

Planet Overseas Holdings Limited

Report and Financial Statements

31 December 2009

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COMPANIES HOUSE

Planet Overseas Holdings Limited

Registered No 1747198

Directors

R G A Barr
M J Richards
M S Wild

Secretary

M S Wild

Auditors

Ernst & Young LLP
1 Bridgewater Place (4th Floor)
Water Lane
Leeds
LS11 5QR

Registered office

Premier Way
Lowfields Business Park
Elland
West Yorkshire
HX5 9HF

Directors' report

The Directors submit their report and financial statements for the year ended 31 December 2009

Group restructuring

During the year the future of the operating subsidiaries of the Heywood Williams Group was secured following a significant capital restructuring which involved all of the subsidiaries of Heywood Williams Group PLC being sold to a new company, Arran Isle Limited ("the Group") on 18 November 2009 which is now the ultimate parent of the Company,

Arran Isle Limited is backed by two major international banks ("the UK Banking Syndicate") who are now the major shareholders in the new Group with a collective economic interest in 78% of the shares and warrants, with the investor director holding a 2% interest. An Employee Benefit Trust holds 10% of the shares for the benefit of all employees of the new Group and the remaining 10% is held by the Group's Executive Directors.

As part of the restructuring, the UK Banking Syndicate converted £21 million of debt, thereby significantly reducing future interest payments and strengthening the balance sheet, in return for their interest in the new Group and provided £6 million of additional financing to support the growth of the business as markets start to recover. No loan repayments will be required in respect of this facility until the end of 2013 and consequently, together with further facilities provided by several overseas banks, the Group has a substantial level of long term banking facilities available.

Furthermore, as part of the restructuring, agreement was reached with the independent trustee to a new 17 year deficit recovery schedule for the UK defined benefit pension scheme, with no deficit repair contributions required until 2014.

Consequently, the Group has successfully restructured its finances and is now well placed to operate in the continuing challenging economic environment and to support the growth of the Group's businesses as its markets start to recover.

Principal activities and review of the business

The principal activity of the Company continues to be that of an intermediate holding company.

During the year the Company's non trading subsidiary HW US Finance was liquidated. There was no resultant profit or loss incurred by the Company. The Company has been dormant for the current and prior year and is expected to remain so for the foreseeable future.

Results and dividends

The Company has not traded in the year and has therefore made neither a profit nor a loss (2008 nil).

Key performance indicators

Given that the Company is not trading, the Directors consider that there are no key performance indicators.

Risk management

The Company is integrated into the Arran Isle Limited comprehensive system of risk management, a process that allows the Directors to identify, evaluate and manage potential risks and uncertainties that could have a material impact on the Company's performance.

Directors' report (continued)

Risk management (continued)

Due to the nature of the Company, the Directors do not consider that there are any significant risks or uncertainties faced by the business. There is no trading activity. The Company has negative net worth, but the parent company, which is the only creditor, has provided a letter of support.

Directors

The Directors of the Company as at 31 December 2009 are shown on page 1.

Directors' statement as to disclosure of information to auditors

As at the date of this report, as far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken such steps as he should have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Elective resolutions

Resolutions excluding the Company from the obligation to hold annual general meetings and to re-elect auditors annually have been passed by the Company.



M S Wild
Secretary
12 May 2010

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the annual 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). The financial statements are required by law to 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 UK 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 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 Planet Overseas Holdings Limited

We have audited the financial statements of Planet Overseas Holdings Limited for the year ended 31 December 2009 which comprise the Balance Sheet and the related notes 1 to 8. 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 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 explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 (APB'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 31 December 2009
- 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 matter prescribed by the Companies Act 2006

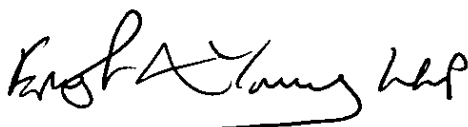
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Planet Overseas Holdings Limited (continued)

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 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



Stuart Watson (Senior statutory auditor)

for and on behalf of Ernst & Young LLP

Registered auditor

Leeds

13 May 2010

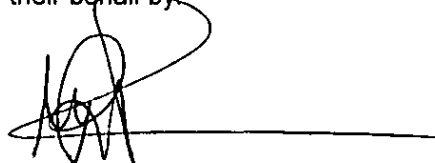
Balance sheet

at 31 December 2009

	Notes	2009 £000	2008 £000
Creditors: amounts falling due within one year	3	(5,013)	(5,013)
Net current liabilities		(5,013)	(5,013)
Total assets less current liabilities		(5,013)	(5,013)
Capital and reserves			
Called up equity share capital	4	-	-
Profit and loss account	5	(5,013)	(5,013)
Shareholders' deficit	5	(5,013)	(5,013)

The Company has not traded in the year and has therefore made neither a profit nor a loss (2008 nil)

These financial statements were approved by the directors on 12 May 2010 and are signed on their behalf by



M J Richards
Director

12 May 2010



M S Wild
Director

Notes to the financial statements

at 31 December 2009

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, modified to include the revaluation of interests in subsidiary undertakings. The financial statements are prepared in accordance with applicable United Kingdom standards.

The Company is dependent upon the continued financial support of its parent undertaking. The Directors have an assurance that this support will continue and believe that it is therefore appropriate to prepare the accounts on a going concern basis. However, should continuing support not be available, the going concern basis would be invalid and adjustments would have to be made to reduce the value of assets to their realisable amount and to provide for further liabilities which might arise.

Group financial statements

In accordance with s405 of the Companies Act 2006 the Company is exempt from the requirements to prepare group accounts. This exemption applies as the Company is a wholly owned subsidiary of Arran Isle Limited, a company incorporated under the law of a member state of the EC and which prepares group accounts including the Company. These financial statements therefore reflect information about the Company and not of the Group.

Cash flow

The Company is exempt from the requirements of FRS 1 (revised) and therefore has not prepared a cash flow statement.

Investments

Investments are held at cost less provision for impairment. Gains and losses are recognised in the profit and loss account as and when the investments are impaired.

Foreign currencies

Exchange differences arising from the retranslation of opening assets and liabilities are taken to reserves. All other translation differences are taken to trading profit, with the exception of differences on foreign currency borrowings, which are taken to reserves to the extent that they are used to finance foreign equity investments.

2. Investments in subsidiary undertakings

	Subsidiary undertakings £000
Cost or valuation	
At 1 January 2009 and 31 December 2009	<u>47,674</u>
Provisions	
At 1 January and 31 December 2009	<u>47,674</u>
Net book value	
At 1 January 2009 and 31 December 2009	<u>-</u>

Notes to the financial statements (continued)

at 31 December 2009

2. Investments in subsidiary undertakings (continued)

During the year, the non trading subsidiary HW US Finance was liquidated. The investment cost of £1 was fully provided. The remaining wholly owned investment relates to Heywood Williams Corporation, an intermediate holding company incorporated in the United States of America.

3. Creditors: amounts falling due within one year

	2009	2008
	£000	£000
Amounts due to group undertakings	<u>5,013</u>	<u>5,013</u>

4. Called up equity share capital

	Authorised		Issued and fully paid	
	2009	2008	2009	2008
	No	No	£	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>2</u>	<u>2</u>

5. Reconciliation of equity shareholders' deficit and movement on reserves

	Profit and loss £000
31 December 2009 and 2008	<u>(5,013)</u>

6. Other commitments and guarantees

The Company is party to and cross guarantor to the Group's £45.0m committed borrowing facility with a UK banking syndicate (2008 £60.0m). This facility reduces by £1.5m in September 2013, with the balance of facility expiring in December 2013.

In addition to committed facilities the Company was party to and cross guarantor to £2.0m of the Group's uncommitted, short term overdraft facilities (2008 £2.0m).

The total amount undrawn on the above facilities at 31 December 2009 was £11.9m (2008 £24.4m). These facilities are secured by fixed and floating charges over the Group's operating assets.

7. Related party transactions

The Company has taken advantage of the exemption in FRS 8 not to disclose transactions with fellow subsidiary undertakings where 100% of the voting rights are controlled within the group (2008 nil).

Notes to the financial statements (continued)

at 31 December 2009

8. Ultimate parent company

During the year the future of the operating subsidiaries of the Heywood Williams Group was secured following a significant capital restructuring which involved all of the subsidiaries of Heywood Williams Group PLC being sold to a new company, Arran Isle Limited ("the Group") on 18 November 2009 which is now the ultimate parent of the Company,

Arran Isle Limited is backed by two major international banks ("the UK Banking Syndicate") who are now the major shareholders in the new Group with a collective economic interest in 78% of the shares and warrants, with the investor director holding a 2% interest. An Employee Benefit Trust holds 10% of the shares for the benefit of all employees of the new Group and the remaining 10% is held by the Group's Executive Directors.

The parent undertaking of the smallest group of undertakings for which group accounts are drawn up and of which the Company is a member is HWG 2006 Limited, which is registered in England and Wales. The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is Arran Isle Limited, which is registered in England and Wales. Copies of Arran Isle Limited accounts can be obtained from the company's registered office.