



BAS COMPONENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

Company Registration Number 375564

BAS COMPONENTS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

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BAS COMPONENTS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 DECEMBER 2010

The board of directors

Mr L Timbrell
Mr I Atkinson
Mr KHA Chan
Mr IM Williamson

Business address

Ferry Lane
Pembroke Dock
Pembroke
Pembrokeshire
SA71 4RG

Registered office

Ferry Lane
Pembroke Dock
Pembroke
Pembrokeshire
SA71 4RG

Auditor

RSM Tenon Audit Limited
Charterhouse
Legge Street
Birmingham
B4 7EU

BAS COMPONENTS LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2010

The directors present their report and the financial statements of the company for the year ended 31 December 2010

Principal activities and business review

The principal activity of the company during the year was the design, manufacture and sale of Proprietary and non-proprietary fasteners and associated feed systems

The main markets for the products are automotive, white goods and industrial equipment. In addition to its design and manufacturing activities, the company has continued to place a significant focus on the outsourcing of non-proprietary products to low cost countries in order to increase its competitiveness in the market segment.

The company's turnover in 2010 was 45% higher than 2009 at £6,857,000 (2009 - £4,713,000). This was due to a strong recovery in the automotive market following on from the economic down turn in the first half of 2009. Gross Margin profit increased by 51% from 2009 levels at £1,668,000 (2009 - £1,105,000) as raw material and outsourced prices stabilised. Operating Profit before exceptional items for 2010 was £421,000 (2009 - £34,000), a significant improvement over previous years. Bank balances were a healthy £196,000 (2009 - £93,000) after dividend payments. Lee Timbrell continued as Managing Director with an emphasis on Business Development.

Future developments

Following the identification of BAS Components as a non core, run-for-value business by TT Electronics, the company was sold to PSM International on 15th December 2010. PSM International is a world wide fastener company with manufacturing in China and Taiwan and distribution and sales offices worldwide. The synergies between BAS and the PSM group will increase the portfolio of products to be offered to the industry and provide further low cost country bases for sourcing of non-proprietary products. The directors consider the sale of BAS together with new opportunities identified in white goods markets will provide a strong basis for continued growth following an excellent 2010.

Results and dividends

The profit for the year, after taxation, amounted to £445,000. Particulars of dividends paid are detailed in note 10 to the financial statements.

BAS COMPONENTS LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 DECEMBER 2010

Financial risk management objectives and policies

The company uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company's financial instruments are inherent rate risk, liquidity risk and foreign currency risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Interest rate risk

The company finances its operations through a mixture of retained profits, inter-company accounts and bank borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed on a group basis by the use of both fixed and floating facilities.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and invest cash assets safely and profitably. Primarily this is achieved through inter-company accounts and bank overdraft facilities.

Currency risk

The company is exposed to transaction and translation foreign exchange risk. In relation to translation risk, the proportion of assets held in the foreign currency are matched to an appropriate level of borrowings in the same currency. Transaction exposures are hedged when known, mainly using the forward hedge market.

Directors

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

Mr L Timbrell	
Mr I Atkinson	(Appointed 15 December 2010)
Mr KHA Chan	(Appointed 15 December 2010)
Mr IM Williamson	(Appointed 15 December 2010)
Mr A Dick	(Resigned 15 December 2010)
Mr A Jolliffe	(Resigned 15 December 2010)

BAS COMPONENTS LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 DECEMBER 2010

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 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, 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 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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

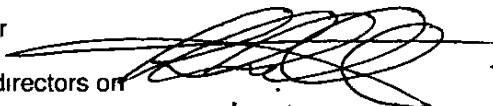
Auditor

During the year Grant Thornton UK LLP resigned as auditors and RSM Tenon Audit Limited were appointed in their place.

Signed on behalf of the directors

Lee Timbrell
Managing Director

Approved by the directors on


31/3/2011

BAS COMPONENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAS
COMPONENTS LIMITED

YEAR ENDED 31 DECEMBER 2010

We have audited the financial statements of BAS Components Limited for the year ended 31 December 2010. 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 auditor

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 and express an opinion on 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 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 2010 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 matters 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.

BAS COMPONENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAS
COMPONENTS LIMITED *(continued)*
YEAR ENDED 31 DECEMBER 2010

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

RSM Tenon Audit Limited

Richard Eccles, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited
Statutory Auditor
Charterhouse
Legge Street
Birmingham
B4 7EU

Date -

4/4/2011.

BAS COMPONENTS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2010

	Note	2010 £000	2009 £000
Turnover	2	6,857	4,713
Cost of sales		(5,189)	(3,608)
Gross profit		<u>1,668</u>	<u>1,105</u>
Distribution costs		(557)	(525)
Administrative expenses		(880)	(592)
Other operating income	3	38	46
Operating profit	4	<u>269</u>	<u>34</u>
Attributable to			
Operating profit before exceptional items		421	34
Exceptional items	4	(152)	—
		<u>269</u>	<u>34</u>
Profit on disposal of fixed assets	7	189	—
Interest payable and similar charges	8	(9)	(5)
Profit on ordinary activities before taxation		<u>449</u>	<u>29</u>
Tax on profit on ordinary activities	9	(4)	(78)
Profit/(loss) for the financial year		<u><u>445</u></u>	<u><u>(49)</u></u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 9 to 17 form part of these financial statements

BAS COMPONENTS LIMITED*Registered Number 375564***BALANCE SHEET****31 DECEMBER 2010**

	Note	£000	2010 £000	£000	2009 £000
Fixed assets					
Tangible assets	11		716		1,138
Current assets					
Stocks	12	1,790		1,237	
Debtors	13	1,237		1,004	
Cash at bank and in hand		196		93	
		<u>3,223</u>		<u>2,334</u>	
Creditors: Amounts falling due within one year	15	<u>(1,745)</u>		<u>(788)</u>	
Net current assets			1,478		1,546
Total assets less current liabilities			<u>2,194</u>		<u>2,684</u>
Capital and reserves					
Called-up share capital	17		1,188		1,188
Other reserves	18		4		4
Profit and loss account	19		1,002		1,492
Shareholders' funds	20		<u>2,194</u>		<u>2,684</u>

These financial statements were approved by the directors and authorised for issue on 31/3/2011, and are signed on their behalf by



Mr L Timbrell
Director

The notes on pages 9 to 17 form part of these financial statements

BAS COMPONENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

Turnover

The turnover shown in the profit and loss account represents the value of all goods sold during the period at selling price exclusive of Value Added Tax. Sales are recognised when the delivery of products or the performance of services takes place in accordance with the contract terms of sale

Tangible fixed assets

Tangible fixed assets are stated at cost less a provision for depreciation. The carrying values of fixed assets are reviewed for impairment where there is an indication that the asset may be impaired

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Freehold Property	- 50 years
Leasehold Property	- Period of lease
Plant & Machinery	- Between 3 & 10 years on cost according to asset type

Stocks

Consignment stocks are regarded as being effectively under the control of the Company and are included within stock on the balance sheet as the Company has the significant risks and rewards of ownership even though legal title has not yet passed. The corresponding liability is included in trade creditors

Work in progress

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on a normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

Operating lease agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease

BAS COMPONENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1 Accounting policies (continued)

Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

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 have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below.

	2010	<i>2009</i>
	£000	<i>£000</i>
United Kingdom	1,788	1,011
Rest of Europe	3,011	2,280
Rest of the World	2,058	1,422
	<u>6,857</u>	<u>4,713</u>

3 Other operating income

	2010	<i>2009</i>
	£000	<i>£000</i>
Rent receivable	—	8
Management charges receivable	38	38
	<u>38</u>	<u>46</u>

BAS COMPONENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

4. Operating profit

Operating profit is stated after charging

	2010	<i>2009</i>
	£000	<i>£000</i>
Depreciation of owned fixed assets	218	277
Operating lease costs		
- Plant and machinery	18	18
Net loss on foreign currency translation	52	83
Auditor's remuneration - audit of the financial statements	11	10
Auditor's remuneration - other fees	2	-
Settlement of legal claim	<u>152</u>	<u>-</u>

Exceptional costs were incurred during the period amounting to £152,000 in respect of the settlement of a legal claim

	2010	<i>2009</i>
	£000	<i>£000</i>
Auditor's remuneration - audit of the financial statements	<u>11</u>	<u>10</u>
Auditor's remuneration - other fees		
- Taxation services	<u>2</u>	<u>-</u>

5. Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2010	<i>2009</i>
	No	<i>No</i>
Number of production staff	34	29
Number of distribution staff	6	6
Number of administrative staff	5	5
	<u>45</u>	<u>40</u>

The aggregate payroll costs of the above were

	2010	<i>2009</i>
	£000	<i>£000</i>
Wages and salaries	1,168	913
Social security costs	109	85
Other pension costs	80	73
	<u>1,357</u>	<u>1,071</u>

BAS COMPONENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

6 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2010	<i>2009</i>
	£000	<i>£000</i>
Remuneration receivable	83	119
Value of company pension contributions to money purchase schemes	5	3
	<u>88</u>	<u>122</u>

The number of directors on whose behalf the company made pension contributions was as follows

	2010	<i>2009</i>
	No	<i>No</i>
Money purchase schemes	<u>1</u>	<u>1</u>

7. Profit on disposal of fixed assets

	2010	<i>2009</i>
	£000	<i>£000</i>
Profit on disposal of fixed assets	<u>189</u>	<u>—</u>

8 Interest payable and similar charges

	2010	<i>2009</i>
	£000	<i>£000</i>
Other similar charges payable	<u>9</u>	<u>5</u>

9. Taxation on ordinary activities

(a) Analysis of charge in the year

	2010	<i>2009</i>
	£000	<i>£000</i>
UK Corporation tax based on the results for the year at 28% (2009 - 28%)	6	85
Over/under provision in prior year	<u>(2)</u>	<u>(7)</u>
	<u>4</u>	<u>78</u>

BAS COMPONENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

9. Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2009 - 28%)

	2010	2009
	£000	£000
Profit on ordinary activities before taxation	449	29
Profit on ordinary activities by rate of tax	126	8
Effects of		
Expenses not deductible for tax purposes	1	2
Capital allowances for period in excess of depreciation	6	75
Utilisation of tax losses	(3)	(2)
Adjustments to tax charge in respect of previous periods	(2)	(7)
Short term timing differences	-	2
Group relief	(124)	-
Total current tax (note 9(a))	4	78

10 Dividends

Equity dividends

	2010	2009
	£000	£000
Paid during the year		
Dividends on equity shares	935	300

BAS COMPONENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

11 Tangible fixed assets

	Freehold Property £000	Leasehold Property £000	Plant & Machinery £000	Total £000
Cost				
At 1 January 2010	439	42	5,302	5,783
Additions	—	—	32	32
Disposals	(439)	—	—	(439)
At 31 December 2010	<u>—</u>	<u>42</u>	<u>5,334</u>	<u>5,376</u>
Depreciation				
At 1 January 2010	179	22	4,444	4,645
Charge for the year	24	7	187	218
On disposals	(203)	—	—	(203)
At 31 December 2010	<u>—</u>	<u>29</u>	<u>4,631</u>	<u>4,660</u>
Net book value				
At 31 December 2010	<u>—</u>	<u>13</u>	<u>703</u>	<u>716</u>
At 31 December 2009	<u>260</u>	<u>20</u>	<u>858</u>	<u>1,138</u>

12. Stocks

	2010 £000	2009 £000
Raw materials	397	281
Work in progress	62	135
Finished goods	1,331	821
	<u>1,790</u>	<u>1,237</u>

13. Debtors

	2010 £000	2009 £000
Trade debtors	1,004	754
Amounts owed by group undertakings	96	25
VAT recoverable	48	67
Other debtors	2	—
Prepayments and accrued income	87	158
	<u>1,237</u>	<u>1,004</u>

BAS COMPONENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

14. Deferred tax

At the end of the year the company had unprovided deferred tax assets as follows

	2010	2009
	£000	£000
Deferred capital allowances	279	234
Short term timing differences	2	2
Losses and other deductions	71	76

No deferred tax asset has been recognised due to the uncertainty of the timing of recoverability of this asset

15. Creditors: Amounts falling due within one year

	2010	2009
	£000	£000
Overdrafts	—	13
Trade creditors	1,023	567
Amounts owed to group undertakings	453	4
Corporation tax	6	84
PAYE and social security	31	—
Accruals and deferred income	232	120
	<u>1,745</u>	<u>788</u>

16. Commitments under operating leases

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below

	2010		2009	
	Land and buildings £000	Other Items £000	Land and buildings £000	Other Items £000
Operating leases which expire				
Within 2 to 5 years	—	18	—	18
After more than 5 years	100	—	—	—
	<u>100</u>	<u>18</u>	<u>—</u>	<u>18</u>

17. Share capital

Authorised share capital:

	2010	2009
	£000	£000
1,200,000 Ordinary shares of £1 each	<u>1,200</u>	<u>1,200</u>

Allotted, called up and fully paid:

	2010		2009	
	No	£000	No	£000
1,188,000 Ordinary shares of £1 each	<u>1,188,347</u>	<u>1,188</u>	<u>1,188,347</u>	<u>1,188</u>

BAS COMPONENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

18. Other reserves

	2010	2009
	£000	£000
Capital redemption reserve	<u>4</u>	<u>4</u>

19. Profit and loss account

	2010	2009
	£000	£000
Balance brought forward	1,492	1,841
Profit/(loss) for the financial year	445	(49)
Equity dividends	(935)	(300)
Balance carried forward	<u>1,002</u>	<u>1,492</u>

20. Reconciliation of movements in shareholders' funds

	2010	2009
	£000	£000
Profit/(loss) for the financial year	445	(49)
Equity dividends	(935)	(300)
Net reduction to shareholders' funds	(490)	(349)
Opening shareholders' funds	2,684	3,033
Closing shareholders' funds	<u>2,194</u>	<u>2,684</u>

21. Pension costs

The company operates a defined contributions pension scheme for the benefit of directors and employees, the assets of which are held independently from those of the company

The total contribution charged by the company in respect of the year ended 31 December 2010 were £16,000 (2009 £12,000) The difference between the accumulated charge and the payments made to the scheme is dealt with in debtors and creditors as appropriate

Defined benefit pension scheme

Further to the acquisition of the company by PSM International Holdings Limited on 15 December 2010, the company no longer participates in the TT Electronics defined benefit pension scheme and the company has no remaining liability in respect of the scheme

TT Electronics have indemnified PSM International Holdings Limited against any potential liabilities in respect of the company's involvement in this scheme

The total contributions charged by the company in respect of the year ended 31 December 2010 were £64,000 (2009 £61,000)

22. Related party transactions

The company is exempt from the disclosure requirement of FRS 8 "Related Party Disclosures" due to the results of the company being consolidated into the group financial statements of PSM Investments Limited

BAS COMPONENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

23. Ultimate parent undertaking and controlling party

The immediate parent undertaking of the company is PSM International Holdings Limited, a company registered in England and Wales

The company's ultimate controlling party and for which consolidated group accounts are prepared is PSM Holding Limited, a company registered in the Cayman Islands