

Company Registration No. 04054440

J.P. Morgan Atlantic Energy Holdings Ltd
(formerly RBS Semptra Atlantic Energy Holdings Limited)

Report and Financial Statements

31 December 2009

Registered office

**125 London Wall
London
EC2Y 5AJ**

MONDAY



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29/11/2010
COMPANIES HOUSE

J.P. Morgan Atlantic Energy Holdings Ltd
(formerly RBS Sempra Atlantic Energy Holdings Limited)

REPORT AND FINANCIAL STATEMENTS 2009

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J.P. Morgan Atlantic Energy Holdings Ltd

(formerly RBS Sempra Atlantic Energy Holdings Limited)

DIRECTORS' REPORT

The directors present the annual report and the audited financial statements for the year ended 31 December 2009. The comparative amounts are for the year ended 31 December 2008.

This directors' report has been prepared in accordance with the provisions applicable to entities entitled to the small companies' exemption.

PRINCIPAL ACTIVITIES AND FUTURE PROSPECTS

J P Morgan Atlantic Energy Holdings Ltd ("The Company") was formed as a holding company to purchase a portion of Atlantic Electric and Gas Limited ("Atlantic"). On 27 April 2004, Atlantic was put into administrative receivership and substantially all of its assets were sold. On 22 December 2009 Atlantic was formally dissolved.

On 9 July, 2007, Sempra Energy ("Sempra") and The Royal Bank of Scotland plc ("RBS") entered into an agreement to form a partnership, RBS Sempra Commodities LLP (the "Partnership" or "RBSSC"), to purchase and operate Sempra's commodity trading and marketing businesses. Pursuant to a Master Formation and Equity Interest Purchase Agreement, the Partnership was formed as a United Kingdom limited liability partnership. The formation of the Partnership was effected on 1 April, 2008. On 14 March 2008, Sempra Energy Trading Holdings Sàrl, the immediate parent company, sold its entire interest in the share capital of the Company to RBS Sempra Energy Trading Holdings Limited. On 1 July 2008, the Company changed its name to RBS Sempra Atlantic Energy Holdings Limited. The Company will continue to act as a holding company for investments in the coming year.

On 17 February 2010 both the Royal Bank of Scotland plc and Sempra Energy agreed to sell their shares in the Company, and some other related companies within the RBS Sempra Commodities LLP, to J P Morgan Ventures Energy Corporation.

Consequently the Company has since ultimately been owned by J P Morgan Chase & Co. The fundamental purpose and operational function of the Company did not change as a result of the transfer.

Pursuant to a special resolution passed by the shareholder of the Company on 25 June 2010, the Company changed its name from RBS Sempra Atlantic Energy Holdings Limited to J P Morgan Atlantic Energy Holdings Ltd. The name change was certified by the Registrar of Companies for England and Wales on 2 July 2010.

RESULTS AND DIVIDENDS

The Company had a loss before tax of £44,210 for the year ended 31 December 2009 and a profit before tax of £85,707 for the year ended 31 December 2008. The Company did not declare or pay dividends in the year (2008 – £nil).

GOING CONCERN BASIS

The Company's business activities together with the factors likely to affect its future development, performance and position are set out above.

The financial statements have been prepared on a basis other than that of a going concern (note 1). The directors believe that no adjustments are currently required to the carrying value of the assets within the financial statements. The directors confirm that the Company will meet liabilities as they fall due.

J.P. Morgan Atlantic Energy Holdings Ltd

(formerly RBS Sempra Atlantic Energy Holdings Limited)

DIRECTORS' REPORT (Continued)

DIRECTORS

The directors who served throughout the year and up to the date of signing, except as stated, are shown below (note 10)

Michael Goldstein (resigned 16 June 2010)

William Winget (resigned 1 July 2010)

René Vanhaesendonck

FINANCIAL RISK MANAGEMENT

The Company's significant assets are amounts due from affiliate companies and it has no significant liabilities

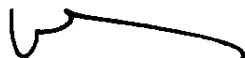
AUDITORS

In the case of the person who is the director of the Company at the date when this report was approved

- the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all steps that he ought to have taken as director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Approved by the Board of Directors and signed on behalf of the Board on 11 November 2010



René Vanhaesendonck

Director

11 November 2010

J.P. Morgan Atlantic Energy Holdings Ltd

(formerly RBS Sempra Atlantic Energy Holdings Limited)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, 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 with reasonable accuracy at any time the financial position of the Company and to 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 AUDITORS' REPORT TO THE MEMBERS OF J.P. MORGAN ATLANTIC ENERGY HOLDINGS LTD (FORMERLY RBS SEMPRA ATLANTIC ENERGY HOLDINGS LIMITED)

We have audited the financial statements of J P Morgan Atlantic Energy Holdings Ltd (formerly RBS Sempra Atlantic Energy Holdings Limited) for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet, and the related notes 1 to 10. 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 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 director and auditors

As more fully explained in the Directors' Responsibilities Statements, 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 Practice Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of 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.

Opinion

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its loss 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J.P. MORGAN ATLANTIC ENERGY HOLDINGS LTD (FORMERLY RBS SEMPRA ATLANTIC ENERGY HOLDINGS LIMITED) (continued)

Emphasis of matter - Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern

Opinion on matters prescribed in the Companies Act 2006

In our opinion the information 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 take advantage of the small companies exemption in preparing the directors' report



Mark Rhys (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

26th November 2010

J.P. Morgan Atlantic Energy Holdings Ltd
(formerly RBS Semptra Atlantic Energy Holdings Limited)

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2009

	Note	2009 £	2008 £
TURNOVER	1	(33,709)	92,622
Administrative expenses		<u>(15,600)</u>	<u>(15,000)</u>
OPERATING (LOSS)/INCOME		(49,309)	77,622
Interest receivable		<u>5,099</u>	<u>8,085</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION	2, 4	<u><u>(44,210)</u></u>	<u><u>85,707</u></u>

All activities relate to discontinued operations

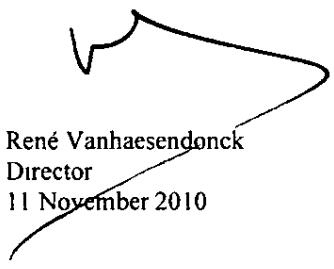
There are no recognised gains or losses in either the current year or previous year other than the results for the financial years ended 31 December 2009 and 31 December 2008, respectively, as stated above

J.P. Morgan Atlantic Energy Holdings Ltd
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BALANCE SHEET
31 December 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Investments	5	-	-
CURRENT ASSETS			
Amounts due from group companies		289,270	348,480
		289,270	348,480
CREDITORS: amounts falling due within one year			
Accruals		(15,000)	(30,000)
NET ASSETS		274,270	318,480
CAPITAL AND RESERVES			
Called up share capital	6	1	1
Profit and loss account		274,269	318,479
SHAREHOLDER'S FUNDS	7	274,270	318,480

The financial statements of J P Morgan Atlantic Energy Holdings Ltd, registered number 04054440, were approved and authorised for issue by the Board of Directors on 11 November 2010


René Vanhaesendonck
Director
11 November 2010

J.P. Morgan Atlantic Energy Holdings Ltd

(formerly RBS Sempra Atlantic Energy Holdings Limited)

NOTES TO THE ACCOUNTS

Year ended 31 December 2009

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice ("UK GAAP") The principal accounting policies which have been consistently adopted in the presentation of the accounts are set out below

Going Concern

The Company was formed as a holding company to purchase a portion of Atlantic Electric and Gas Limited ("Atlantic") On 27 April 2004, Atlantic was put into administrative receivership and substantially all of its assets were sold On 22 December 2009 Atlantic was formally dissolved

Based on the above, the financial statements have been prepared on a basis other than going concern The directors believe that no adjustments are currently required to the carrying value of the assets within the financial statements

Non-consolidation

The financial statements have been prepared on a single company basis for the years ended 31 December 2009 and 31 December 2008 Atlantic Electric and Gas Limited ("Atlantic"), the Company's related entity, was placed into administrative receivership on 27 April 2004 and substantially all of its assets were sold On 22 December 2009 Atlantic was formally dissolved At 31 December 2008, the Company did not have control of Atlantic given it was in administrative receivership so that there is no requirement to prepare consolidated accounts

Cash flow statement

Under Financial Reporting Standard ("FRS") 1 (revised) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that more than 90% of the voting rights are controlled by a group company which includes the Company in its own published financial statements

Turnover

Turnover is derived from the Company's activities as an investment holding company and includes foreign exchange gains and losses

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be recovered (or paid) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, 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 is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date Deferred tax is measured on a non-discounted basis

J.P. Morgan Atlantic Energy Holdings Ltd
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NOTES TO THE ACCOUNTS
Year ended 31 December 2009

1. ACCOUNTING POLICIES (continued)

Foreign currencies

Transactions denominated in foreign currencies are translated into Great Britain Pounds ("GBP") at the then current exchange rates. Fixed assets and capital denominated in foreign currencies are translated at historical rates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Differences arising on translation are dealt with in turnover.

Interest income and expense

Interest income and expense is recognised on an accruals basis in the profit and loss account.

Investments

Investments held as fixed assets are stated at cost less any provision for impairment in value.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging

	2009 £	2008 £
Auditors' remuneration - fees for the audit of the Company's accounts	15,600	15,000

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The directors did not receive any emoluments for their services to the Company in 2009 or 2008. The Company had no employees in 2009 or 2008.

4. TAX ON ORDINARY ACTIVITIES

Factors affecting corporation tax charge for the year

The difference between the total current corporation tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit/(loss) before taxation is as follows:

	2009 £	2008 £
(Loss)/profit on ordinary activities before taxation	(44,210)	85,707
(Loss)/profit on ordinary activities multiplied by standard rate of UK corporation tax of 28% (2008 - 28.5%)	12,379	(24,426)
Effects of Group relief surrendered/claimed	(12,379)	24,426
Current corporation tax charge for the year	-	-

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NOTES TO THE ACCOUNTS
Year ended 31 December 2009

5. INVESTMENTS

	£
Cost	
At 1 January 2009	5,360,358
Less written off during the year	<u>(5,360,358)</u>
At 31 December 2009	<u>-</u>
Provisions	
At 1 January 2009	5,360,358
Less written off during the year	<u>(5,360,358)</u>
At 31 December 2009	<u>-</u>
Net Book Value	
At 31 December 2009	<u>-</u>
At 31 December 2008	<u>-</u>

The Company held 40.2% of the issued ordinary share capital of Atlantic, a company incorporated in the United Kingdom. The investment in Atlantic was fully provided against to the extent of the Company's own holding in 2003, due to the losses incurred by Atlantic. On 27 April 2004, Atlantic was put into administrative receivership. On 22 December 2009 Atlantic was formally dissolved, and since the investments were fully provided for in prior years, this provision along with the investments have been fully written off in the current year.

6. SHARE CAPITAL

	2009 £	2008 £
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	<u>1</u>	<u>1</u>

J.P. Morgan Atlantic Energy Holdings Ltd
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NOTES TO THE ACCOUNTS
Year ended 31 December 2009

7. COMBINED STATEMENT OF RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS AND MOVEMENTS ON RESERVES

	Share capital £	Profit and loss account £	Total £
As at 1 January 2009	1	318,479	318,480
Loss for the year	-	(44,210)	(44,210)
Closing shareholder's funds	1	274,269	274,270

8. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under FRS 8 not to disclose transactions between entities within the intermediate group to which the Company belongs - RBS Semptra Commodities Limited Liability Partnership, since 100% of voting rights of those entities are controlled within this intermediate group and the intermediate group prepares consolidated financial statements which are made available to the public and which include the results of the Company

As at 31 December 2009, the UK Government through HM Treasury is the ultimate controlling party of The Royal Bank of Scotland Group plc. The UK Government's shareholding is managed by UK Financial Investments Limited, a company wholly owned by the UK Government. As a result the UK Government and UK Government controlled bodies became related parties. The Company enters into transactions with many of these bodies on an arms' length basis. Transactions include the payment of taxes including UK corporation tax and value added tax. The volume and diversity of these transactions are such that disclosure of their amounts is impractical.

9. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

As at 31 December 2009, The Royal Bank of Scotland Group plc, a company incorporated in Great Britain and listed on the UK Stock Exchange, was the Company's ultimate parent company and also the parent of the largest group for which group accounts were prepared. RBS Semptra Energy Trading Holdings Limited, a company incorporated in Great Britain, was the Company's immediate parent company. The intermediate holding company, and the parent of the smallest group for which group accounts were prepared is RBSSC. Copies of all group financial statements are available from the Company Secretary at 24/25 St Andrew Square, Edinburgh, Midlothian, EH2 1AF.

On 1 December 2008, the UK Government through HM Treasury acquired a controlling shareholding in RBS. The UK Government has announced that its shareholdings in banks will be managed by UK Financial Investments Limited, a company wholly-owned by the UK Government.

J.P. Morgan Atlantic Energy Holdings Ltd
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NOTES TO THE ACCOUNTS
Year ended 31 December 2009

10. POST BALANCE SHEET EVENTS

As part of the acquisition by J P Morgan Ventures Energy Corporation of certain business and assets of RBS Sempra Commodities LLP, all the issued shares of the Company's parent RBS Sempra Metals Group Limited, and of some other related companies of the group were transferred to J P Morgan Ventures Energy Corporation, a wholly-owned subsidiary of J P Morgan Chase & Co. Consequently the Company has since ultimately been owned by J P Morgan Chase & Co. The fundamental purpose and operational function of the Company did not change as a result of the transfer.

Pursuant to a special resolution passed by the shareholders of the Company on 25 June 2010, the Company changed its name from RBS Sempra Atlantic Energy Holdings Limited to J P Morgan Atlantic Energy Holdings Ltd. The name change was certified by the Registrar of Companies for England and Wales on 2 July 2010.