

**Greener House Investments PLC**

**Annual Report**

**For the Period Ended 31 May 2008**

**Registered No. 06239171**

# Greener House Investments PLC

## Company information

<b>Directors</b>	J.A. Metliss H.A. Hyman
<b>Secretary</b>	Nexus Structured Finance Limited
<b>Company Number</b>	06239171
<b>Registered Office</b>	2 <sup>nd</sup> Floor Griffin House West Street Woking Surrey GU21 6BS
<b>Registrar</b>	SLC Registrars Thames House Portsmouth Road Esher Surrey KT10 9AD
<b>Auditors</b>	Sedley Richard Laurence Voulters 1 Conduit Street London W1S 2XA
<b>Brokers</b>	Daniel Stewart & Company Becket House 36 Old Jewry London EC2R 8DD

# Greener House Investments PLC

## Annual Report For the period ended 31 May 2008

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# Greener House Investments PLC

## Chairman's and Director's Statement Period Ended 31 May 2008

The Company was established by the Directors for the purpose of acquiring companies or key stakes in companies, or to acquire businesses or assets in the healthcare sector.

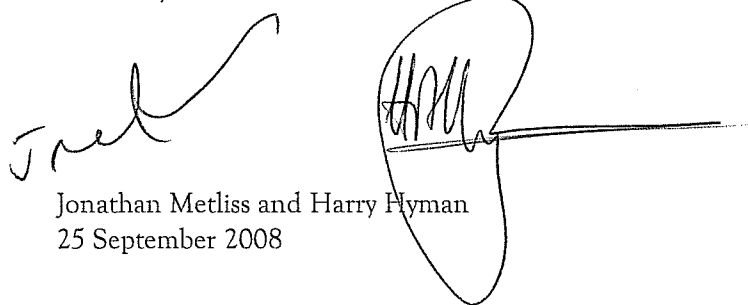
The Company's shares are listed on the PLUS Market (PLUS symbol: GHIP). For a suitable and substantial acquisition achieved by the issue of shares of the Company, the transaction would result in a reverse take-over which would provide the acquired business with a listing for its shares and access to the Company's cash resources. Your Directors believe that these factors will assist the Company in finding a suitable acquisition in its chosen sectors.

The Company identified the following sectors, amongst others, as having interesting opportunities:

- Primary care
- Community Hospitals
- Pharmacy
- Medical devices
- Medical services (including secondary care and dentistry)
- Medical property (including secondary care properties)
- Day surgery
- Chronic disease management
- Development of university and hospital spin-off Intellectual Property

The Directors have reviewed a number of opportunities in these sectors and others over the past year and continue to do so. Given current difficult economic conditions they remain committed to identifying a suitable candidate which fulfils the principal requirements that it should be an established business and should be profitable, or have good prospects of profitability within the next 12 months and should offer good growth prospects for the future.

While we are disappointed not to have found such an opportunity to date, we are confident that within the next year we will be able to conclude an attractive deal for the Company.



Jonathan Metliss and Harry Hyman  
25 September 2008

# Greener House Investments PLC

## Directors' Report

Period Ended 31 May 2008

The Directors present their report and the audited financial statements for the period ended 31 May 2008.

### Principal activity

The Company was established as a special purpose acquisition company, and its principal activity is to seek a suitable acquisition of a company or business in the healthcare sector.

### Results and dividends

The income statement for the period is set out on page 8.

The Directors do not recommend the payment of a dividend.

The Company's loss for the period of £19,205 has been transferred to retained earnings.

### Review of business

A review of the business and future developments is presented in the Chairman and Director's Statement.

### Directors and their interests

The following Directors have held office since 22 June 2007:

J.A. Metliss - Non Executive Chairman

H.A. Hyman - Non Executive Director

Their beneficial interests in the shares of the company are as follows:

	<b>Ordinary shares 1 pence each</b>
	<b>31 May 2008</b>
J.A. Metliss	2,750,000
H.A. Hyman	2,750,000

Nexus Structured Finance Limited, a company in which H.A. Hyman is a director and shareholder, holds 20,000,000 ordinary shares of 1 pence each.

The total number of ordinary shares under the warrants for which Directors may subscribe as at 31 May 2008, are as follows:

<b>Name</b>	<b>Date of grant</b>	<b>Exercise price per ordinary share (p)</b>	<b>Number of ordinary shares under warrant</b>	<b>Exercise period</b>
J.A. Metliss	10 July 2007	1p	250,000	60 months
H.A. Hyman	10 July 2007	1p	250,000	60 months

Nexus Structured Finance Limited holds 5,000,000 warrants.

### **Substantial shareholdings**

In addition to the directors' interests disclosed above, the Company has been notified of the following holdings of 3% or more of the ordinary issued share capital at 31 May 2008:

	<b>Number of ordinary shares</b>	<b>% held</b>
Daniel Stewart Securities PLC	20,500,000	20.50%
Nexus Structured Finance Limited	20,000,000	20.00%
Bernard Kelly	13,750,000	13.75%
Leavesden Securities (Holdings) Limited	10,000,000	10.00%
Geoffrey Bowden	5,500,000	5.50%

### **Share capital**

The authorised and issued share capital of the Company is shown in note 10 to the financial statements.

### **Related Party Transactions**

Details of the transactions with related parties undertaken by the Company during the period are disclosed in note 12 to the financial statements.

### **Creditors payment policy**

It is the policy of the Company to establish payment terms with suppliers when agreeing terms of business with the view of meeting due dates of payment agreed so far as it is practicable.

The number of days' purchases outstanding at 31 May 2008 was nil.

### **Post balance sheet events**

There were no post balance sheet events.

## **Financial instruments**

The Company's principal financial instruments comprise investments, cash and trade payables.

### *Interest rate risk*

The Company continues to finance its operations from the original issue of equity. Surplus cash balances are held in a sterling money fund in the short term and returns are expected to fluctuate with the rates of interest. The benchmark rate which determines the interest rate received on interest bearing cash balances is the LIBOR.

### *Liquidity risk*

The Company has sufficient cash to meet its operational requirements.

### *Currency risk*

The Company's income and expenses are denominated in sterling. Accordingly the Company is not exposed to any significant currency risk.

### *Credit risk*

The Company has no significant credit risk.

### *Management of risks*

The Directors continue to assess the risks facing the Company. The acquisition of an appropriate business or company is key to the success of the Company, and is in turn the most significant risk facing the Company.

## **Statement of Directors' Responsibilities**

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 the Group and of the profit or loss of the Group for that year. 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 the Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Auditors**

Sedley Richard Laurence Voulters have expressed their willingness to remain in office and resolutions reappointing them as auditors and authorising the Directors to fix their remuneration will be put to the Annual General Meeting.

### **Statement of disclosure to auditor**

- (a) So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) 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.

By order of the Board



For and on behalf of  
Nexus Structured Finance Limited  
Secretary  
25 September 2008

# **Greener House Investments PLC**

## **Independent Auditors' Report to the Shareholders of Greener House Investments PLC**

We have audited the financial statements of Greener House Investments PLC for the period ended 31 May 2008 set out on pages 8 to 15. These financial statements have been prepared under 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 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 described in the Statement of Directors' Responsibilities on page 4, the Company's Directors are responsible for the preparation of the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRS), as adopted by the EU. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 for the above period and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies within it.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 circumstances of the Company, 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.

## **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with International Financial Reporting Standards as adopted by the EU, of the state of affairs of the Company as at 31 May 2008 and of the loss of the Company for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



**Sedley Richard Laurence Voulter**

Chartered Accountants and Registered Auditors

1 Conduit Street, London W1S 2XA

25 September 2008

# Greener House Investments PLC

## Income statement

Period Ended 31 May 2008

	Note	2008 £
Revenue		-
Cost of sales		-
<b>Gross profit</b>		-
Administrative expenses		(31,916)
<b>Operating loss</b>	2	<b>(31,916)</b>
Finance income	4	12,712
Finance cost	5	(1)
<b>Loss before tax</b>		<b>(19,205)</b>
Taxation	6	-
<b>Loss for the period</b>		<b>(19,205)</b>
<b>Loss per share expressed in pence per share</b>		
Basic	7	(0.02)
Diluted	7	(0.02)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no gains or losses other than those passing through the profit and loss account.

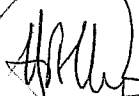
The notes on pages 12 to 15 form part of these accounts.

# Greener House Investments PLC

## Balance Sheet at 31 May 2008

	Note	2008 £
<b>ASSETS</b>		
<b>Current assets</b>		
Other receivables	8	4,064
Investment	9	381,747
Cash and cash equivalents		1,513
<b>TOTAL ASSETS</b>		<b>387,324</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	10	100,025
Share premium		298,279
Retained earnings		(19,205)
<b>Total shareholders' equity</b>		<b>379,099</b>
<b>Current liabilities</b>		
Other payables	11	8,225
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>387,324</b>

Approved by the Board on 25 September 2008



H.A. Hyman

The notes on pages 12 to 15 form part of these accounts.

# Greener House Investments PLC

## Cash Flow Statement

Period Ended 31 May 2008

	2008
	£
<b>Operating activities</b>	
Loss for the period before taxation from continuing operations	(19,205)
Adjustments for:	
Interest income	(12,712)
Increase in other receivables	(4,064)
Increase in other payables	8,225
<b>Net cash used in operating activities</b>	<u>(27,756)</u>
<b>Investing activities</b>	
Interest received	12,712
Purchase of investment	(381,747)
<b>Net cash used in investing activities</b>	<u>(369,035)</u>
<b>Financing activities</b>	
Net proceeds from issue of shares	398,304
<b>Net cash generated from financing activities</b>	<u>398,304</u>
<b>Net increase in cash and cash equivalents</b>	1,513
Cash and cash equivalents at beginning of the period	-
<b>Cash and cash equivalents at end of the period</b>	<u>1,513</u>

## Greener House Investments PLC

### Statement of Changes in Shareholders' Equity Period Ended 31 May 2008

	Share Capital £	Share Premium £	Retained Earnings £	Total £
Loss for the period	-	-	(19,205)	(19,205)
Issue of share capital	100,025	371,475	-	471,500
Issue expenses	-	(73,196)	-	(73,196)
Balance as at 31 May 2008	<u>100,025</u>	<u>298,279</u>	<u>(19,205)</u>	<u>379,099</u>

# Greener House Investments PLC

## Notes to the Financial Statements

Period Ended 31 May 2008

### 1. Accounting policies

#### a) Basis of preparation of the financial information

The Company was incorporated in the United Kingdom on 8 May 2007 as Orbitspice PLC and changed its name to Greener House Investments PLC on 6 July 2007.

The financial information has been prepared in accordance with International Financial Reporting Standards (IFRSs), and IFRIC interpretations as adopted by the European Union, and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS. It has been prepared using the historical cost convention.

The preparation of the financial information requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial information. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the financial information, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which circumstances change.

#### b) Investment, cash and cash equivalents

Investment, cash and cash equivalents comprise cash at bank and short term deposits with banks and similar financial institutions.

#### c) Taxes

Tax expense represents the sum of the tax currently payable and deferred tax.

Deferred tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

Current and deferred tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

#### d) Warrants

Warrants issued to the Directors in their capacity as shareholders have not been accounted for as a share-based transaction in accordance with IFRS 2.

## 2. Operating loss

The operating loss is stated after charging:

2008  
£

Auditors' remuneration

4,700

## 3. Employee costs

There were no employees during the year.

## 4. Finance income

2008  
£

Bank interest receivable

12,712

## 5. Finance cost

2008  
£

Bank interest payable

1

## 6. Taxation

2008  
£

UK Corporation Tax

Loss on ordinary activities before taxation multiplied  
by standard rate of UK Corporation Tax of 30%

(5,762)

Effect of:  
Tax losses

5,762

Current tax charge

There is no corporation tax payable on the results for the period, the Company has unused tax losses of £19,205 to carry forward.

## 7. Earnings per share

Basic loss per share is based on the loss after taxation of £19,205 and the weighted average number of ordinary shares of 1 pence each in issue during the period of 77,910,900.

For diluted loss per share, the weighted average number of shares in issue is adjusted to assume conversion of all dilutive potential shares. The Company created 16,875,000 warrants by a warrant instrument dated 10 July 2007, constituting warrants to subscribe for 16,875,000 ordinary shares at a subscription price of 1p per warrant share. The maturity date of the warrant rights issue is 60 months after the date of issue of the warrant certificate. The adjusted weighted average number of ordinary shares in issue during the period was 92,059,938.

## 8. Other receivables

	2008 £
Prepayments	<u>4,064</u>

## 9. Current asset investment

	2008 £
Sterling Money Fund	<u>381,747</u>

## 10. Share capital

	2008 £
<b>Authorised</b> 250,000,000 ordinary shares of 1 pence each	<u>250,000</u>

	2008 £
<b>Issued and fully paid</b> 100,025,000 ordinary shares of 1 pence each	<u>100,025</u>

Changes in the issued share capital of the Company between 8 May 2007 and 31 May 2008 are as follows:

- a) On incorporation, the authorised share capital of the Company was £100,000 divided into 100,000 ordinary shares of which two subscriber shares were in issue.
- b) On 22 June 2007 one subscriber share was transferred to Harry Hyman and one subscriber shares was transferred to Jonathan Metliss.
- c) On 5 July 2007, each ordinary share of the authorised share capital of the Company was sub-divided into 1,000 shares of 0.1 pence each and the authorised share capital was increased to £250,000 by the creation of 150,000,000 shares of 0.1 pence each.

- d) On 10 July 2007, the Company allotted 58,748,000 Ordinary Shares to the Founder Shareholders.
- e) On 3 September 2007, the Company allotted 39,450,000 Ordinary Shares.
- f) On 2 October 2007, the Company allotted 1,825,000 shares.

**11. Other payables**

	2008
	£
Accruals	8,225
	<hr/> <hr/>

**12. Related Party Transactions**

Harry Hyman is the controlling party of Nexus Structured Finance Limited and Nexus Corporate Finance Limited. During the period fees and expenses of £1,116 and £43,740 were paid to each Company respectively. There were no balances outstanding at the end of the period.

**13. Ultimate controlling party**

There is no one controlling party.