

Olaf Street Studios Limited

FINANCIAL STATEMENTS

for the year ended
30 September 2006



Olaf Street Studios Limited

DIRECTORS AND OFFICERS

DIRECTORS

PF Wallace
MT Cass

SECRETARY
SEA Standing

REGISTERED OFFICE

Sanctuary House
45-53 Sinclair Road
London W14 0NS

Olaf Street Studios Limited

DIRECTORS' REPORT

The directors present their report and the unaudited financial statements of the company for the year ended 30 September 2006.

REVIEW OF THE BUSINESS

The company was dormant throughout the year.

DIRECTORS

The following directors have held office throughout the period:

C Jerome (Resigned 31 March 2006)
PF Wallace (Appointed 31 March 2006)
MT Cass

The shareholdings of the directors in the ultimate parent company, The Sanctuary Group plc, are as follows:

	30 Sept 2006	30 Sept 2005
Ordinary shares of 12.5p each		
P F Wallace	N/A	-
MT Cass	N/A	2,000
Ordinary shares of 2p each		
P F Wallace	-	N/A
M T Cass	10	N/A
Options over ordinary shares of 12.5p each		
P F Wallace	N/A	-
MT Cass	N/A	140,000
Options over ordinary shares of 12.5p each		
P F Wallace	-	N/A
MT Cass	700	N/A

On the date of appointment Mr PF Wallace held no shares in The Sanctuary Group plc.

The Sanctuary Group plc held an Extraordinary General meeting on 17 March 2006 where all the resolutions put to shareholders in order to effect a Placing and Open Offer of 219,931,148 new Ordinary Shares of 50 pence per share, sub-division and consolidation of existing Ordinary Shares and an amendment to the borrowing powers of The Sanctuary Group plc as announced on 3 February 2006 were duly passed.

AUDITORS

In accordance with Section 250 of the Companies Act 1985, as amended by the Companies Act 1989, the company, has resolved not to appoint auditors.

By order of the board



PF Wallace
Director

20 October 2006

Olaf Street Studios Limited

BALANCE SHEET

30 September 2006

	Notes	2006	2005
		£	£
CURRENT ASSETS			
Debtors	2	621,688	621,688
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		621,688	621,688
		<u> </u>	<u> </u>
CAPITAL AND RESERVES			
Called up share capital	3	1,950,000	1,950,000
Profit and loss account		(1,328,312)	(1,328,312)
		<u> </u>	<u> </u>
SHAREHOLDERS' FUNDS		621,688	621,688
		<u> </u>	<u> </u>

- (a) For the year ended 30 September 2006, the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) No notice has been deposited with the company under section 242B(2) of that Act requiring an audit to be carried out.
- (c) The directors acknowledge their responsibility for:
- Ensuring the company keeps accounting records which comply with section 221, Companies Act 1985; and
 - Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the board of directors on 20 October 2006
and signed on its behalf by:



PF Wallace

Director

Olaf Street Studios Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2006

1 GENERAL

The company has not prepared a profit and loss account as there was no revenue during the year ended 30 September 2006 or in the previous financial year; any expenses incurred by the company have been borne by the shareholders.

2	DEBTORS	2006 £	2005 £
	Due within one year:		
	Amounts due from other group undertakings	621,688	621,688
		<u>621,688</u>	<u>621,688</u>

3	SHARE CAPITAL	2006 £	2005 £
	Authorised		
	1,950,000 (2004: 1,950,000) ordinary shares of £1 each	1,950,000	1,950,000
		<u>1,950,000</u>	<u>1,950,000</u>
	Allotted and fully paid		
	1,950,000 (2004: 1,950,000) ordinary shares of £1 each	1,950,000	1,950,000
		<u>1,950,000</u>	<u>1,950,000</u>

4 ULTIMATE PARENT COMPANY

In the directors' opinion, the ultimate parent company at 30 September 2006 was The Sanctuary Group plc, a company registered in England and Wales.

Copies of the group financial statements of The Sanctuary Group plc are available from Companies House, Crown Way, Cardiff, CF4 3UZ.