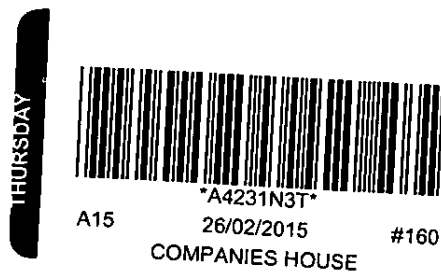


NX INFRASTRUCTURE (WALES) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2013



NX INFRASTRUCTURE (WALES) LIMITED

COMPANY INFORMATION

Directors	R A Baker J Pataki
Registered number	04721037
Registered office	The Admin Centre The Wern Works Briton Ferry Neath West Glamorgan SA11 2JX
Independent auditors	Warrener Stewart Chartered Accountants and Statutory Auditors Harwood House 43 Harwood Road London SW6 4QP

NX INFRASTRUCTURE (WALES) LIMITED

CONTENTS

	Page
Directors' Report	1 - 2
Independent Auditors' Report	3 - 4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7 - 9

NX INFRASTRUCTURE (WALES) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2013

The directors present their report and the financial statements for the year ended 30 April 2013

Principal activities

The company closed its manufacturing facility in Wales during the year as the parent company seeks to establish a manufacturing facility in the USA. As a consequence these financial statements have not been prepared on a going concern basis.

Directors

The directors who served during the year were

R A Baker
J Pataki

Directors' responsibilities statement

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 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,
- 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

NX INFRASTRUCTURE (WALES) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2013

Auditors

The auditors, Warrener Stewart, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf



R A Baker
Director

Date 5 December 2014

NX INFRASTRUCTURE (WALES) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NX INFRASTRUCTURE (WALES) LIMITED

We have audited the financial statements of NX Infrastructure (Wales) Limited for the year ended 30 April 2013, set out on pages 5 to 9. 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 Auditors' 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, 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 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 30 April 2013 and of its profit 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

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NX INFRASTRUCTURE (WALES) LIMITED

Emphasis of matter

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 during the year 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 2013 the company had net liabilities of £11,881,510 and 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 return to operate as a going concern.

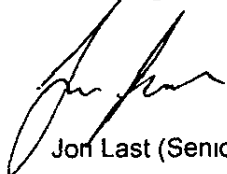
Opinion on other matter prescribed by the Companies Act 2006

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.

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 in accordance with the small companies regime and to take advantage of the small companies' exemption in preparing the Directors' Report.



Jon Last (Senior Statutory Auditor)

for and on behalf of
Warrener Stewart

Chartered Accountants and Statutory Auditors

Harwood House
43 Harwood Road
London
SW6 4QP

5 December 2014

NX INFRASTRUCTURE (WALES) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2013

	Note	2013 £	2012 £
Turnover	1	-	1,239
Cost of sales		43,904	(276,537)
Gross profit/(loss)		43,904	(275,298)
Administrative expenses		(3,609)	(307,456)
Operating profit/(loss)	2	40,295	(582,754)
Interest payable and similar charges		(320)	(7)
Profit/(loss) on ordinary activities before taxation		39,975	(582,761)
Tax on profit/(loss) on ordinary activities	3	-	-
Profit/(loss) for the financial year	8	39,975	(582,761)

The notes on pages 7 to 9 form part of these financial statements


NX INFRASTRUCTURE (WALES) LIMITED
REGISTERED NUMBER: 04721037

BALANCE SHEET
AS AT 30 APRIL 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	4		-		18,863
Current assets					
Debtors	5	1		77,675	
Cash at bank		107		38	
		<u>108</u>		<u>77,713</u>	
Creditors. amounts falling due within one year	6	<u>(11,881,618)</u>		<u>(12,018,061)</u>	
Net current liabilities			<u>(11,881,510)</u>		<u>(11,940,348)</u>
Net liabilities			<u>(11,881,510)</u>		<u>(11,921,485)</u>
Capital and reserves					
Called up share capital	7		1		1
Profit and loss account	8		<u>(11,881,511)</u>		<u>(11,921,486)</u>
Shareholders' deficit			<u>(11,881,510)</u>		<u>(11,921,485)</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



R A Baker
 Director

Date 5 December 2014

The notes on pages 7 to 9 form part of these financial statements

NX INFRASTRUCTURE (WALES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2013

1 Accounting Policies

1.1 Basis of preparation of financial statements

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

The company closed its manufacturing facility in Wales during the year ended 30 April 2013 therefore these financial statements have not been prepared on a going concern basis

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover is recognised upon dispatch of goods

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant and machinery	-	Straight line over 10 years
Fixtures and fittings	-	Straight line over 3 years

1.4 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and Loss Account

NX INFRASTRUCTURE (WALES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2013

2. Operating profit/(loss)

The operating profit/(loss) is stated after charging

	2013 £	2012 £
Auditors' remuneration	3,000	5,000

During the year, no director received any emoluments (2012 - £NIL)

3. Taxation

No charge to corporation tax arises due to the availability of brought forward losses. The company has tax losses of approximately £10,295,000 (2012 £10,343,000) available for offset against future trading profits subject to agreement by HMRC.

No provision for a potential deferred tax asset of £2,059,000 (2012 £2,606,000) has been provided.

4. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 May 2012	41,659	3,936	45,595
Transfers intra group	(41,659)	(3,936)	(45,595)
At 30 April 2013	-	-	-
Depreciation			
At 1 May 2012	22,796	3,936	26,732
Transfers intra group	(22,796)	(3,936)	(26,732)
At 30 April 2013	-	-	-
Net book value			
At 30 April 2013	-	-	-
At 30 April 2012	18,863	-	18,863

5. Debtors

	2013 £	2012 £
Other debtors	1	77,675

NX INFRASTRUCTURE (WALES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2013

6. Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	147,519	248,919
Amounts owed to group undertakings	11,492,023	11,531,894
Other taxation and social security	35,352	25,274
Other creditors	206,724	211,974
	<u>11,881,618</u>	<u>12,018,061</u>

7. Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

8. Reserves

	Profit and loss account £
At 1 May 2012	(11,921,486)
Profit for the financial year	39,975
At 30 April 2013	<u>(11,881,511)</u>

9. Ultimate parent undertaking and controlling party

The ultimate parent undertaking 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 group undertakings on the grounds that they are wholly owned subsidiaries and all related party transactions are included in the consolidated financial statements of NX Infrastructure Limited. These financial statements are available to the public from Companies House, Cardiff.