

Company registration No 04721037(England and Wales)

NX INFRASTRUCTURE (WALES) LIMITED

FINANCIAL STATEMENTS YEAR ENDED 30 APRIL 2012

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NX INFRASTRUCTURE (WALES) LIMITED

COMPANY INFORMATION

Directors

JE Orth (resigned 30 November 2011)
R Baker
J Patakı (appointed 09 December 2011)
J Nolan (resigned 30 November 2011)
P Harlow (resigned 12 January 2012)

Secretary

Company number

04721037

Registered office

The Wern Works
Briton Ferry
Neath
West Glamorgan
SA11 2JX West Glamorgan

Auditors

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

NX INFRASTRUCTURE (WALES) LIMITED

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NX INFRASTRUCTURE (WALES) LIMITED

DIRECTORS' REPORT

For year ended 30 April 2012

The directors present their report and financial statements for the year ended 30 April 2012

Principal Activities

Since the year end, the decision has been made to close the manufacturing facility in Wales as the parent company seeks to establish a manufacturing facility in the USA

Directors

The directors during the year were as follows,

- J E Orth (resigned 30 November 2011)
- J Nolan (resigned (30 November 2011)
- P Harlow (resigned (12 January 2012)
- R Baker
- J Pataki (appointed 9 December 2011)

Auditors

BDO LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the next annual general meeting

NX INFRASTRUCTURE (WALES) LIMITED

DIRECTORS' REPORT cont...

For year ended 30 April 2012

Directors' Responsibilities

The directors are responsible for preparing the directors' report and 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 company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice 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 judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

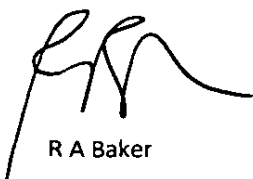
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

Statement of Disclosure to Auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

In preparing this directors' report advantage has been taken of the small companies' exemption.

On behalf of the board



R A Baker

Director

25 June 2013

NX INFRASTRUCTURE (WALES) LIMITED

AUDITORS REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NX INFRASTRUCTURE (WALES) LIMITED

We have audited the financial statements of NX Infrastructure (Wales) Limited for the year ended 30th April 2012 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 statement of directors' responsibilities, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

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 30th April 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

NX INFRASTRUCTURE (WALES) LIMITED

Emphasis of matter-going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning the company's inability to continue as a going concern and the basis on which the financial statements have been prepared. In light of the decision taken post year end to close the manufacturing facility in Wales and seek alternative manufacturing facilities in USA, these financial statements have not been prepared on a going concern basis.

At 30 April 2012 the company had net liabilities of £11,921,485 and had incurred a loss of £582,761 for the year then ended. The company is dependent on the continued financial support from its parent undertaking, NX Infrastructure Limited. The directors have received assurances from the parent undertaking that it will continue to provide financial support to NX Infrastructure (Wales) Limited. The group requires substantial further investment. The parent company is involved in continuing discussions to raise the necessary funds for the group. Whilst the directors of the parent are confident that funds will be forthcoming there is no guarantee the necessary funds will become available. In the event the parent company is unable to raise the necessary funds, the parent entity may not be able to provide financial support to the company and the company in turn may not be able to operate as a going concern.

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.

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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

BDO LLP

A Stickland (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom
Date 28 June 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

NX INFRASTRUCTURE (WALES) LIMITED

PROFIT AND LOSS ACCOUNT

For year ended 30 April 2012

		2012	2011
	Notes	£	£
Turnover	2	1,239	193,740
Cost of sales		(276,537)	(647,267)
Gross loss		(275,298)	(453,527)
Administrative expenses		(307,456)	(246,623)
Operating loss	3	(582,754)	(700,150)
Interest payable and similar charges		(7)	(2,594)
Loss on ordinary activities before taxation		(582,761)	(702,744)
Tax on loss on ordinary activities	4	-	-
Loss on ordinary activities after taxation		(582,761)	(702,744)

The results detailed above are derived wholly from continuing operations. There were no recognised gains or losses other than the loss for the financial year.

The notes on pages 10 – 13 form part of these financial statements

NX INFRASTRUCTURE (WALES) LIMITED

BALANCE SHEET

As at 30 April 2012

Company number 04721037

		2012		2011	
		£	£	£	£
Fixed assets	Notes				
Tangible assets	5		18,863		432,665
Current assets					
Stocks		0		0	
Debtors	6	77,675		22,446	
Cash at bank and in hand		38		4,876	
		<u>77,713</u>		<u>27,322</u>	
Creditors: amounts falling due within one year	7	<u>(12,018,061)</u>		<u>(11,798,711)</u>	
Net current (liabilities)			<u>(11,940,348)</u>		<u>(11,771,389)</u>
Total assets less current liabilities			<u>(11,921,485)</u>		<u>(11,338,724)</u>
			<u>(11,921,485)</u>		<u>(11,338,724)</u>
Capital and reserves					
Called up share capital	8		1		1
Profit and loss account	9		<u>(11,921,486)</u>		<u>(11,338,725)</u>
Shareholders' liabilities			<u>(11,921,485)</u>		<u>(11,338,724)</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board and authorized for Issue on 25 June 2013

R A Baker

Director

The notes on pages 10 - 13 form part of these financial statements

NX INFRASTRUCTURE (WALES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For year ended 30 April 2012

1 0 ACCOUNTING POLICIES

The following principal accounting policies have been applied

1 1 ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard For Smaller Entities (effective April 2008)

BASIS OF PREPARATION

In light of the decision taken post year end to close the manufacturing facility in Wales, these financial statements have not been prepared on a going concern basis

As the company is a wholly owned subsidiary of NX Infrastructure Limited and that company prepares consolidated financial statements, this company has taken advantage of the partial exemptions contained within the Financial Reporting Standard for Smaller Entities and therefore has not disclosed transactions with other group companies

1 2 COMPLIANCE WITH ACCOUNTING STANDARDS

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1 3 TURNOVER

Turnover represents amounts receivable for goods and services net of VAT and trade discounts Turnover is recognised upon despatch of goods

1 4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation or at net realisable value Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	Straight line over 10 years
Fixtures, fittings & equipment	Straight line over 3 years

1 5 STOCK

Stock and work in progress are valued at the lower of cost and net realizable value

NX INFRASTRUCTURE (WALES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For year ended 30 April 2012

1 6 DEFERRED TAXATION

Deferred taxation balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except for

- The recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient suitable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

1 7 FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 0 TURNOVER

Turnover is derived from the principal activity and arises in the following geographical locations

	2012 £	2011 £
UK	1,239	70,993
USA	-	122,537
Rest of World	-	210
	<u>1,239</u>	<u>193,740</u>

3 0 OPERATING LOSS

	2012 £	2011 £
Operating loss is stated after charging		
Depreciation of tangible assets	-	200,000
Auditors' remuneration	5,000	4,500
	<u>5,000</u>	<u>4,500</u>

There are no directors' remuneration in the year (2011: £nil)

4 0 TAXATION

No charge to corporation tax arises due to the loss for the year. The company has tax losses of approximately £10,343,000 (2011: £9,888,000) available for offset against future trading profits subject to agreement by HMRC.

No provision for a potential deferred tax asset of £2,606,000 (2011: £2,744,000) has been provided.

NX INFRASTRUCTURE (WALES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Continued

For year ended 30 April 2012

5.0 TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures fittings & equipment	Total
	£	£	£
Cost			
At 1 May 2011	1,155,375	278,084	1,433,459
Disposals	(1,113,716)	(274,148)	(1,387,864)
At 30 April 2012	41,659	3,936	45,595
Depreciation			
At 1 May 2011	722,710	278,084	1,000,794
Charge for the year	0		0
Disposals	(699,914)	(274,148)	(974,062)
At 30 April 2012	22,796	3,936	26,732
Net book value			
At 30 April 2012	18,863	-	18,863
At 30 April 2011	432,665	-	432,665

6.0 DEBTORS

	2012 £	2011 £
Trade debtors	-	-
Other debtors	77,675	22,446
	77,675	22,446

7.0 CREDITORS: Amounts Falling Due Within One Year

	2012 £	2011 £
Trade creditors	248,919	26,777
Amounts owed to group undertakings	11,531,894	11,538,688
Taxation and social security	25,274	25,275
Other creditors	211,974	207,971
	12,018,061	11,798,711

NX INFRASTRUCTURE (WALES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Continued

For year ended 30 April 2012

8.0 SHARE CAPITAL

	2012 £	2011 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

9.0 STATEMENT OF MOVEMENT IN RESERVES

	Profit and Loss Account £
Balance as at 1 May 2011	(11,338,725)
Loss for the year	<u>(582,761)</u>
Balance at 30 April 2012	<u>(11,921,486)</u>

10.0 FINANCIAL COMMITMENTS

At 30 April 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2013

	2012 £	2011 £
Operating leases which expire within two years	-	10,000
Operating leases which expire between two and five years	<u>-</u>	<u>-</u>

11.0 CONTROL

The ultimate parent undertaking and controlling party is NX Infrastructure Limited, a company registered in England

No one party exercises control over NX Infrastructure Limited

RELATED PARTY TRANSACTIONS

Under the FRSSE, the company is exempt from the requirement to disclose related party transactions with the group undertaking on the grounds that they are wholly owned subsidiaries and all the related party transactions are included in the consolidated financial statements of NX Infrastructure Limited. These financial statements are available from Companies House, Cardiff