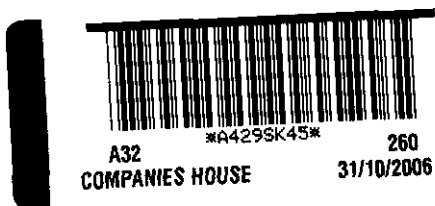


INFAST GROUP LIMITED (FORMERLY KNOWN AS INFAST GROUP PLC)

Report and Financial Statements

31 December 2005

30847



# Infast Group Limited (formerly known as Infast Group Plc)

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Registered No. 0030847

## **DIRECTORS**

D G Titcombe (resigned 8<sup>th</sup> July 2005)  
A G Bruce (resigned 8<sup>th</sup> July 2005)  
R Seguin (resigned 8<sup>th</sup> July 2005)  
R P Sternick (resigned 8<sup>th</sup> July 2005)  
J R Kimber (resigned 8<sup>th</sup> July 2005)  
M J F Parker (resigned 8<sup>th</sup> July 2005)  
W R Banks (appointed 8<sup>th</sup> July 2005)  
A Vaizey (appointed 8<sup>th</sup> July 2005)  
P J R Walpot (appointed 8<sup>th</sup> July 2005)  
J A Dul (appointed 8<sup>th</sup> July 2005)  
D J Letham (appointed 8<sup>th</sup> July 2005)

## **SECRETARY**

M J F Parker (resigned 8<sup>th</sup> July 2005)  
A Vaizey (appointed 8<sup>th</sup> July 2005)

## **AUDITORS**

Ernst & Young LLP  
1 Colmore Square  
Birmingham  
B4 6HQ

## **REGISTERED OFFICE**

Anixter House  
1 York Road  
Uxbridge  
Middlesex UB8 1RN

# Infast Group Limited (formerly known as Infast Group Plc)

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## DIRECTORS' REPORT

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

### RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 5. The directors do not recommend the payment of a dividend (2004 ~ £457,000).

### PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

On July 8<sup>th</sup> 2005, Infast Group plc was taken over by Eagerport Limited a direct subsidiary of Anixter International Limited.

Prior to this date, Infast Group Plc acted as a head office for Infast operations in both the United Kingdom and the United States of America. Since July 8<sup>th</sup> 2005, the company has acted only as a holding company within the Anixter group of companies.

Infast Group Plc was deregistered from the London Stock Exchange in September 2005, and its name changed from Infast Group Plc to Infast Group Limited in December 2005.

### DIRECTORS AND THEIR INTERESTS

The directors who served during the year ended 31 December 2005 were as listed on page 1.

There were no directors' interests requiring disclosure under The Companies Act 1985.

### DISABLED EMPLOYEES

The company recognises its responsibilities towards the disabled and employs them where suitable opportunities arise. Every effort is made to find appropriate alternative jobs for those who become disabled while working for the company.

### EMPLOYEE INVOLVEMENT

During the year, the policy of providing employees with information about the company and fellow group undertakings has been continued through the provision of newsletters. In addition, managers at a local level make themselves available for regular discussions with employees on matters of mutual interest and concern.

### AUDITORS

A resolution to reappoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.

On behalf of the Board on

24.04.2006



Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE  
FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practices. 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 INFAST GROUP LIMITED**

We have audited the company's financial statements for the year ended 31 December 2005 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 20. 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**

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

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 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 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 judgments 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.

**Opinion**

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 31 December 2005 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

  
Ernst & Young LLP  
Registered Auditor  
Birmingham  
Date

30/10/06

# Infast Group Limited (formerly known as Infast Group Plc)

## PROFIT AND LOSS ACCOUNT for the year ended 31 December 2005

	<i>Notes</i>	<i>2005 £000</i>	<i>2004 £000</i>
<b>TURNOVER</b>	2	4	-
Cost of sales		-	-
<b>GROSS PROFIT</b>		4	-
Administrative expenses		(77,946)	(1,015)
<b>OPERATING LOSS</b>	3	(77,942)	(1,015)
Net interest payable and similar charges	7	(461)	(518)
<b>EXCEPTIONAL ITEMS</b>	4		
Loss on disposal of investment		(303)	-
Loss on disposal of fixed assets		(1,941)	-
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(80,647)	(1,533)
Tax on loss on ordinary activities	8	1,168	-
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(79,479)	(1,533)
Dividends		-	(457)
<b>RETAINED LOSS FOR THE YEAR</b>	18	(79,479)	(1,990)

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains and losses other than the loss of £79.48m for the year ended 31 December 2005 and the loss of £1.99m for the year ended 31 December 2004.

# Infast Group Limited (formerly known as Infast Group Plc)

## BALANCE SHEET at 31 December 2005

	Notes	2005 £000	2004 £000
<b>FIXED ASSETS</b>			
Tangible assets	9	-	3,482
Investments	10	7,875	23,335
		<u>7,875</u>	<u>26,817</u>
<b>CURRENT ASSETS</b>			
Debtors	11	22,969	102,100
Cash	11	164	-
		<u>23,133</u>	<u>102,100</u>
<b>CREDITORS: amounts falling due within one year</b>	12	(23,828)	(40,428)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(695)</u>	<u>61,672</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>7,180</u>	<u>88,489</u>
<b>CREDITORS: amounts falling due after one year</b>	13	(290)	(1,983)
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	15	(160)	(297)
		<u>6,730</u>	<u>86,209</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	22,869	22,869
Share premium account	18	9,800	9,800
Capital contribution	18	4,054	4,054
Merger Reserve	18	28,491	28,491
Profit and loss account	18	(58,484)	20,995
	18	<u>6,730</u>	<u>86,209</u>

Approved by the Board on 24 Oct 2006



Director

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

1. ACCOUNTING POLICIES

*Basis of preparation*

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. No cash flow statement has been presented in accordance with FRS 1 (revised) as the company is a wholly owned subsidiary of a company for which financial statements are publicly available (note 18).

*Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a foreign exchange contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange ruling at the balance sheet date or, if appropriate, at the contract rate. All differences are taken to the profit and loss account.

*Depreciation*

Depreciation has been calculated to write off the cost of fixed assets on a straight-line basis by reference to the expected useful lives of the assets at the following annual rates:

Motor vehicles	–	25%
Office equipment	–	10% to 20%
Computer equipment	–	25% to 50%
Plant and machinery	–	10% to 20%

Leasehold improvements are written off in equal annual instalments over 10 years or the remaining period of the lease, whichever is the shorter.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

*Deferred taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax or a right to pay less tax in the future have occurred at the balance sheet date with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

*Pension*

The company operates defined benefit and defined contribution pension schemes whose assets are held in separate trustee administered fund.

The defined benefit pension scheme is funded and contributions are made in accordance with the recommendations of independent actuaries based on pension cost across the group in the United Kingdom. An independent valuation of the scheme was performed as at 6 April 2001. Details of the valuation are included in note 16. This scheme was closed to new members from 5 April 1992.

It is not possible to identify the Company's share of the underlying assets and liabilities of the pension scheme. The net deficit in the Group scheme as at 31 December 2005 was £3.7m. Full disclosure can be found in the financial statements of Industrial Fasteners Ltd.

Contributions to the defined contribution scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

# Infast Group Limited (formerly known as Infast Group Plc)

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

### 1. ACCOUNTING POLICIES (continued)

#### *Leasing*

Rentals paid under operating leases are charged on a straight-line basis over the lease term. The company provides in full for future rent and related costs of vacant leasehold property.

### 2. TURNOVER AND SEGMENTAL ANALYSIS

Turnover represents the invoiced value of goods and services supplied and is stated net of value added tax. In the opinion of the directors, the company has only one class of business. Substantially all sales are in the United Kingdom and accordingly a geographical analysis is not appropriate.

### 3. OPERATING LOSS

This is stated after charging:

	2005 £000	2004 £000
Depreciation	563	738
Auditors' remuneration – audit services	23	52
– non-audit services	12	47
Operating leases and rentals:		
– land and buildings	105	-
	<u>          </u>	<u>          </u>

### 4. EXCEPTIONAL ITEMS

	2005 £000	2004 £000
Recognised in arriving at Operating loss		
Exchange gains on loans	(314)	
Net Provision against receivables/payables	5,457	
Legal costs	640	
Employee related reorganisation costs	1,050	
Pension costs	545	
Dilapidations	2	
Interest expense	33	
Provision against loan	101	
Legal Claim	100	
Other	<u>22</u>	
		7,636
Recognised below Operating profit		
Loss on disposal of investment	303	
Loss on disposal of fixed assets	<u>1,941</u>	
		2,244
		<u>9,880</u>

As a result of the restructuring of the company upon acquisition by the Anixter Group, the investment in Haden MacLellan Inc of £4,400,000 was sold, giving rise to a loss of £303,000.

# Infast Group Limited (formerly known as Infast Group Plc)

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

### 5. DIRECTORS' EMOLUMENTS

	2005 £000	2004 £000
Emoluments (Directors within the group)	892	664
Highest paid director within the group	430	316
	<u>          </u>	<u>          </u>
Members of money purchase pension scheme	2	2
	<u>          </u>	<u>          </u>

Contributions totalling £88,485 were paid towards money purchase benefits in respect of the directors (2004: £109,545).

### 6. STAFF COSTS

	2005 £000	2004 £000
Wages and salaries	552	936
Social security costs	128	101
Other pension costs (note 16)	150	168
	<u>830</u>	<u>1,205</u>

The average monthly number of persons employed by the company, including executive directors, during the year is analysed as follows:

	2005 No.	2004 No.
Administration	8	11
	<u>8</u>	<u>11</u>

### 7. NET INTEREST PAYABLE AND SIMILAR CHARGES

	2005 £000	2004 £000
Interest receivable	95	124
Interest payable	(556)	(642)
	<u>(461)</u>	<u>(518)</u>

NOTES TO THE FINANCIAL STATEMENTS  
at 31 December 2005

**8. TAX ON PROFIT ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the period**

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2003 - 30%). The differences are reconciled below:

	2005 £000	2004 £000
Current tax:		
UK corporation tax at 30% (2004 - 30%)	(848)	-
Total current tax (note 8 (b))	(848)	-
Deferred tax:		
Origination and reversal of timing differences	(320)	-
Tax on loss on ordinary activities	(1,168)	-

**(b) Factors affecting current tax charge**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 30 % (2004: 30%). The differences are explained below:

	2005 £'000	2004 £'000
Loss on ordinary activities before tax	(80,647)	-
Loss on ordinary activities multiplied by standard rate of corporation tax of 30% (2004: 30%)	(24,194)	-
Expenses not deductible for tax purposes	22,825	-
Other timing differences	114	-
Depreciation in excess of capital allowances	407	-
Total current tax (note 8 (a))	(848)	-

NOTES TO THE FINANCIAL STATEMENTS  
at 31 December 2005

8. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

c) Deferred tax

The deferred taxation included in the balance sheet is as follows:

	2005 £'000	2004 £'000
Included in debtors (note 11):		
Short term timing differences	(23)	-
	<u>          </u>	<u>          </u>
		2005 £000
At 1 January 2005		(297)
Deferred tax credit in the profit and loss account		320
		<u>          </u>
At 31 December 2005		<u>23</u>

# Infast Group Limited (formerly known as Infast Group Plc)

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 2005

### 9. TANGIBLE FIXED ASSETS

	£000
Cost:	
At 1 January 2005	4,925
Additions	37
Intercompany transfers	(2,690)
Disposals	(2,272)
At 31 December 2005	-
Depreciation:	
At 1 January 2005	1,443
Provided during the year	563
Intercompany transfers	(1,830)
Disposals	(176)
At 31 December 2005	-
Net book value:	
At 31 December 2005	-
At 31 December 2004	3,482

The tangible fixed assets consist of fixtures, equipment, machinery and motor vehicles.

# Infast Group Limited (formerly known as Infast Group Plc)

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

### 10. INVESTMENTS

	£'000
<b>Cost:</b>	
As at 1 January 2005	47,800
Sale of Haden Maclellan Ltd	(4,400)
As at 31 December 2005	<u>43,800</u>
<b>Provision:</b>	
As at 1 January 2005	24,465
Increase in provision	11,460
As at 31 December 2005	<u>35,925</u>
<b>Net book value:</b>	
As at 31 December 2005	<u>7,875</u>
As at 31 December 2004	<u>23,335</u>

The investment in Haden Maclellan Inc was sold in 2005 with a loss of £303,000 (note 4) and an additional provision of £11,460,000 was created against other investments.

Infast Group Limited holds the following subsidiary undertakings.

Name of company	Holding	Proportion of voting rights and shares held	Nature of Business
<b>Subsidiary undertakings</b>			
Industrial Fasteners Ltd	Ordinary shares	100%	Fasteners Logistics company
Infast Automotive Ltd	Ordinary shares	100%	Fasteners Logistics company
IP (Pontefract) Ltd	Ordinary shares	100% *	Dormant company
AW2 Ltd	Ordinary shares	100% *	Dormant company
Ducost Ltd	Ordinary shares	100%	Dormant company
HMH Pension Trustees Ltd	Ordinary shares	100%	Dormant company
Haden MacLellan Inv Ltd	Ordinary shares	100%	Dormant company
Haden Drysys S.A.	Ordinary shares	100%	Dormant company
Haden Drysys Tech Services Ltd	Ordinary shares	100%	Dormant company

# Infast Group Limited (formerly known as Infast Group Plc)

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 2005

### 10. INVESTMENTS (continued)

Name of company	Holding	Proportion of voting rights and shares	Nature of Business
<b>Subsidiary undertakings</b>			
HMH Fasteners Ltd	Ordinary shares	100%	Dormant company
Fawndeck Ltd	Ordinary shares	100%	Dormant company
HMH Infast Plc	Ordinary shares	100% *	Dormant company
Earlydress Ltd	Ordinary shares	100% *	Dormant company
Pastspeed Ltd	Ordinary shares	100% *	Dormant company
Petrie & McNaught Ltd	Ordinary shares	100% *	Dormant company
MB Fastener Co Ltd	Ordinary shares	100% *	Dormant company
Ohta-Philidas Ltd	Ordinary shares	75%*	Dormant company
Centrepiece Engineering Ltd	Ordinary shares	100% *	Dormant company
Centrepiece Distributors Ltd	Ordinary shares	100% *	Dormant company
AW2 Ltd	Ordinary shares	100% *	Dormant company
AW (B&N) Ltd	Ordinary shares	100% *	Dormant company
H Frankish Ltd	Ordinary shares	100% *	Dormant company
Stainless Fasteners Ltd	Ordinary shares	100% *	Dormant company
Infast Manufacturing Ltd	Ordinary shares	100% *	Dormant company
Budget Fasteners Ltd	Ordinary shares	100% *	Dormant company
Infast Ltd (formerly Peterborough Nuts & Bolts Ltd)	Ordinary shares	100% *	Dormant company
Sandiacre Screw Ltd	Ordinary shares	100% *	Dormant company
Everbright Fasteners Ltd	Ordinary shares	100% *	Dormant company
Automotive Fastener Solutions Ltd	Ordinary shares	100% *	Dormant company
Infast Subsidiary No.2 Ltd	Ordinary shares	100% *	Dormant company
Industrial Fastener Supplied Ltd	Ordinary shares	100% *	Dormant company
Ross Screw Ltd	Ordinary shares	100% *	Dormant company
IFS Distributors Ltd	Ordinary shares	100% *	Dormant company
IFS (Stainless Ltd)	Ordinary shares	100% *	Dormant company
Adesco Ltd	Ordinary shares	100% *	Dormant company
Fastnaparts Ltd	Ordinary shares	100% *	Dormant company
GKS (UK) Ltd	Ordinary shares	100% *	Dormant company
GKS Centrepiece Ltd	Ordinary shares	100% *	Dormant company

\* Held by a subsidiary undertaking

# Infast Group Limited (formerly known as Infast Group Plc)

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

### 11. DEBTORS

	2005	2004
	£000	£000
Trade debtors	12	-
Deferred tax asset (note 8 (c) )	23	-
Prepayments and accrued income	7	745
Pension cost prepayment	175	400
Corporation Tax	1,161	379
Amounts owed by fellow subsidiary undertakings	21,591	100,576
	<u>22,969</u>	<u>102,100</u>

### 12. CREDITORS: amounts falling due within one year

	2005	2004
	£000	£000
Trade creditors	-	216
Obligations under finance leases	-	35
Amounts owed to fellow subsidiary undertakings	22,867	29,797
Accruals and deferred income	581	300
Other creditors including taxation and social security	380	455
Medium term loan	-	1,920
Bank overdraft	-	7,100
Proposed dividend	-	600
	<u>23,828</u>	<u>40,423</u>

### 13. CREDITORS: amounts falling due after more than one year

	2005	2004
	£000	£000
Medium term loan	-	1,800
Obligations under finance leases	-	183
Obligation on HIG lease (note 14)	290	-
	<u>290</u>	<u>1,983</u>

### 14. OBLIGATION ON HADEN INTERNATIONAL GROUP (HIG) LEASE

Prior to the acquisition of Infast Group Ltd by Eagerport Ltd, the Company had guaranteed the liabilities of Haden International Group, Inc. (HIG), the purchaser of the Group's Process Engineering division in 1999, under the terms of the lease of its main operating facility.

In February 2006, HIG defaulted on their lease payments giving rise to an additional liability of £290,000 (Note 13) to be borne by Infast Group Ltd.

NOTES TO THE FINANCIAL STATEMENTS  
at 31 December 2005

15. PROVISION FOR LIABILITIES AND CHARGES

	<i>Deferred Tax £000</i>	<i>Dilapidations £000</i>	<i>Total £000</i>
At 1 January 2005	297	-	297
Arising during the year	(320)	160	(160)
	(23)	160	137
Reclassified to Debtors (note 11)	23	-	23
At 31 December 2005	-	160	160

16. PENSIONS

***HMH Pension Scheme***

Certain employees are members of the HMH Pension Scheme, a defined benefit scheme operated by the company, prior to the takeover by Anixter International Ltd. The funds are held in separate trustee administered funds, managed by independent professional investment advisers.

All actuarial variances and differences in amounts funded are accounted for in the financial statements of Infast Industrial Ltd

It is not possible to identify the Company's share of the underlying assets and liabilities of the pension scheme. The net deficit in the Group scheme as at the 31<sup>st</sup> December 2005 was £3.7m. Full disclosure can be found in the financial statements of Industrial Fasteners Ltd.

***Infast Money Purchase Pension Scheme***

Certain employees are members of the Infast Money Purchase Pension Scheme, a defined contribution scheme operated by Infast Group Ltd, the ultimate parent company prior to the takeover by Anixter International Ltd. The funds are held separately and are invested in units managed by Legal and General Investment Management Limited.

The pension cost charged to the profit and loss account represents contributions payable by the company to the fund and amount to £150k (2004: £168k).

No contributions were payable to the fund at the year end (2004: Nil).

# Infast Group Limited (formerly known as Infast Group Plc)

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

### 17. SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>2005</i>	<i>2004</i>	<i>2005</i>	<i>2004</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Ordinary shares of 20p each	30,000	30,000	22,869	22,869

### 18. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital £000</i>	<i>Share premium account £000</i>	<i>Merger reserve £000</i>	<i>Capital contribution £000</i>	<i>Profit and loss account £000</i>	<i>Total share- holders funds £000</i>
At 1 January 2005	22,869	9,800	28,491	4,054	20,995	86,209
Loss for the year	-	-	-	-	(79,479)	(79,479)
At 31 December 2005	22,869	9,800	28,491	4,054	(58,484)	6,730

### 19. RELATED PARTIES

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8 'Related Parties Disclosures'. As a 100%-owned subsidiary undertaking, disclosure of transactions with group undertakings and investees of the group, qualifying as related parties, is not required.

### 20. ULTIMATE PARENT UNDERTAKING

The company is a wholly-owned subsidiary undertaking of Anixter International Inc., which is incorporated in the United States of America. Copies of the financial statements for Anixter Inc. may be obtained from the corporate office at Two North Riverside Plaza, 19th Floor, Chicago, Illinois 60606, USA

The immediate parent undertaking, for which this company forms part of the figures, is Anixter International Limited.

Copies of the financial statements for Anixter International Limited may be obtained from the registered office at Anixter House, 1 York Road, Uxbridge, Middlesex, UB8 1RN