ABBREVIATED ACCOUNTS

JPM INTERNATIONAL

For the year to

28 August 2010

Company Registration No. 1071248

JPM INTERNATIONAL

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JPM INTERNATIONAL
Company registered number 1071248

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DIRECTORS

A Jones
B Mitchell (resigned 17 June 2010)
S Herbert (appointed 17 June 2010)

SECRETARY

A Jones

REGISTERED OFFICE

Seymour House
5 Hampton Court
Marsh Lane
Hampton in Arden
Solihull
B92 0AJ

AUDITORS

PricewaterhouseCoopers LLP
One Kingsway
Cardiff
CF10 3PW

SOLICITORS

Eversheds
1 Callaghan Square
Cardiff
CF10 5BT

BANKERS

Barclays Bank Plc
Northway House Business Centre
P O Box 522
Ty Glas Avenue
Llanishen
Cardiff
CF4 5ZY

COMPANY REGISTERED NO

1071248

JPM INTERNATIONAL
Company registered number 1071248

ABBREVIATED ACCOUNTS

INDEPENDENT AUDITORS' REPORT TO JPM INTERNATIONAL UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 3 to 7, together with the financial statements of JPM International for the year ended 28 August 2010 prepared under section 396 of the Companies Act 2006 The scope of our work for the purposes of this report does not include examining events occurring after the date of our auditors' report on the full financial statements

Respective responsibilities of directors and auditors
The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006 It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you

This report, including the opinion, has been prepared for and only for the company for the purpose of section 449 of the Companies Act 2006 and for no other purpose We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared

Opinion
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444 of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section

Other information
On 31 March 2011 we reported as auditor to the members of the company on the financial statements prepared under section 396 of the Companies Act 2006 and our report included the following paragraph

Emphasis of matter - Going concern
In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in the financial statements covering the ability of the company to continue to operate as a going concern The validity of the going concern basis of preparation is dependent on the ability of the Company to renegotiate the terms of its loan funding together with continued short term financial support from the current shareholder This condition indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern

The financial statements do not include any adjustments which would be required if the going concern basis was not appropriate Details relating to this fundamental uncertainty are set out in note 1 to the financial statements

Jason Clarke (senior statutory auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff

Date 25 May 2011

JPM INTERNATIONAL
Company registered number 1071248

ABBREVIATED BALANCE SHEET
AT 28 August 2010

	Notes	28 August 2010	28 August 2009
		£000	£000
FIXED ASSETS			
Tangible fixed assets	3	34	46
Investments		15	15
		49	61
CURRENT ASSETS			
Stocks		154	54
Debtors		442	2,443
Cash at bank and in hand		294	15
		890	2,512
CREDITORS amounts falling due within one year	4	(2,972)	(3,807)
NET CURRENT LIABILITIES		(2,082)	(1,295)
TOTAL ASSETS LESS CURRENT LIABILITIES		(2,033)	(1,234)
CREDITORS: amounts falling due after more than one year		-	(39)
PROVISIONS FOR LIABILITIES		(9,691)	(8,244)
NET LIABILITIES		**(11,724)**	**(9,517)**
CAPITAL AND RESERVES			
Called up share capital	5	8	8
Profit and loss account		(11,732)	(9,525)
TOTAL SHAREHOLDERS' FUNDS		**(11,724)**	**(9,517)**

The abbreviated financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within part 15 of the Companies Act 2006 and SI 2008/409

The abbreviated financial statements were approved by the Board of Directors on 25 May 2011

and signed on its behalf by

Anthony Robert Jones

NOTES TO THE ABBREVIATED ACCOUNTS
AT 28 August 2010

1] ACCOUNTING POLICIES

Basis of preparation of the financial statements – going concern

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the Company can continue in operational existence for the foreseeable future

The Company has made losses consistently for a number of years The loss for the year ended 28 August 2010 is less than in previous years and the Company generated marginal positive EBITDA for the year Shareholder support was required to manage short-term cash flow shortages and the directors successfully negotiated the deferral of repayment of a £1 25m loan with the Company's principal customer

In June 2010 the ultimate parent company and all subsidiaries were sold to a private investor During the period covered by these financial statements and subsequently, the directors have further re-organised the Company including a revised business strategy of cost rationalisation and expansion into new market segments Further strategic changes which will provide further trading enhancements are being considered

Management has prepared cash flow projections for the twelve month period to 31 March 2012 These projections indicate that the Company will require further cash injection during 2011 in order to continue in operational existence The directors are confident that the restructuring of the business will be successful and have had confirmation that further funding required will be provided by the Company's shareholder and, at the date of approval of these financial statements, discussions with the principal customer regarding the further deferral of the loan are progressing well The directors estimate that the successful negotiation of the loan arrangement will provide sufficient resources to allow the Company to continue trading for a minimum of a further twelve months

In the event that the principal customer requires payment of the loan in full and the shareholder does not provide the necessary funding, the Company would be unable to continue within the current finances available and, therefore, would require further cash injection in order to continue in operational existence

This condition indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern Nevertheless after making enquiries and considering the uncertainty described above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future It is on this basis that the directors consider it appropriate to prepare the financial statements on the going concern basis The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern

Basis of accounting

The accounts have been prepared under the historical cost convention, and in accordance with applicable Accounting Standards A summary of the principal company accounting policies, which have been consistently applied, is shown below

Fixed asset investments

Fixed asset investments, which are stated at cost, are held for the long term and no depreciation is provided unless the directors are of the opinion that there has been a permanent diminution in value

NOTES TO THE ABBREVIATED ACCOUNTS
AT 28 August 2010

1] ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less provision for accumulated depreciation Depreciation is calculated so as to write off the cost of the tangible fixed asset concerned over its expected useful economic life The annual rates of depreciation are as follows

Plant and Machinery	20% straight line
Fixtures and Fittings	20% straight line
Motor Vehicles	25% straight line
Computers	33 3% straight line

Tools and moulds included in fixed assets are depreciated over twelve months from the date of acquisition

Stocks and work-in-progress

Stocks and work-in-progress are valued at the lower of cost and net realisable value A provision is made against the obsolescence of stocks based on the Company's forecast of sales levels

Short term investments

Short-term investments are valued at the lower of cost and net realisable value

Financial instruments

Financial assets and liabilities are measured at cost Financial assets and liabilities are only offset when the Company

- has a legally enforceable right to set off the recognised amounts, and
- it intends to settle on a net basis, or to realise the asset and settle the liability simultaneously

Deferred taxation

FRS 19 'Deferred Tax' has been adopted in the preparation of these accounts The standard requires full provision to be made for deferred tax arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in tax computations, where future payment or receipt is more likely than not to occur In adopting FRS 19, the Company has chosen not to discount deferred tax assets and liabilities

Research and development

All expenditure relating to research and development is written off during the year in which it is incurred

1] **ACCOUNTING POLICIES (continued)**

Turnover

Turnover represents the invoice value of goods and services provided by the Company, exclusive of value added tax

Leased assets and hire purchase commitments

The capital value of assets acquired under finance leases and hire purchase contracts is included in fixed assets and is depreciated over the life of the lease or their expected useful life The capital element of the remaining lease payments is included in creditors and the finance cost element charged to profit and loss account over the length of the lease or hire purchase contract

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease

Retirement benefits

FRS 17 - "Retirement Benefits" requires the assets of a defined benefit scheme to be measured at market value at each balance sheet date and the liabilities to be measured using a specified actuarial valuation method

It also requires the resulting pension scheme surplus or deficit to be recognised immediately in the Company's balance sheet and any resulting actuarial gains and losses to be recognised immediately in the Company's statement of total recognised gains and losses rather than being recognised gradually in the Company's profit and loss account

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling and recorded at the exchange rate ruling at the date of the transactions Assets and liabilities are translated at the exchange rate ruling at the balance sheet date

2] **GOING CONCERN BASIS OF PREPARATION**

The accounts have been prepared on a going concern basis, which assumes that the company has sufficient finance available to it to remain in operational existence for the foreseeable future During the period, the ultimate parent company was purchased by a new investor and this has delivered significant confidence with trading partners as well as allowing restructuring of the treasury arrangements, delivering uplift in trading performance The impact on trading already taking effect means there is less concern about sufficient funds being available However, in the event of the going concern basis being inappropriate, adjustments would be necessary to the accounts to write assets down to their realisable value and to make provision for amounts which may arise as a result of winding down the business

The directors believe that they have taken appropriate action and that the company is returning to profitability, allowing sufficient cash flows to be generated from future trading to fund the ongoing business activities It is on this basis that the directors have continued to prepare the accounts on a going concern basis

NOTES TO THE ABBREVIATED ACCOUNTS
AT 28 August 2010

3] TANGIBLE FIXED ASSETS

	£000
Cost	
At 29 August 2009	435
Additions	12
Disposals	(310)
At 28 August 2010	137
Depreciation	
At 29 August 2009	389
Provided during the period	24
Disposals	(310)
At 28 August 2010	103
Net book value	
At 28 August 2010	34
At 29 August 2009	46

4] CREDITORS. amounts falling due within one year

	2010 £000	2009 £000
Aggregate of amounts included for which security has been given by the Company	1,250	1,250

5] CALLED UP SHARE CAPITAL

	2010 £000	2009 £000
Allotted, called up and fully paid		
8,202,000 deferred shares of £0 001 each	8	8
100 ordinary shares of US$1 each	-	-
	8	8