of £1.455 per share. On 29 November 2005, a conditional award of 42,084 Performance Shares was made to MD Connole

As at 31 August 2005, CR Potterell held 4,630 (2004: 4,630) ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC. On 25 January 1999, CR Potterell was granted options over 50,000 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £1.271 per share. On 8 December 2000, CR Potterell was granted options over 50,000 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £3.20 per share. On 23 November 2001, CR Potterell was granted options over 50,000 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £2.30 per share. In December 2002, CR Potterell was granted options over 5,598 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £1.688. On 1 August 2003, CR Potterell was granted options over 34,736 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £2.09. On 18 November 2003, CR Potterell was granted options over 36,247 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £2.185. On 18 November 2003 a conditional award of 13,729 Performance Shares was made to CR Potterell. On 17 December 2003 a conditional award of 9,630 Matching Shares was made to CR Potterell. On 3 December 2004, CR Potterell was granted options over 47,866 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £1.7925. On 3 December 2004, a conditional award of 18,131 Performance Shares was made to CR Potterell. On 29 November 2005, CR Potterell was granted options over 91,107 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £1.455. On 29 November 2005, a conditional award of 30,672 Performance Shares was made to CR Potterell. On 11 January 2006, CR Potterell was granted options over 7,137 ordinary shares of 2p each in the ultimate parent company, Chrysalis Group PLC, at an exercise value of £1.31.

#### Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



**CR Potterell**  
Company Secretary

The Chrysalis Building  
Bramley Road  
London  
W10 6SP

19 April 2006

## Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those 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 whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



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## **Independent auditor's report to the members of Oystergreen Limited**

We have audited the financial statements on pages 5 to 9.

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 auditor's 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 are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards 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 of the state of the company's affairs as at 31 August 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

**KPMG Audit Plc**  
Chartered Accountants  
Registered Auditor

*19 April* 2006

## Profit and loss account

for the year ended 31 August 2005

	Note	2005 £'000	2004 £'000
Exchange gain/(loss) on loan to parent company	4	192	(432)
Taxation	5	(58)	130
<b>Profit/(loss) on ordinary activities after taxation and retained profit/(loss) for the year</b>		<b>134</b>	<b>(302)</b>

Amounts relating to turnover and profit on ordinary activities before taxation in the current and previous year derive from continuing activities.

All recognised gains and losses are included in the profit and loss account.

There is no difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

The notes on pages 7 to 9 form part of these financial statements.

## Balance sheet

as at 31 August 2005

	Note	2005 £'000	2004 £'000
<b>Current assets</b>			
Debtors	6	15,936	15,802
<b>Net assets</b>		<u>15,936</u>	<u>15,802</u>
<b>Capital and reserves</b>			
Called up share capital	7	-	-
Share premium reserve	8	17,330	17,330
Profit and loss account	8	(1,394)	(1,528)
<b>Shareholders' funds – equity</b>		<u>15,936</u>	<u>15,802</u>

These financial statements were approved by the Board of directors on 19 April 2006 and were signed on its behalf by:



**MD Connole**  
Director

The notes on pages 7 to 9 form part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items, which are considered material in relation to the company's financial statements except as noted below.

#### *Basis of preparation*

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable accounting standards.

#### *Translation of foreign currencies*

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at the profit on ordinary activities.

#### *Cash flow exemption*

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cashflow statement on the grounds that Chrysalis Group PLC, its parent undertaking, includes the company in its own published consolidated financial statements.

#### *Taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Chrysalis Group PLC entities are able to relieve their taxable losses by surrendering them to other group companies where capacity to utilise those losses exists. There is an agreement between members of the group that such losses will be purchased and paid for by the recipient company. Where there is reasonable certainty that taxable losses can be utilised the group relief receivable is included in the taxation charge or credit for the year.

**Notes** (continued)

**2 Profit on ordinary activities before taxation**

The audit fee for this company has been borne by the company's immediate parent company, Chrysalis Group PLC.

**3 Directors' and employees' remuneration**

The directors received no remuneration from the company for services during the year. The company did not have any other employees and as a result incurred no staff costs (2004: £nil).

NRA Butterfield received remuneration from Chrysalis Group PLC, which is disclosed in the financial statements of that company.

**4 Foreign exchange difference**

	2005 £'000	2004 £'000
Exchange gain/(loss) on loan to group companies	192	(432)

**5 Taxation on profit/(loss) on ordinary activities**

The current tax charge/(credit) is equal (2004: equal) to the standard rate of corporation tax in the UK of 30% (2004: 30%)

Analysis of tax charge/(credit) for the year

	2005 £'000	2004 £'000
<i>UK corporation tax</i>		
Current tax charge/(credit) for the year and tax on ordinary activities	58	(130)

**6 Debtors**

	2005 £'000	2004 £'000
Amounts owed by group companies	15,936	15,802

**Notes (continued)**

**7 Called up share capital**

<i>Equity</i>	<b>2005</b>	2004
	<b>£</b>	£
<i>Authorised</i>		
100 ordinary shares of £1 each	<b>100</b>	100
<hr/>		
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	<b>100</b>	100
<hr/>		

**8 Reserves**

	<b>Share Premium £'000</b>	<b>Profit and loss account £'000</b>
<b>Balance brought forward</b>	<b>17,330</b>	<b>(1,528)</b>
Retained profit for the year	-	134
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<b>Balance carried forward</b>	<b>17,330</b>	<b>(1,394)</b>
<hr/>		

**9 Deferred tax**

Deferred tax has not been provided for at 31 August 2005 or 31 August 2004 on the basis that there are no timing differences at the end of either year.

**10 Related party transactions**

As the company is a wholly owned subsidiary of Chrysalis Group PLC, the company has taken advantage of the exemption contained in FRS 8 – Related Party Transactions and has therefore not disclosed transactions or balance with entities which form part of the group. The consolidated financial statements of Chrysalis Group PLC, within which this company is included, can be obtained from the Chrysalis Building, Bramley Road, London W10 6SP.

**11 Immediate and ultimate parent company**

The immediate parent company is Chrysalis Holdings Limited, which is registered in England & Wales.

The ultimate parent company is Chrysalis Group PLC, which is registered in England and Wales, for which consolidated accounts are prepared. The consolidated accounts of this company may be obtained from The Secretary, Chrysalis Group PLC, The Chrysalis Building, Bramley Road, London W10 6SP.