

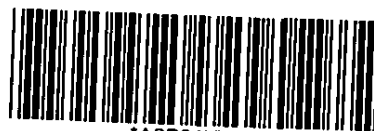
Company Registration Number 2133288

# **Forthaven Limited**

## **Report and Financial Statements**

30 June 2012

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COMPANIES HOUSE

# Forthaven Limited

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Registered No 2133288

## CONTENTS

|  | <i>Page</i> |
|--|-------------|
| Directors' report                        | 2           |
| Statement of directors' responsibilities | 4           |
| Independent auditor's report             | 5           |
| Profit and loss account                  | 7           |
| Balance sheet                            | 8           |
| Notes to the financial statements        | 9           |

## Directors' report

The directors present their report together with the audited financial statements for the year ended 30 June 2012

### Results and dividends

The company made a loss of £2,000 for the year ended 30 June 2012 (2011 loss £2,000) after taxation and the directors will not be recommending a dividend

### Principal activities and review of the business

The company's principal activity continues to be that of lease financing, however as a result of the sale and purchase agreement of receivables under lease agreements entered into 12 April 2005 with Deutsche Bank AG, the company receives no economic benefits in respect of the leases

The directors do not envisage any substantial changes in the foreseeable future in the operations of the company

The company is currently generating operating losses and does not generate sufficient cash flows from operations to fund its liquidity needs. The company is therefore reliant on the support of its ultimate parent company Oclaro Inc, in order to finance its operations and meet its obligations as they fall due in the foreseeable future

### Going concern

The company is currently generating operating losses and does not generate sufficient cash flows from operations to fund its liquidity needs. The company is therefore reliant on the support of its ultimate parent company Oclaro Inc, in order to finance its operations and meet its obligations as they fall due in the foreseeable future. Further information regarding the need to sell certain assets, which may cast significant doubt upon the Company's ability to continue as a going concern are presented in note 1 (a) to the financial statements

### Subsequent events

Subsequent events are described in note 10

### Directors

The directors of the company who held office during the year and subsequent to 30 June 2012 were as follows

K Border

C Rundle

J Turin

The Company Secretary is C Rundle

### Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report

## Directors' report (continued)

### Authority to purchase shares

No shareholder authority existed at 30 June 2012 for the company to purchase its own shares

### Auditors

Grant Thornton UK LLP has indicated its willingness to continue in office and in accordance with section 485 of the Companies Act 2006, a resolution concerning its reappointment and authorising the directors to fix its remuneration, will be proposed at the next Annual General Meeting of the company

On behalf of the board



K Border  
Director

Date 20 June 2013

## Statement of directors' responsibilities

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

Insofar as each director is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

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

We have audited the financial statements of Forthaven Limited for the year ended 30 June 2012 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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**

As explained more fully in the Statement of Directors' Responsibilities on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Emphasis of matter - Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 (a) to the financial statements concerning the company's ability to continue as a going concern.

As explained in note 1 (a) the company is currently generating operating losses and does not generate sufficient cash flows from operations to fund its liquidity needs. The company is reliant on the support of its ultimate parent company, Oclaro Inc, in order to finance its operations and meet its obligations as they fall due in the foreseeable future. The company's funding requirements are built into the group's forecasts and are considered as part of the assessment of the group's ability to remain a going concern. As further explained in note 1(a) detailed forecasts prepared by the directors of Oclaro Inc demonstrate that the group will be required to secure additional sources of cash by the end of the first quarter of fiscal year 2014. The group has secured the short term bridge loan with its lender Providence Equity. Proceeds from the sale of certain assets will be used to repay amounts borrowed under the credit agreement with Providence Equity in the very near term.

These conditions, along with the other matters explained in note 1 (a) to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

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## Independent auditor's report to the members of Forthaven Limited

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

*Grant Thornton UK LLP*

Eleanor Walsh

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Gatwick

Date *21 June 2013*

## Profit and loss account

for the year ended 30 June 2012

|  | <i>Note</i> | <i>30 June<br/>2012<br/>£000</i> | <i>2 July<br/>2011<br/>£000</i> |
|--|-------------|----------------------------------|---------------------------------|
| Administrative expenses                                      |             | (2)                              | (2)                             |
| <b>Operating loss on ordinary activities before taxation</b> | <b>2</b>    | <b>(2)</b>                       | <b>(2)</b>                      |
| <b>Tax on loss on ordinary activities</b>                    | <b>5</b>    | <b>-</b>                         | <b>-</b>                        |
| <b>Retained loss for the year</b>                            | <b>8</b>    | <b>(2)</b>                       | <b>(2)</b>                      |

All operations are continuing

The notes on pages 9 to 12 form part of these financial statements

Forthaven Limited

Registered No 2133288

**Balance Sheet**

at 30 June 2012

|   | Note | 30 June<br>2012<br>£000 | 2 July<br>2011<br>£000 |
|---|------|-------------------------|------------------------|
| <b>Creditors: amounts falling due within one year</b> | 6    | (15,832)                | (15,830)               |
| <b>Total assets less current liabilities</b>          |      | <u>(15,832)</u>         | <u>(15,830)</u>        |
| <b>Net liabilities</b>                                |      | <u>(15,832)</u>         | <u>(15,830)</u>        |
| <br><b>Capital and reserves</b>                       |      |                         |                        |
| Called up share capital                               | 7    | 3,888                   | 3,888                  |
| Profit and loss account                               | 8    | (19,720)                | (19,718)               |
| <b>Equity shareholders' deficit</b>                   |      | <u>(15,832)</u>         | <u>(15,830)</u>        |

The notes on pages 9 to 12 form part of these financial statements

Approved by the Board

*Keith R*

K Border  
Director

Date 20 June 2013

## Notes to the financial statements

for the year ended 30 June 2012

### 1. Accounting policies

A summary of the principal accounting policies, which have been applied for all years covered by this report, are set out below

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom

#### ***a) Fundamental accounting concept - going concern***

The company is currently generating operating losses and does not generate sufficient cash flows from operations to fund its liquidity needs. The company is reliant on the support of its ultimate parent company Oclaro Inc, in order to finance its operations and meet its obligations as they fall due in the foreseeable future. The company's funding requirements are therefore built into the group's forecasts and are considered as part of the assessment of the group's ability to remain a going concern.

The directors of Oclaro Inc have prepared detailed forecasts which demonstrate that the Oclaro Inc group will be required to secure additional sources of cash by the end of the first quarter of fiscal year 2014 to support operations across the group as a whole. On 7 May 2013, Oclaro Inc negotiated a short term bridge loan of US\$25 million (US\$20.5 million after discounts and expenses) from Providence Equity. In order to obtain this loan, the group amended its Credit Agreement to add Providence as a term lender under that agreement. In connection with this amendment, Oclaro Inc, agreed to complete certain asset sales and use the proceeds to repay amounts borrowed under the Credit Agreement in the very near term.

The group is expected to be a going concern subject to completion of the asset sales and has confirmed its intention to support the UK entity for a period of at least 12 months from the date of signing the financial statements.

The directors have concluded that the combination of these circumstances represent a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern. As Oclaro Inc and its affiliates, is actively pursuing potential asset sales with multiple potential parties, subject to the completion of these sales within a reasonable timeframe, the directors of the company have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and believe it is appropriate to prepare the financial statements on a going concern basis.

The financial statements do not include any adjustments that would result should the company's ultimate parent company be unsuccessful in concluding the asset sales it has agreed to complete and therefore be unable to provide the company with the continued financial support necessary to continue as a going concern.

#### ***b) Cash flow statement***

The company has taken advantage of the exemption granted by FRS1 (Revised) not to prepare a cash flow as its cash flows are included within the financial statements of the ultimate parent company, which are publicly available.

#### ***c) Deferred Tax***

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the exception, deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

# Notes to the financial statements

for the year ended 30 June 2012

## 2. Loss on ordinary activities before taxation

|  | <i>Year ended<br/>30 June 2012<br/>£000</i> | <i>Year ended<br/>2 July 2011<br/>£000</i> |
|--|---|--|
| <i>Operating loss before taxation is stated after charging</i> |   |  |
| Auditors' remuneration   | 1   | 1  |

## 3. Staff costs

The company has no employees. Administrative services were provided by Oclaro Technology Limited without recharge and there is accordingly no staff costs included in these financial statements (2011 £nil)

## 4. Directors' Remuneration

The directors of the company are also directors or officers of a number of companies within the Oclaro Inc group. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the year ended 30 June 2012 and the year ended 2 July 2011.

## 5. Taxation

### Factors affecting the current tax credit

The tax assessed on the loss on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 25.5% (2011: 27.5%). The differences are reconciled below:

|   | <i>Year ended<br/>30 June 2012<br/>£000</i> | <i>Year ended<br/>2 July 2011<br/>£000</i> |
|---|---|--|
| Loss on ordinary activities before tax  | (2)   | (2)  |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.5% (2011: 27.5%) | (-)   | (-)  |
| Tax losses available for offset   | -   | -  |
| Total actual amount of current tax  | -   | -  |

The mainstream corporation tax rate reduced to 24% from 26% with effect from 1 April 2012, consequently the company's effective tax rate for the year ended 30 June 2012 is 25.5%.

The company has tax losses amounting to approximately £12,000 (2011: £10,000), and hence does not anticipate that there will be a UK tax charge in the foreseeable future.

## Notes to the financial statements

for the year ended 30 June 2012

### 6. Creditors: amounts falling due within one year

|  | 30 June 2012<br>£000 | 2 July 2011<br>£000 |
|--|----------------------|---------------------|
| Amount due to immediate parent company | 15,831               | 15,829              |
| Accruals                               | 1                    | 1                   |
|  | <u>15,832</u>        | <u>15,830</u>       |

### 7. Share capital

*Called up share capital*

|   | 30 June 2012<br>£000 | 2 July 2011<br>£000 |
|---|----------------------|---------------------|
| Authorised  |                      |                     |
| 3,888,252 Ordinary shares of £1 each (2011 3,888,252) | 3,888                | 3,888               |
|   | <u>          </u>    | <u>          </u>   |
| Allotted and fully paid                               |                      |                     |
| 3,888,252 Ordinary shares of £1 each (2011 3,888,252) | 3,888                | 3,888               |
|   | <u>          </u>    | <u>          </u>   |

### 8. Reconciliation of movements in shareholders' deficit

|                   | Share<br>Capital<br>£000 | Profit and loss<br>account<br>£000 | Shareholders'<br>deficit<br>£000 |
|-------------------|--------------------------|------------------------------------|----------------------------------|
| At 3 July 2010    | 3,888                    | (19,716)                           | (15,828)                         |
| Loss for the year | -                        | (2)                                | (2)                              |
|                   | <u>          </u>        | <u>          </u>                  | <u>          </u>                |
| At 2 July 2011    | 3,888                    | (19,718)                           | (15,830)                         |
| Loss for the year | -                        | (2)                                | (2)                              |
|                   | <u>          </u>        | <u>          </u>                  | <u>          </u>                |
| At 30 June 2012   | 3,888                    | (19,720)                           | (15,832)                         |
|                   | <u>          </u>        | <u>          </u>                  | <u>          </u>                |

### 9. Related party transactions

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with other members of the Oclaro Inc group

## Notes to the financial statements

for the year ended 30 June 2012

### 10. Subsequent events

The company entered into two Sale and Purchase agreements, on 29 January 2013 and 5 February 2013 respectively, with Phoebus Leasing Limited and British Airways relating to the Boeing 747-436 Aircraft which were under lease. Under the terms of the agreements the Head Leases between Phoebus Leasing Limited and Forthaven Limited and the Sub-Leases between the company and British Airways Plc were terminated, with British Airways Plc subsequently purchasing the Aircraft from Phoebus Leasing Limited.

### 11. Ultimate parent company and other parent undertakings

Oclaro Technology Limited, a company incorporated in England and Wales is the Company's immediate parent undertaking. The company's ultimate parent company is Oclaro Inc, a company incorporated in the State of Delaware, United States. The smallest and largest group in which the results of the company are consolidated is that headed by Oclaro Inc. consolidated financial statements are available from Oclaro Inc. 2560 Junction Avenue, San Jose, California 95134, USA.

Oclaro Inc, is considered to be the ultimate controlling entity.