

Laird Overseas Holdings Limited

Report and Financial Statements

31 December 2012

Company number 6135076

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COMPANIES HOUSE

Laird Overseas Holdings Limited

Registered No 6135076

Directors

J C Silver

G McRae (resigned on 31 July 2013)

A M Downie (appointed on 31 July 2013)

Secretary

A M Downie

Auditor

Ernst & Young LLP

1 More London Place

London

SE1 2AF

Registered office

100 Pall Mall

London

SW1Y 5NQ

Laird Overseas Holdings Limited

Registered No 6135076

Directors' report

The directors present their report and financial statements for the year ended 31 December 2012

Results and dividends

The profit for the year after tax amounted to £49,396,000 (2011 loss of £2,060,000) Dividends of £63,231,000 were received and paid back out during the year (2010 £243,000)

Principal activities and review of the business

The company was incorporated on 2 March 2007 and is a subsidiary undertaking of Laird PLC The principal activity of Laird Overseas Holdings Limited is to provide finance to affiliates of Laird PLC

Given the nature of the business, the directors are of the opinion that analysis using KPI's is not necessary for an understanding of the performance and development of the business A full review of the operating performance and likely future developments of the Laird group may be found in the 2012 Report and Accounts of Laird PLC, the ultimate parent undertaking of the Company

The terms of intercompany financing have been set so that no intercompany liability may be demanded unless the relevant creditor, including the Company has sufficient funds to meet that liability Accordingly the Company does not have to meet all such liabilities as they fall due

The directors believe that it is therefore appropriate to prepare the accounts on a going concern basis

The principal risk faced by the business is the recoverability of amounts owed by other group companies There are procedures in place to identify, assess and mitigate this risk

Directors

The directors who served the company during the year were as follows

J C Silver

G McRae (resigned on 31 July 2013)

A M Downie (appointed on 25 July 2013)

Auditor

It is recommended that Ernst & Young LLP be appointed as auditor

Disclosure of information to the auditor

In accordance with section 418 of the Companies Act 2006, the Directors confirmed, so far as each is aware, that there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all steps that he/she ought to have taken as a director in order to make him/her aware of, and to establish that the auditor is aware of, any relevant audit information

By order of the Board



A M Downie
Secretary

19 September 2013

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year. 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 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 judgments and accounting 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 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 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 Auditor's report to the members of Laird Overseas Holdings Limited

We have audited the financial statements of Laird Overseas Holdings Limited for the year ended 31 December 2012 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 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 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 (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. 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 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 2012 and of its profit 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 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 Auditor's report to the members of Laird Overseas Holdings 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 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

*Anup Sodhi (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
19 SEPTEMBER 2013*

Profit and loss account
for the year ended 31 December 2012

| | <i>Notes</i> | <i>2012</i> <i>£000</i> | <i>2011</i> <i>£000</i> |
|--|--------------|----------------------------|----------------------------|
| Dividends received | | 63,231 | 243 |
| Interest receivable from group companies | | 1,215 | 940 |
| Interest payable to group companies | | (602) | (434) |
| Exchange difference | | (394) | (3,551) |
| Group loans provided for | | (14,000) | - |
| <i>Profit/(loss) before taxation</i> | | 49,450 | (2,802) |
| Tax (charge)/credit on ordinary activities | 5 | (54) | 742 |
| <i>Profit/(loss) for the financial period</i> | | 49,396 | (2,060) |

There are no recognised gains or losses other than the profit attributable to the shareholders of the Company of £49,396,000 in the year ended 31 December 2012 (2011 loss of £2,060,000)

Details of the dividend proposed and paid for the year are disclosed in note 6 to the financial statements

The notes on pages 8 to 11 form part of these accounts

Balance Sheet

at 31 December 2012

| | Notes | 2012 £000 | 2011 £000 |
|--|-------|----------------|----------------|
| Fixed assets | | | |
| Investments | 7 | 857,325 | 857,325 |
| | | <u>857,325</u> | <u>857,325</u> |
| Current assets | | | |
| Debtors | 8 | 37,669 | 51,796 |
| Creditors amounts falling due within one year | 9 | (54) | - |
| Net current assets | | <u>37,615</u> | <u>51,796</u> |
| Total assets less current liabilities | | <u>894,940</u> | <u>909,121</u> |
| Creditors: amounts falling due after more than one year | 10 | (22,125) | (22,471) |
| | | <u>872,815</u> | <u>886,650</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 260,106 | 260,106 |
| Share premium account | 12 | 539,720 | 539,720 |
| Foreign exchange reserves | 12 | 85 | 85 |
| Profit and loss account | 12 | <u>72,904</u> | <u>86,739</u> |
| Equity shareholder's funds | 12 | <u>872,815</u> | <u>886,650</u> |

The notes on pages 8 to 11 form part of these accounts

Approved by The Board of Directors and signed on its behalf by



J C Silver
Director

19/9 2013

Notes to the financial statements

at 31 December 2012

1. Accounting policies

Basis of preparation

The accounts have been prepared using the historical cost convention and in accordance with applicable UK accounting standards. Under Financial Reporting Standards No. 1 Cash Flow Statements, the Company is exempt from the requirement to prepare a cash flow statement, on the grounds that it is a wholly owned subsidiary undertaking of Laird PLC, a listed company that prepares a consolidated cash flow statement for the Group.

2. Auditors remuneration

Fees paid to the Company's auditors for the audit of the financial statements of £3,800 (2011: £3,700) were borne by the ultimate parent undertaking. Non-audit services provided by the Company's auditors in the current year amounted to £nil (2011: £nil) were borne by the ultimate parent undertaking.

3. Related party transactions

The Company has utilised the exemption provided under FRS 8, Related Party Transactions, and not disclosed transactions with related parties that are part of Laird PLC.

4. Directors emoluments

None of the Directors received any emoluments from the Company during the year (2011: £nil).

5. Tax on profit on ordinary activities

| | 2012 £000 | 2011 £000 |
|--|---------------|----------------|
| (a) Analysis of the tax charge/(credit) for the period | | |
| UK corporation tax | | |
| Current period | 54 | (742) |
| Overseas tax | - | - |
| | <u>54</u> | <u>(742)</u> |
| (b) Factors affecting current tax | | |
| The tax assessed for the period differs from the corporation tax rate in the UK. The differences are reconciled below: | | |
| Profit on ordinary activities before tax | <u>49,450</u> | <u>(2,802)</u> |
| Profit on ordinary activities before tax multiplied by the UK corporation tax rate of 24.5% (2011: 26.5%) | 12,115 | (742) |
| Effects of | | |
| Income not subject to tax | (15,491) | - |
| Expenses not deductible for tax purposes | 3,430 | - |
| | <u>54</u> | <u>(742)</u> |

Notes to the financial statements

at 31 December 2012

5. Tax on profit on ordinary activities (continued)

(c) Factors that may affect future tax charges

Recent legislative changes to the UK Corporation Tax system included the reduction in the main rate of UK Corporation Tax from 24% to 23% as of 1 April 2013 and further reductions to 21% as of 1 April 2014 and 20% as of 1 April 2015

6. Dividends

| | 2012 £000 | 2011 £000 |
|----------------|---------------|--------------|
| Dividends paid | 63,231 | 243 |
| | <u>63,231</u> | <u>243</u> |

7. Investments

| | 2012 £000 | 2011 £000 |
|-------------------------------|----------------|----------------|
| Cost at 1 January | 857,325 | 857,325 |
| Additions | - | - |
| Disposals | - | - |
| Cost at 31 December | <u>857,325</u> | <u>857,325</u> |
| Provision | - | - |
| Net book value at 31 December | <u>857,325</u> | <u>857,325</u> |

The Company owns the entire share capital of Laird Holdings Limited and Laird America Inc

8. Debtors

| | 2012 £000 | 2011 £000 |
|---|---------------|---------------|
| <i>Amounts due within one year</i> | | |
| Group relief recoverable | <u>-</u> | <u>742</u> |
| <i>Amounts due after more than one year</i> | | |
| Amounts owed by group undertakings | <u>37,669</u> | <u>51,054</u> |

9. Creditors: amounts falling due within one year

| | 2012 £000 | 2011 £000 |
|----------------------|--------------|--------------|
| Group relief payable | <u>54</u> | <u>-</u> |
| | <u>54</u> | <u>-</u> |

Notes to the financial statements

at 31 December 2012

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

| | 2012 £000 | 2011 £000 |
|------------------------------------|---------------|---------------|
| Amounts owed to group undertakings | 22,125 | 22,471 |
| | <u>22,125</u> | <u>22,471</u> |

11. Share capital

| | | 2012 £000 | | Authorised 2011 £000 | |
|----------------------------|----------------|--|----------------|----------------------------|--|
| Ordinary shares of £1 each | | | | | |
| At 1 January / 31 December | | <u>902,439</u> | | <u>902,439</u> | |
| | | Allotted, called up and fully paid 2012 £000 | | 2011 £000 | |
| Ordinary shares of £1 each | No | | No | | |
| At 1 January | 260,106 | 260,106 | 260,106 | 260,106 | |
| Addition | - | - | - | - | |
| Reduction | - | - | - | - | |
| At 31 December | <u>260,106</u> | <u>260,106</u> | <u>260,106</u> | <u>260,106</u> | |

12. Reconciliation of shareholders' funds and movement on reserves

| | Share capital £000 | Share premium account £000 | Profit and loss reserve £000 | Foreign exchange reserve £000 | Total share- holders' funds £000 |
|-----------------------|-----------------------|-------------------------------------|------------------------------------|--|---|
| At 1 January 2011 | 260,106 | 539,720 | 89,042 | 85 | 888,953 |
| Loss for the period | - | - | (2,060) | - | (2,060) |
| Dividends paid | - | - | (243) | - | (243) |
| At 31 December 2011 | <u>260,106</u> | <u>539,720</u> | <u>86,739</u> | <u>85</u> | <u>886,650</u> |
| At 1 January 2012 | 260,106 | 539,720 | 86,739 | 85 | 886,650 |
| Profit for the period | - | - | 49,396 | - | 49,396 |
| Dividends paid | - | - | (63,231) | - | (63,231) |
| At 31 December 2012 | <u>260,106</u> | <u>539,720</u> | <u>72,904</u> | <u>85</u> | <u>872,815</u> |

Notes to the financial statements

at 31 December 2012

13. Post balance sheet events

There has been no events post 31 December 2012 that would impact the financial statements for the year ended 31 December 2012

14. Ultimate parent company

The immediate and ultimate parent undertaking and controlling party is Laird PLC, a company registered in England and Wales. The consolidated financial statements of Laird PLC, of which the company is a member, are available from its registered office at 100 Pall Mall London SW1Y 5NQ