

Seton House Automotive Components

**Directors' report and financial
statements**

Registered number 385881

Year ended 31 December 2009

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Directors' report

The directors present their annual report and audited financial statements for the year ended 31 December 2009

Principal activities and review of the business

The principal activity of the company is that of an investment company

The profit and loss account for the year is set out on page 5

Dividends

The directors do not recommend the payment of a dividend (2008 \$Nil)

Directors

The directors of the company who held office during the year were as follows

SD McCaslin

PD Carter

MA Kayser (resigned 7 May 2009)

NA Rodgers (appointed 7 May 2009)

WG Devanney was appointed as a director of the company on 14 June 2010

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



SD McCaslin
Director

Watchmoor Point
Watchmoor Road
Camberley
Surrey
GU15 3EX

21 June 2010

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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, subject to any material departures disclosed and explained in the financial statements, 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Independent auditors' report to the members of Seton House Automotive Components

We have audited the financial statements of Seton House Automotive Components for the year ended 31 December 2009 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 Practices Board's (APB'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 APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 2009 and of its result for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Independent auditors' report to the members of Seton House Automotive Components *(continued)*

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



X Timmermans (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

21 June 2010

Profit and loss account
for the year ended 31 December 2009

	<i>Note</i>	2009 \$	2008 \$
Administrative expenses		<u>1</u>	<u>(5)</u>
Operating profit/(loss)		<u>1</u>	<u>(5)</u>
Interest receivable/(payable)	4	<u>643,303</u>	<u>(5)</u>
Profit/(Loss) on ordinary activities before taxation	3	<u>643,304</u>	<u>(10)</u>
Tax charge on profit on ordinary activities	5	<u>(643,304)</u>	<u>(31)</u>
Profit/(Loss) on ordinary activities after taxation	9	<u><u>-</u></u>	<u><u>(41)</u></u>

All amounts relate to continuing operations

There are no recognised gains or losses for the current or prior financial periods other than those presented above

Balance sheet
at 31 December 2009

	<i>Note</i>	2009 \$	2008 \$
Current assets			
Debtors	6	12,377,733	11,696,429
Cash at bank and in hand		30,800	68,800
		<u>12,408,533</u>	<u>11,765,229</u>
Creditors Amounts falling due within one year	7	(643,304)	-
		<u>11,765,229</u>	<u>11,765,229</u>
Net current assets			
		<u>11,765,229</u>	<u>11,765,229</u>
Net assets		<u>11,765,229</u>	<u>11,765,229</u>
Capital and reserves			
Called up share capital	8	11,765,270	11,765,270
Profit and loss account	9	(41)	(41)
		<u>11,765,229</u>	<u>11,765,229</u>
Equity shareholders funds	10	<u>11,765,229</u>	<u>11,765,229</u>

These financial statements were approved by the directors and signed on their behalf on 21 June 2010 by



SD McCaslin
Director

Company Registration Number 00385881

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention and applicable accounting standards

Accounts preparation in US Dollars

Historically, the accounts have been prepared in US Dollars to enable the Seton House Group to manage internal currency hedging involving US Dollars and to provide a vehicle for inter-company interest charges to flow through the group

Taxation

Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Cash flow statement

The company is exempt under Financial Reporting Standard 1(revised) from the requirement to present a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

Related party transactions

As permitted by paragraph 3(c) FRS8 (Related Party Disclosures), the company has taken advantage of the exemption for 90% subsidiaries not to disclose related party transactions with group entities. There were no other related party transactions disclosable under FRS8

2 Directors' emoluments

No director received any emoluments for services to the company during the year (2008 \$Nil)

3 Profit on ordinary activities before taxation

Auditors' remuneration is borne by another group company

4 Interest payable/receivable

	2009 \$	2008 \$
Bank interest	-	(5)
Receivable from group undertakings	643,303	-
	<u>643,303</u>	<u>-</u>

5 Tax on profit on ordinary activities

Analysis of charge in period

	2009 \$	2008 \$
<i>UK corporation tax</i>		
Amounts due from group undertakings in respect of group relief	(643,304)	-
Adjustments in respect of prior years	-	31
	<u>(643,304)</u>	<u>31</u>
Tax on profit on ordinary activities	(643,304)	31

Notes (continued)

5 Tax on profit on ordinary activities (continued)

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2008 higher) than the standard rate of corporation tax in the UK (28%) (2008 composite rate 28.5%). The differences are explained below

	2009 \$	2008 \$
<i>Current tax reconciliation</i>		
Profit/(Loss) on ordinary activities before taxation	643,304	(10)
	<hr/>	<hr/>
Current tax charge at 28% (2008 28.5%)	(180,125)	-
<i>Effects of</i>		
Group relief paid at 100%	(463,179)	-
Adjustment in respect of prior period		31
	<hr/>	<hr/>
	(643,304)	31
	<hr/>	<hr/>

Factors that may affect future current and total tax charges

The corporation tax rate applicable to the UK companies within the group changed from 30% to 28% on 1 April 2008

6 Debtors

	2009 \$	2008 \$
Amounts owed by group undertakings	12,377,733	11,696,429
	<hr/>	<hr/>

7 Creditors: amounts falling due within one year

	2009 \$	2008 \$
Amounts due to group undertakings in respect of group relief	643,304	-
	<hr/>	<hr/>

Notes (continued)

8 Called up share capital

	2009 \$	2008 \$
<i>Authorised</i>		
21,000 ordinary shares of £1 each	37,671	37,671
2,617,827 'A' ordinary shares of \$1 each	21,617,827	21,617,827
115,082,530 'B' ordinary shares of \$0.50 each	57,541,265	57,541,265
38,629,615 'C' ordinary shares of \$0.25 each	9,657,404	9,657,404
24,670,028 'D' ordinary shares of \$0.75 each	18,502,521	18,502,521
	<u>107,356,688</u>	<u>107,356,688</u>
<i>Allotted, called up and fully paid</i>		
13,532 'A' ordinary shares of \$1 each	13,532	13,532
23,467,127 'B' ordinary shares of \$0.50 each	11,733,565	11,733,565
24,930 'C' ordinary shares of \$0.25 each	6,232	6,232
15,921 'D' ordinary shares of \$0.75 each	11,941	11,941
	<u>11,765,270</u>	<u>11,765,270</u>

The A ordinary, the B ordinary, the C ordinary, the D ordinary and the ordinary shares rank *pari passu* in all respects

During the previous year the Company issued 23,392,856 "B" ordinary shares of \$0.50 each

9 Profit and loss account

	\$
At beginning of the year	(41)
Retained profit for the year	-
	<u>(41)</u>
At end of the year	<u>(41)</u>

10 Reconciliation of movements in shareholders' funds

	2009 \$	2008 \$
Shareholders' funds at the beginning of the year	11,765,229	68,841
Increase in share capital	-	11,696,429
Profit/(Loss) for the financial year	-	(41)
	<u>11,765,229</u>	<u>11,765,229</u>
Shareholders' funds at the end of the year	<u>11,765,229</u>	<u>11,765,229</u>

11 Contingent liabilities

The company is a guarantor of term and revolving debt facilities, totalling at 31 December 2009 £32 million, which are available to Seton House Group Limited and certain of its subsidiaries

Notes *(continued)*

12 Immediate and ultimate parent undertaking

Whilst Seton House Luxembourg S à r l is a minority shareholder, the majority shareholder and immediate parent company is PAIG Acquisition Limited and the ultimate parent company is PAIG Investments Limited. The largest group in which the results of the company are consolidated is that headed by PAIG Investments Limited, incorporated in Great Britain. The consolidated financial statements of PAIG Investments Limited are available to the public and may be obtained from The Secretary, Watchmoor Point, Watchmoor Road, Camberley, Surrey, GU15 3EX.