

4225698

FKI Astraeus Limited

Report and Financial Statements

31 March 2005



FKI Astraeus Limited

Registered No. 04225698

Directors

N Bamford (appointed 17 June 2004)

A Ventrella (appointed 21 February 2005)

Secretary

A Ventrella (appointed 13 January 2005)

Auditors

Ernst & Young LLP

City Gate West

Toll House Hill

Nottingham

NG1 5FY

Registered Office

Falcon Works,

PO Box 7713,

Meadow Lane,

Loughborough,

LE11 1ZF

Directors' report

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

Results and dividends

The audited financial statements for the year ended 31 March 2005 are set out on pages 7 to 11. The profit for the year after taxation amounted to £240,000 (2004: £nil) and has been transferred to the profit and loss account reserve.

The directors do not recommend the payment of a dividend for the year.

Principal activity

The principal activity of the company is to act as an investment company.

Directors and their interests

The directors who served during the year ended 31 March 2005 and thereafter are as listed on page 1.

No director had any interests in the shares of the company at 31 March 2005.

N Bamford was also a director of the ultimate parent undertaking, and his interests in the shares of that company are disclosed in that company's financial statements.

The interests of the remaining director that served in the year in the shares of the ultimate parent undertaking are set out below:

<i>Ordinary 10p shares</i>				<i>2005</i>	<i>2004</i>
				<i>No.</i>	<i>No.</i>
A Ventrella				—	—
<i>Executive share option scheme</i>	<i>1 April</i>			<i>Lapsed</i>	<i>31 March</i>
	<i>2004</i>	<i>Granted</i>	<i>Exercised</i>	<i>2005</i>	<i>2005</i>
	<i>No.</i>	<i>No.</i>	<i>No.</i>	<i>No.</i>	<i>No.</i>
A Ventrella	135,000	—	—	—	135,000
<i>SAYE share option scheme</i>	<i>1 April</i>			<i>Lapsed</i>	<i>31 March</i>
	<i>2004</i>	<i>Granted</i>	<i>Exercised</i>	<i>2005</i>	<i>2005</i>
	<i>No.</i>	<i>No.</i>	<i>No.</i>	<i>No.</i>	<i>No.</i>
A Ventrella	26,541	—	—	—	26,541

Options in existence at 31 March 2005 are exercisable between 2006 and 2013 at prices of 140 pence, 77 pence and 60 pence per share.

The market price of the ordinary shares of FKI plc at 31 March 2005 was 106.25 pence (2004: 111 pence) and the range during the year was 105 pence to 137.5 pence (2004: 126 pence to 60 pence).

All interests shown above are beneficial.

Directors' report (continued)

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board



N Bamford
Director

Date: 13 January 2006

Statement of directors' responsibilities in respect of the financial statements

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; 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 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 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.

Independent auditors' report

to the members of FKI Astraeus Limited

We have audited the company's financial statements for the year ended 31 March 2005 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 11. These financial statements have been prepared on the basis of the accounting policies set out therein.

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 auditors' 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

Independent auditors' report

to the members of FKI Astraeus Limited(continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 March 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Nottingham

Date: *13 January 2006*

Profit and loss account

for the year ended 31 March 2005

	<i>Notes</i>	<i>2005 £'000</i>	<i>2004 £'000</i>
Interest receivable	3	240	-
<i>Profit on ordinary activities before taxation</i>		<u>240</u>	<u>-</u>
Tax on loss on ordinary activities	4	-	-
<i>Retained profit for the financial year</i>		<u>240</u>	<u>-</u>

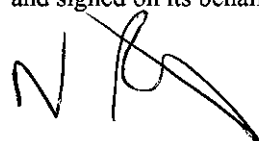
There were no recognised gains or losses other than the profit for the financial year and consequently no statement of total recognised gains and losses has been prepared.

Balance sheet

at 31 March 2005

	<i>Notes</i>	<i>2005 £'000</i>	<i>2004 £'000</i>
Current assets			
Debtors	5	90,268	-
Net assets		90,268	-
Capital and reserves			
Called up share capital	6	80,000	-
Share premium	7	10,028	-
Profit and loss account	7	240	-
Equity shareholders' funds	8	90,268	-

Approved by the Board
and signed on its behalf by:



N Bamford
Director

Date: 13 January 2006

Notes to the financial statements

at 31 March 2005

1. Accounting policies

Basis of preparation

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

The company has taken advantage of the exemption from preparing group financial statements afforded by section 228 of the Companies Act 1985 because it is a wholly owned subsidiary undertaking of FKI plc, which prepares consolidated financial statements which are publicly available.

Statement of cash flows

Under the provisions of FRS 1 "Cash flow statements (Revised 1996)", the company has not prepared a statement of cash flows because its ultimate parent undertaking, FKI plc, has prepared consolidated financial statements which include the financial statements of the company and which contain a statement of cash flows.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted by the balance sheet date.

2. Directors remuneration, staff costs and audit fee

The directors received no remuneration for their services to the company during the year. There were no staff employed other than directors. The audit fee in the year was borne by the ultimate parent undertaking.

3. Interest receivable

	2005 £'000	2004 £'000
From fellow subsidiary undertakings	240	-

4. Tax on profit on ordinary activities

The tax assessed for the year is lower than the standard rate of corporation tax in the UK as explained below:

	2005 £'000	2004 £'000
Profit/(loss) on ordinary activities before taxation	240	-
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004 : 30%)	70	-
Effects of:		
Group relief (from)/to parent for nil consideration	(70)	-
Current tax charge for the year	-	-

Notes to the financial statements

at 31 March 2005

5. Debtors

	2005 £'000	2004 £'000
Amounts owed by fellow group undertakings	90,268	-

6. Share capital

	2005 £'000	2004 £'000
<i>Authorised</i>		
100,000,000 (2004: 100) Ordinary shares of £1 each	100,000	-
<i>Allotted, called up and fully paid</i>		
80,000,001 (2004: 1) Ordinary shares of £1 each	80,000	-

7. Reserves

	Share premium account £'000	Profit and loss account £'000
At 1 April 2004	-	-
Retained profit for the financial year	-	240
Premium on shares issued	10,028	-
At 31 March 2005	10,028	240

8. Reconciliation of movements in shareholders' funds

	2005 £'000	2004 £'000
Opening shareholders' funds	-	-
Retained profit for the financial year	240	-
Shares issued	90,028	-
Closing shareholders' funds	90,268	-

Notes to the financial statements

at 31 March 2005

9. Contingent liabilities

As part of a group debt arrangement the company has entered into a multilateral cross guarantee in respect of group borrowings.

10. Related party transactions

The company is exempt from the requirement of Financial Reporting Standard 8 "Related Party Disclosures" to include details of transactions with related parties who are fellow group undertakings.

11. Ultimate parent undertaking

The directors regard FKI plc, a company incorporated in Great Britain and registered in England and Wales, as the company's ultimate parent undertaking and controlling party.

The only group into which the results of the company are consolidated is that headed by FKI plc. Copies of the financial statements of FKI plc are available from the Company Secretary, FKI plc, Falcon Works, PO Box 7713, Meadow Lane, Loughborough, Leicestershire, LE11 1ZF.

