

INFAST GROUP LIMITED

Report and Financial Statements

For the 52 weeks ended 01 January 2010

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Infast Group Limited

Registered No 0030847

DIRECTORS

W R Banks
A Vaizey
J A Dul

SECRETARY

A Vaizey

AUDITORS

Ernst & Young LLP
1 Colmore Square
Birmingham
B4 6HQ

REGISTERED OFFICE

Anixter House
1 York Road
Uxbridge
Middlesex UB8 1RN

SOLICITORS

Baker & McKenzie LLP
100 New Bridge Street
London
EC4V 6AJ

BANKERS

HSBC
PO BOX 160
12A North Street
Guildford GU1 4AF

Infast Group Limited

DIRECTORS' REPORT

The directors present their report and financial statements for the 52 weeks ended 01 January 2010

RESULTS AND DIVIDENDS

The results for the period are set out in the profit and loss account on page 6 The directors do not recommend the payment of a dividend (2008 – £nil)

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company acts as a holding company within the Anixter group of companies

FUTURE DEVELOPMENTS

The company will continue to be a holding company

DIRECTORS AND THEIR INTERESTS

The directors who served during the 52 weeks ended 01 January 2010 were as listed on page 1

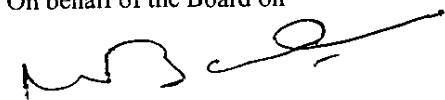
DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISION

The company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to conditions set out in section 234 the Companies Act 2006 Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made inquiries of fellow directors and the group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to made himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

On behalf of the Board on



W R Banks

Date

10 May 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
FINANCIAL STATEMENTS

The directors are responsible for preparing the report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements 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 financial statements 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 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 UK accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 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 to enable them to ensure that the financial statements 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INFASST GROUP LIMITED

We have audited the company's financial statements for the 52 weeks ended 01 January 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 17. 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 set out on page 3, 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 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 01 January 2010 and of its loss for the period 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 period for which the financial statements are prepared is consistent with the financial statements.

Infast Group Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INFASST GROUP LIMITED

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 financial statements are not in agreement with the accounting records or return, 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

Christabel Cowling (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham
10 May 2010

PROFIT AND LOSS ACCOUNT

For the 52 weeks ended 01 January 2010

	<i>Notes</i>	<i>2009</i> <i>£000</i>	<i>2008</i> <i>£000</i>
OPERATING LOSS	2	(823)	(2,114)
Interest payable		(111)	(125)
Interest receivable		2	-
Net interest payable and similar charges	5	(109)	(125)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(932)	(2,239)
Tax on loss on ordinary activities	6	(427)	352
RETAINED LOSS FOR THE PERIOD	14	(1,359)	(1,887)

There are no recognised gains and losses other than those presented in the profit and loss account

All activities are continuing

Infast Group Limited

BALANCE SHEET

As at 01 January 2010

	Notes	2009 £000	2008 £000
FIXED ASSETS			
Investments	7	-	-
		<u>-</u>	<u>-</u>
CURRENT ASSETS			
Debtors	8	42,203	73,482
		<u>42,203</u>	<u>73,482</u>
CREDITORS: amounts falling due within one year	9	(34,595)	(63,953)
		<u>7,608</u>	<u>9,529</u>
NET CURRENT ASSETS			
		<u>7,608</u>	<u>9,529</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS: amounts falling due after one year	10	(1,562)	(2,124)
		<u>6,046</u>	<u>7,405</u>
CAPITAL AND RESERVES			
Called up share capital	13	22,869	22,869
Share premium account	14	9,800	9,800
Capital contribution	14	4,054	4,054
Merger reserve	14	28,491	28,491
Profit and loss account	14	(59,168)	(57,809)
	14	<u>6,046</u>	<u>7,405</u>

Approved by the Board on

Director

- WR BANKS

10 May 2010

Infast Group Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 01 January 2010

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 17).

The ultimate parent undertaking of the company is Anixter International Inc, a company registered in the United States, and copies of the group financial statements are available from 2301, Patriot Blvd, Glenview, Illinois 60025, USA. Accordingly consolidating accounts have not been prepared as permitted by s401 of the Companies Act 2006. The accounts therefore present information about the company as an individual undertaking and not about its group.

The company has adopted no new accounting standards in these financial statements. In accordance with FRS18, the directors have continued to review the accounting policies applied by the company. There have been no changes to accounting policies during the period.

Taxation

Corporation tax is provided on taxable profits at the rate ruling for the accounting period.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date where transactions or events have occurred at that date which will result in an obligation to pay more, or a right to pay less or to receive more, tax with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- 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 the timing difference reverse, based on tax rates and laws enacted or substantially enacted at the Balance Sheet date.

Pension

HMH Pension Scheme, a defined benefit scheme was 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 Anixter Ltd.

It is not possible to identify the Company's share of the underlying assets and liabilities of the pension scheme. The net (deficit)/asset in the Group scheme as at the 01st January 2010 was £(3.41)m (2008 £0.19m). Full disclosure can be found in the financial statements of Anixter Ltd. Accordingly, the Company accounts for its contributions to the schemes as if it were defined contribution schemes.

Investments

Fixed asset investments are stated at cost less amounts written off where, in the opinion of the directors, there has been an impairment in the value of an investment.

Infast Group Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 01 January 2010

2. OPERATING LOSS

This is stated after charging/(crediting)

	2009 £000	2008 £000
Adjustment to provision	(115)	(500)
Intercompany write off	999	-
Impairment of investment	-	500
Foreign exchange (gain)/loss	(185)	542
Auditors' remuneration – audit services	14	38
– non-audit services	10	20
Dividend income	-	38
HIG lease cost for the year	94	446
	<u> </u>	<u> </u>

3. DIRECTORS' EMOLUMENTS

No director emoluments were paid during the year (2008 £nil)

Two of the directors are paid by Anixter International Limited and the remaining one is paid by Anixter Inc

4. STAFF COSTS

	2009 £000	2008 £000
Other pension costs (note 12)	-	336
	<u> </u>	<u> </u>
	-	336
	<u> </u>	<u> </u>

The company does not employ any personnel

5. NET INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £000	2008 £000
Interest payable	(111)	(125)
Interest receivable	2	-
	<u> </u>	<u> </u>
	(109)	(125)
	<u> </u>	<u> </u>

Infast Group Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 01 January 2010

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

The tax charge is as follows

	2009 £000	2008 £000
Current tax		
UK corporation tax on loss of the period	18	(435)
Adjustments in respect of previous periods	461	-
Total current tax (note 6 (b))	479	(435)
Deferred tax		
Origination and reversal of timing differences	-	81
Effect of changes in rate	-	2
Adjustment in respects of previous periods	(52)	-
Tax on loss on ordinary activities	427	(352)

(b) Factors affecting current tax charge

The tax assessed for the period is higher than (2008 lower than) the standard rate of corporation tax in the UK of 28% (2008 28.5%). The differences are explained below

	2009 £'000	2008 £'000
Loss on ordinary activities before tax	(932)	(2,239)
Loss on ordinary activities multiplied by standard rate of corporation tax of 28% (2008 28.5%)	(261)	(638)
Expenses not deductible for tax purposes	279	284
Other timing differences	-	(45)
Adjustments in respect of prior periods	461	-
Depreciation in excess of capital allowances	-	(36)
Total current tax (note 6 (a))	479	(435)

Infast Group Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 01 January 2010

6. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

c) Deferred tax

The deferred taxation included in the balance sheet is as follows

	2009 £000	2008 £000
Included in debtors (note 8)		
Short term timing differences	(159)	(107)
	<u> </u>	<u> </u>
		£000
At 03 January 2009		107
Deferred tax credit in the profit and loss account		52
		<u> </u>
At 01 January 2010		159
		<u> </u>

There are capital losses carried forward in the company totalling £48.1 million (2008 £48.1 million). No deferred tax is being recognised on these losses on the basis that there is no expectation of future suitable profits against which these capital losses may be able to be offset.

7. INVESTMENTS

	£000
Cost.	
As at 03 January 2009	44,300
Disposals	(44,111)
As at 01 January 2010	<u>189</u>
Provision.	
As at 03 January 2009	(44,300)
Disposals	44,111
As at 01 January 2010	<u>(189)</u>
Net book value:	
As at 03 January 2009	<u>-</u>

Infast Group Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 01 January 2010

As at 01 January 2010

7. INVESTMENTS (Continued)

The assets of Adesco Limited, A W (B & N) Limited, Automotive Fastener Solutions Limited, Budget Fasteners Limited, Centrepiece Distribution Limited, Earlydress Limited, Fastnaparts Limited, IFS Stainless Limited, IFS Distributors Limited, IFS Limited, Pastspeed Limited, Petrie & Mcnuaght Limited, Ross Screw Limited, and Sandiacre Limited were transferred to Infast Group Limited in 2006. These were immediately struck off, and the investment was therefore written down.

On 17th September 2008, Infast Group Limited bought the shares of Industrial Fasteners Limited for a value of £500,000. We have immediately impaired the carrying value of that investment by £500,000 to reduce it to its recoverable amount. Since then, Industrial Fasteners Limited was struck off in 2010.

Infast Group Limited holds the following subsidiary undertakings

Name of company	Holding	Proportion of voting rights and shares held	Nature of Business
Subsidiary undertakings			
HMH Fasteners Ltd	Ordinary shares	100%	Dormant company
Haden Drysys S A	Ordinary shares	100%	Dormant company
Infast Subsidiary No 2 Ltd	Ordinary shares	100% *	Dormant company
Industrial Fastener Supplies Ltd	Ordinary shares	100% *	Dormant company
HMH Pensions Trustees Ltd	Ordinary shares	100% *	Dormant company

* Held by a subsidiary undertaking

8 DEBTORS: amounts due to be received within one year

	2009 £000	2008 £000
Other debtors	6	6
Deferred tax asset (note 6 (c))	159	107
Prepayments and accrued income	86	73
Corporation Tax	1,299	1,778
Amounts owed by fellow subsidiary undertakings	40,653	71,518
	<u>42,203</u>	<u>73,482</u>

Infast Group Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 01 January 2010

9. CREDITORS, amounts falling due within one year

	2009 £000	2008 £000
Amounts owed to fellow subsidiary undertakings	33,955	53,268
Accruals and deferred income	281	131
Bank overdraft	359	10,554
	<u>34,594</u>	<u>63,953</u>

10. CREDITORS: amounts falling due after more than one year

	2009 £000	2008 £000
Obligation on HIG lease (note 11)	1,562	2,124
	<u>1,562</u>	<u>2,124</u>

11. 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 £1,562,000 (2008 £2,124,000) (Note 10) to be borne by Infast Group Ltd

12. PENSIONS

HMH Pension Scheme

HMH Pension Scheme, a defined benefit scheme was 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 Anixter Ltd

It is not possible to identify the Company's share of the underlying assets and liabilities of the pension scheme. The net (deficit)/asset in the Group scheme as at the 01st January 2010 was £(3,410,640) (2008 £193,000). Full disclosure can be found in the financial statements of Anixter Ltd

The pension cost charged to the profit and loss account represent contributions payable by the company to the fund, and amount to £nil (2008 £371,700)

Infast Group Limited

NOTES TO THE FINANCIAL STATEMENTS

For the 52 weeks ended 01 January 2010

13 SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Ordinary shares of 20p each	30,000	30,000	22,969	22,969

14. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital £000</i>	<i>Share premium £000</i>	<i>Merger reserve £000</i>	<i>Capital contribution £000</i>	<i>Profit and loss account £000</i>	<i>Total shareholders funds £000</i>
At 03 January 2009	22,869	9,800	28,491	4,054	(57,809)	7,405
Loss for the period	-	-	-	-	(1,359)	(1,359)
At 01 January 2010	<u>22,869</u>	<u>9,800</u>	<u>28,491</u>	<u>4,054</u>	<u>(59,168)</u>	<u>6,046</u>

15. 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.

17. ULTIMATE PARENT UNDERTAKING

The immediate parent company is Eagerport Limited, a company incorporated in the United Kingdom. The ultimate parent undertaking and controlling party is Anixter International Inc, a company incorporated in the United States of America. This is the largest group to consolidate the results of the company and copies of the group financial statements can be obtained through its website <http://www.anixter.com>