

**OSI Group Holdings Limited**  
**Report and Accounts**  
**For the year ended 31 December 2010**

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COMPANIES HOUSE

**Registered Office:**  
**Three Cherry Trees Lane**  
**Hemel Hempstead**  
**Hertfordshire**  
**HP2 7AH**

**OSI Group Holdings Limited**  
**Report and accounts**

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**OSI Group Holdings Limited  
Company Information**

<b>The Board of Directors</b>	Mr J J Moran Mr A Whitfield
<b>Company secretary</b>	Mr A Whitfield
<b>Registered office</b>	Three Cherry Trees Lane Hemel Hempstead Hertfordshire HP2 7AH
<b>Registered number</b>	3083661
<b>Auditors</b>	Ernst & Young LLP 400 Capability Green Luton LU1 3LU

**OSI Group Holdings Limited**  
**Directors' Report**

The Directors present their report and accounts for the year ended 31 December 2010

**Principal activities and review of the business**

The Company did not trade during the year, although it continued to act as a holding company. There are no plans for the Company to resume trading in the next financial year.

The financial information presented in these accounts relates to the Company as an individual undertaking and not the group, as the Company is exempt from preparing group accounts under Section 400 of the Companies Act, 2006.

The accounts are prepared on a going concern basis because there are no third party liabilities. In addition, as explained in the accounting policies, a fellow subsidiary has undertaken to provide the Company with continued financial support for a period of not less than 12 months from the date of the financial statements to the extent that the Company is unable to meet its obligations itself.

**Results and dividends**

The loss after taxation for the year was £378 (2009 profit of £6,791). Dividends of £nil were paid during the year (2009 £nil). The Directors do not recommend the payment of a final dividend for the year.

As the Company does not trade, the Directors consider the Company does not have any key risks or key performance indicators.

**Directors**

The following persons served as Directors during the year:

Mr J J Moran  
Mr A Whitfield

**Disclosure of information to auditors**

The Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Auditors**

In accordance with an elective resolution passed by the Company under Sections 485 and 487 of the Companies Act 2006, Ernst and Young LLP are deemed to have been reappointed as its auditors.

On behalf of the Board



Mr A Whitfield  
Company Secretary

24 May 2011

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## **OSI Group Holdings Limited**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Directors must not approve the accounts 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 accounts, 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 accounts,
- prepare the accounts 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 enable them to ensure that the accounts 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.

**OSI Group Holdings Limited**  
**Independent auditors' report**  
**to the shareholder of OSI Group Holdings Limited**

We have audited the financial statements of OSI Group Holdings Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related Notes 1 to 14. 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 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 explained more fully in the Directors' Responsibilities Statement, 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 Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on the accounts**

In our opinion the accounts

- give a true and fair view of the state of the Company's affairs as at 31 December 2010 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

**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 accounts 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.

*Ernst & Young LLP*

John Dervley (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
Statutory Auditors  
400 Capability Green  
Luton  
LU1 3LU

*31 May 2011*

**OSI Group Holdings Limited**  
**Profit and Loss Account**  
**for the year ended 31 December 2010**

	<b>Notes</b>	<b>2010</b> <b>£</b>	<b>2009</b> <b>£</b>
Administrative expenses		(378)	(803)
Other operating income		-	7,582
<b>Operating (loss) / profit</b>	<b>2</b>	<u>(378)</u>	<u>6,779</u>
Interest receivable from bank accounts		-	12
<b>(Loss) / profit on ordinary activities before taxation</b>		<u>(378)</u>	<u>6,791</u>
Tax on (loss) / profit on ordinary activities	<b>4</b>	-	-
<b>(Loss) / profit for the financial year</b>	<b>11</b>	<u>(378)</u>	<u>6,791</u>

**Continuing operations**

All the activities of the Company are classed as continuing

**Statement of total recognised gains and losses**

The Company has no recognised gains or losses other than the result for the above two financial years

**OSI Group Holdings Limited**  
**Balance Sheet**  
**as at 31 December 2010**

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Investments	5	2,057,317	2,057,317
<b>Current assets</b>			
Debtors	6	37,330	37,858
<b>Creditors: amounts falling due within one year</b>	7	(13,421,062)	(13,421,212)
<b>Net current liabilities</b>		(13,383,732)	(13,383,354)
<b>Net liabilities</b>		<u>(11,326,415)</u>	<u>(11,326,037)</u>
<b>Capital and reserves</b>			
Called up share capital .	8	1,102,747	1,102,747
Share premium	9	3,917,579	3,917,579
Capital redemption reserve	10	7,551,843	7,551,843
Profit and loss account	11	(23,898,584)	(23,898,206)
<b>Shareholders' funds</b>	12	<u>(11,326,415)</u>	<u>(11,326,037)</u>

Approved on behalf of the Board of Directors

J J Moran  
 Director



24 May 2011



**OSI Group Holdings Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2010**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

The Directors consider it is appropriate to prepare the financial statements on a going concern basis because a fellow subsidiary undertaking has undertaken to provide the Company with continuing financial support for a period of not less than 12 months from the date of these financial statements to the extent that the Company is unable to meet its obligations itself

***Basis of consolidation***

OSI Group Holdings Limited is a wholly owned subsidiary of Groupe Steria SCA, which publishes consolidated financial statements, and hence under the provisions of Section 400 of the Companies Act 2006, it is not required to prepare consolidated accounts

***Investments***

Investments are recorded at cost less any amount required to record an impairment in value

***Xansa Employee Benefit Trust No 3***

The financial statements recognise the results, assets and liabilities of the Trust. The Trust held no shares in any group company at 31 December 2010, nor at 31 December 2009

***Cash Flow Statement***

Under the provisions of FRS1, the Company is not required to include a cash flow statement in these accounts. A consolidated cash flow statement is prepared by Groupe Steria SCA, and includes the results of this Company

***Deferred taxation***

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised when, on the basis of all available evidence, it can be regarded as 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 a non-discounted basis.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based upon tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The Finance (Number 2) Act 2010 provides that the main rate of corporation tax will fall to 27% with effect from 1 April 2011. As this legislation has been substantially enacted as at the date of the signing of the accounts, the impact of the tax rate reduction on the deferred tax balances carried forward has been included in the accounts.

**2 Operating Profit**

	<b>12 months to 31 December 2010 £'000</b>	<b>12 months to 31 December 2009 £'000</b>
This is stated after charging		
Auditors' remuneration - audit of the financial statements	-	-

Ernst & Young LLP has not provided any non-audit services to the Company either during the year or the prior year. The audit fee for the year and the prior year was borne by Steria Limited, a fellow group company.

**OSI Group Holdings Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2010**

**3 Directors and other employees**

None of the Directors received any emoluments in respect of their services to the Company either during the year or the prior year. There were no employees during either the year or the prior year.

**4 Taxation**

**2010**  
**£**

**2009**  
**£**

**Analysis of charge in period**

Tax on profit on ordinary activities

-

-

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2010</b> <b>£</b>	<b>2009</b> <b>£</b>
(Loss) / profit on ordinary activities before tax	<u>(378)</u>	<u>6,791</u>
Standard rate of corporation tax in the UK	28%	28.0%
	<b>£</b>	<b>£</b>
(Loss)/Profit on ordinary activities multiplied by the standard rate of corporation tax	(106)	1,901
Effects of:		
Loss relating to Employee Benefit Trust	-	(143)
Group relief surrendered / (claimed) at nil cost	106	(1,758)
Current tax charge for period	<u>-</u>	<u>-</u>

A number of changes to the UK Corporation tax system were announced in the June 2010 Budget Statement. The UK corporation tax rate will reduce to 27% effective 1 April 2011 and disclosure of deferred tax has been adjusted to reflect the enactment of the revised rate with no significant impact on these financial statements.

Following the budget of 23 March 2011, it is now expected that this main rate will be reduced to 26% effective from 1 April 2011, although this has yet to be enacted. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 23% by 1 April 2014. These changes have not been substantively enacted at the balance sheet date and are not included in these financial statements. The Directors expect that the impact of these changes on the financial statements will be negligible.

**OSI Group Holdings Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2010**

**5 Investments**

	<b>Investments in subsidiary undertakings £</b>
<b>Cost</b>	
At 1 January 2010 and 31 December 2010	25,826,278
<b>Provision</b>	
At 1 January 2010 and 31 December 2010	(23,768,961)
<b>Net Book Value</b>	
At 1 January 2010 and 31 December 2010	<u>2,057,317</u>

The subsidiaries of the Company are as follows

<b>Company</b>	<b>Country of incorporation</b>	<b>Nature of Business</b>	<b>Shares held Class</b>	<b>%</b>
OSI Group Limited	England and Wales	Holding company	Ordinary	100
Kernon Limited	England and Wales	Dormant	Ordinary	100
Duhig Berry Limited	England and Wales	Dormant	Ordinary	100

<b>6 Debtors</b>	<b>2010 £</b>	<b>2009 £</b>
Amounts owed by group undertakings	<u>37,330</u>	<u>37,858</u>
<b>7 Creditors' amounts falling due within one year</b>	<b>2010 £</b>	<b>2009 £</b>
10,000 5% non-cumulative redeemable preference shares	10,000,000	10,000,000
Amounts owed to group undertakings	<u>3,421,062</u>	<u>3,421,212</u>
	<u>13,421,062</u>	<u>13,421,212</u>

**Non-cumulative redeemable preference shares**

At 31 December 2010 and 31 December 2009, there were 10,000 non-cumulative, redeemable, preference shares in issue. These preference shares are redeemable at the option of the shareholder for a price of £1,000 each (which consists of a par value £1 and a premium of £999) when not less than 30 days' notice in writing to the Company is given.

Having reviewed the terms of the non-cumulative, redeemable, preference shares the Directors consider it is appropriate to classify these shares as a liability in accordance with FRS 25.

**OSI Group Holdings Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2010**

<b>8 Share capital</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
5,781,832 A Ordinary shares of 10p	578,183	578,183
2,250,001 B Ordinary shares of 10p each	225,000	225,000
2,954,337 C Ordinary shares of 10p each	295,433	295,433
41,311 X Ordinary shares of 10p each	4,131	4,131
<b>Total balance sheet share capital</b>	<b>1,102,747</b>	<b>1,102,747</b>
5% Non-cumulative, redeemable, preference shares of £1 each (classified as a liability under FRS)	10,000	10,000
<b>Total statutory share capital</b>	<b>1,112,747</b>	<b>1,112,747</b>

Full details of the rights attaching to the individual classes of shares are set out in the Company's Articles of Association. A summary of the rights is set out below.

Dividends may be declared on the A, C and X Ordinary shares after provision in respect of the Preference shares. The B Ordinary shares are entitled to a dividend prior only to a sale or quotation, equal to a maximum of 10% of the profit before tax in respect of each financial year commencing on 1st July 2001.

The 5% non-cumulative, redeemable, preference shares, of which 10,000 were issued at £1,000 each (which consisted of a par value of £1 and a premium of £999 per share) on 28 February 2003, are redeemable at the option of the shareholders when the holders give not less than 30 days' notice in writing to the Company.

<b>9 Share premium</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
A, B, C and X Ordinary shares	3,917,579	3,917,579
<b>Total balance sheet share premium</b>	<b>3,917,579</b>	<b>3,917,579</b>
10,000 5% non-cumulative redeemable preference shares (classified as a liability under FRS 25)	9,990,000	9,990,000
<b>Total statutory share premium</b>	<b>13,907,579</b>	<b>13,907,579</b>

<b>10 Capital redemption reserve</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
At 31 December	7,551,843	7,551,843

<b>11 Profit and loss account</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
At 1 January	(23,898,206)	(23,904,997)
(Loss) / Profit for the financial year	(378)	6,791
At 31 December	(23,898,584)	(23,898,206)

**OSI Group Holdings Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2010**

<b>12 Reconciliation of movement in shareholder's funds</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
At 1 January	(11,326,037)	(11,332,828)
(Loss) / Profit for the financial year	(378)	6,791
At 31 December	<u>(11,326,415)</u>	<u>(11,326,037)</u>

**13 Related party transactions**

The Company has used the exemption under FRS 8 not to disclose related party transactions with other group companies, as group accounts are prepared

**14 Controlling party**

The Company's immediate holding company is Steria UK Corporate Limited, a company registered in England. The Company's ultimate holding company is Groupe Steria SCA, a company registered in France. Groupe Steria SCA has included the Company and its immediate holding company in its group accounts, copies of which may be obtained from The Group Strategy & Investor Relations Director, Groupe Steria SCA, 46, rue Camille Desmoulins, 92782 Issy-Les-Moulineaux, Cedex 9, France. They are also available on the Steria Group's website at [www.steria.com](http://www.steria.com).