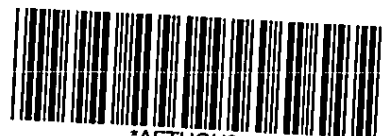


FASTNET GROUP LIMITED
(Registered Number 3015466)

ANNUAL REPORT

YEAR ENDED 31 MARCH 2009

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**FASTNET GROUP LIMITED
ANNUAL REPORT
YEAR ENDED 31 MARCH 2009**

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**FASTNET GROUP LIMITED
DIRECTORS' REPORT**

The directors present their report together with the financial statements for the year ended 31 March 2009.

PRINCIPAL ACTIVITY

The Company did not trade during the year.

REVIEW OF BUSINESS

The profit for the year was £nil (2008: profit £nil). The directors do not recommend the payment of a dividend (2008: £nil).

DIRECTORS AND THEIR INTERESTS

The following directors held office during the year:

T Perks (resigned 13th October 2009)
P Hallett (Appointed 13th October 2009)
P Hayes

The Directors had no interests in the shares of the Company, including family interests, at any point during the year.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare financial statements for each financial period 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 apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which 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.

AUDITORS

The Company satisfies the provisions of Section 249AA(4) of the Companies Act 1985 and accordingly the Company is exempt from the obligation to appoint auditors.

BY ORDER OF THE BOARD



Peter Hayes
Director

Registered Office
80 Great Eastern Street
London
EC2A 3RS

25 January 2010

FASTNET GROUP LIMITED
BALANCE SHEET
31 MARCH 2009

	<u>Notes</u>	<u>2009</u> £	<u>2008</u> £
Fixed assets			
Investments	2	1,280,102	1,280,102
		<hr/>	<hr/>
Current assets			
Debtors	3	1,044,589	1,044,589
		<hr/>	<hr/>
Net assets		2,324,691	2,324,691
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	4	437,669	437,669
Capital redemption reserve		105,000	105,000
Share premium reserve		1,782,022	1,782,022
Profit and loss account		—	—
		<hr/>	<hr/>
Equity shareholders' funds	5	2,324,691	2,324,691
		<hr/>	<hr/>

The Company was dormant within the meaning of Section 249AA(1) of the Companies Act 1985 throughout the accounting year ending at the date of this balance sheet and the members have not required the Company to obtain an audit of its accounts.

The directors acknowledge their responsibilities for:

- a) ensuring that the Company keeps accounting records which comply with section 221, and
- b) 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 this Act relating to accounts, so far as applicable to the Company.

Approved by the Board on 25 January 2010

Peter Hayes
Director



FASTNET GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

1 ACCOUNTING POLICIES

The principal accounting policies which have been applied consistently throughout the year in the preparation of the financial statements, are as follows:

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

(b) Basis of preparation

The financial statements have been prepared on a going concern basis as the parent undertaking and fellow group undertakings have confirmed that they will provide financial support to enable the company to meet its financial obligations as they fall due.

(c) Group accounts

The company is exempt from preparing group accounts under Section 228 of the Companies Act 1985 as it is a wholly owned subsidiary of Redstone plc, a company established under the law of a member state of the European Union. The results of the Company are included in the consolidated accounts of Redstone plc.

Accordingly, the results presented in these financial statements present information about the Company as an individual undertaking and not about its group.

(d) Investments

Investments are capitalised at historical cost. Provision is made for any impairment in the carrying value of investments to the extent that its recoverable value is reduced below its carrying value.

2 INVESTMENTS

	<u>Shares in subsidiaries</u>
Cost	
At 1 April 2008 and 31 March 2009	2,812,342
	<hr/>
Provision	
At 1 April 2008 and 31 March 2009	1,532,240
	<hr/>
Net book value	
At 31 March 2008 and 31 March 2009	1,280,102
	<hr/>

FASTNET GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

2 INVESTMENTS (Continued)

Details of the investments in which the Company holds more than 20% of the nominal value of any class of share capital are as follows:

<u>Name</u>	<u>Country of registration</u>	<u>Holding</u>	<u>Proportion of voting rights and shares held</u>	<u>Nature of business</u>
Fastnet Systems PLC	England and Wales	Ordinary shares	100%	Dormant
Fastnet Assist Limited	England and Wales	Ordinary shares	*100%	Dormant
Fastnet Resources Limited	England and Wales	Ordinary shares	100%	Dormant
Fastnet Consulting Services Limited	England and Wales	Ordinary shares	*100%	Dormant

* Held by a subsidiary undertaking

In accordance with FRS11, the directors have reviewed the carrying value of investments in the balance sheet and, for certain of the underlying businesses, impairment reviews have been carried out to compare their recoverable amounts with their carrying values. Where the carrying value exceeds the recoverable amount, a provision has been made to write down the investment to the recoverable amount of the relevant asset. The recoverable amount is the greater of the market value and value in use. In establishing the value in use, a discount rate of 15% has been applied to the relevant pre-tax cashflows.

3 DEBTORS

	<u>2009</u> £	<u>2008</u> £
Amounts falling due within one year:		
Amounts owed by group undertakings	1,044,589	1,044,589
	<hr/>	<hr/>
	1,044,589	1,044,589
	<hr/>	<hr/>

FASTNET GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

4 SHARE CAPITAL

	Authorised, allotted, called up and fully paid			
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	<u>Number</u>	<u>Number</u>	<u>£</u>	<u>£</u>
Ordinary shares of £1 each	284,691	284,691	284,691	284,691
'A' ordinary shares of £0.01 each	210,309	210,309	2,103	2,103
'A' preference shares of £0.01 each	1,587,500	1,587,500	15,875	15,875
'B' preference shares of £1 each	100,000	100,000	100,000	100,000
'C' preference shares of £1 each	35,000	35,000	35,000	35,000
	<u>2,217,500</u>	<u>2,217,500</u>	<u>437,669</u>	<u>437,669</u>

Following an agreement made with shareholders, the following class rights applied from 1 January 1999:

The 'A' ordinary shares carry one vote per one hundred shares. Following redemption of the 'A', 'B' and 'C' preference shares, they carry a cumulative preference dividend of 9% of the net profit of the company and its subsidiaries. The holders of the 'A' ordinary shares may at any time convert their holding into ordinary shares.

The 'A' preference shares carry no voting rights and are redeemable in equal half yearly instalments from 31 December 2001 to 31 December 2003. They carry a fixed cumulative preference dividend of 3.15 pence per annum from 1 January 1999, together with an additional amount from 1 January 2001 depending on the profits of the company and its subsidiaries.

The 'B' preference shares carry no voting rights and, assuming all 'A' preference shares due for redemption have been redeemed, are redeemable on 31 December 2003. They carry a fixed cumulative preference dividend of 10 pence per annum from 1 January 2001.

The 'C' preference shares carry one vote per share and, assuming all 'A' preference shares due for redemption have been redeemed, are redeemable on 31 December 2003. They carry a fixed cumulative preference dividend of 6 pence per annum from 1 January 2001.

In addition to the redemption terms noted above, all 'A', 'B' and 'C' preference shares are redeemable on the sale or flotation of the company provided sufficient distributable reserves exist.

On a winding up of the company, the assets of the Company are to be applied as follows:

- (i) First in paying to the holders of the 'A' preference shares £1 per share plus any arrears of dividends;
- (ii) Second in paying to the holders of the 'B' preference shares £1 per share plus any arrears of dividends;
- (iii) Third in paying to the holders of the 'A' ordinary shares £1 per share plus any arrears of dividends;
- (iv) Fourth in paying to the holders of the 'C' preference shares £1 per share plus any arrears of dividends;
- (v) Fifth in paying to the holders of ordinary shares £1 per share; and
- (vi) The balance of such assets to be distributed amongst the holders of the 'A' ordinary shares and ordinary shares in proportion to the amounts paid up or credited as paid up.

FASTNET GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2009

5 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2009</u>	<u>2008</u>
£	£	
Profit for the year	—	—
Net increase to shareholders' funds	—	—
Opening shareholders' funds	<u>2,324,691</u>	<u>2,324,691</u>
Closing shareholders' funds	<u>2,324,691</u>	<u>2,324,691</u>
Analysis of shareholders' funds:		
Equity	602,191	602,191
Non-equity	<u>1,722,500</u>	<u>1,722,500</u>
	<u>2,324,691</u>	<u>2,324,691</u>

6 PROFIT AND LOSS ACCOUNT

The Company had no transactions during the year and accordingly made neither a profit nor a loss. No profit and loss account has therefore been prepared.

7 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking and controlling party is Redstone plc which is incorporated in England and Wales. The financial statements of Redstone plc are available from the Company Secretary, Redstone plc, 80 Great Eastern Street, London EC2A 3RS.