

Registered No : 00492855

# **Seddon Atkinson Vehicles Limited**

## **Report and Financial Statements**

31 December 2015



**Directors**

S McCarthy

P Hunter

**Secretary**

S McCarthy

**Auditors**

Ernst & Young LLP,  
400 Capability Green,  
Luton LU1 3LU

**Bankers**

Barclays Bank PLC  
1 Churchill Place  
London E14 5HP

**Registered Office**

Cranes Farm Road  
Basildon  
Essex  
SS14 3AD

Registered No. 00492855

## Strategic Report

The Company ceased trading in October 2006. The Company's principal activity had been the sale of new and used commercial vehicles, together with spare parts.

The Directors are in receipt of a letter of support from the ultimate parent company whereby the ultimate parent agrees to guarantee all financial commitments of the company

### Transition to FRS101

During the period, the company has adopted FRS101 for the first time with a transition date of 1<sup>st</sup> January 2014. No transitional adjustments were required on conversion from previous UK GAAP to FRS 101.

On behalf of the Board



P Hunter

Director

27<sup>th</sup> September 2016

Registered No. 00492855

## Directors' Report

The directors present their report and financial statements for the year ended 31 December 2015.

### Results and dividends

The loss for the year, after taxation, amounted to £1,291,000 (2014 – loss of £135,000). The directors do not recommend a final dividend (2014 – £nil).

### Going concern

The Company is in a net liabilities position at year-end, however it has obtained in writing the guaranteed financial support from its parent company confirming that they will support the operational needs of Seddon Atkinson Vehicles Limited for twelve months following the date of signing these financial statements in order to allow it to meet its liabilities as and when they fall due unless circumstances change in a manner such as it would or might no longer be open for them to provide such financial support. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### Directors

The directors who served the company during the year were as follows:

S McCarthy

P Hunter (Appointed on 23<sup>rd</sup> January 2015)

C Zanframundo (Resigned on 23<sup>rd</sup> January 2015)

### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

In accordance with s485 of the Companies Act 2006 a resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



P Hunter

Director

27<sup>th</sup> September 2016

## Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 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 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 Seddon Atkinson Vehicles Limited**

We have audited the financial statements of Seddon Atkinson Vehicles Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, Statement of Changes in Equity and the related notes 1 to 20. 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), including Financial Reporting Standard 101 and Reduced Disclosure Framework.

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 auditor**

As explained more fully in the Statement of directors' responsibilities set out on page 4, 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 Strategic Report and Directors Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the 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 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 and Reduced Disclosure Framework; 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 and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditors' report (continued)**

**to the members of Seddon Atkinson Vehicles Limited**

### **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.



Chris Nobbs (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Luton

27 September 2016

## Profit and loss account and Other Comprehensive Income

for the year ended 31 December 2015

	Notes	2015 £000	2014 £000
<b>Turnover</b>	3	–	–
Cost of sales		–	–
<b>Gross profit</b>		–	–
Operating income Profit/(Loss)	4	(101)	117
<b>Operating Profit/(Loss)</b>		(101)	117
Interest payable and similar charges	8	(1,475)	(333)
<b>Loss on ordinary activities before taxation</b>	5	(1,576)	(216)
Tax	9	285	81
<b>Loss for the financial year</b>	15, 16	(1,291)	(135)

All amounts relate to discontinued activities.

## Other Comprehensive Income

<b>Loss on ordinary activities after taxation</b>		(1,291)	(135)
Other gains or losses		–	–
<b>Total Comprehensive Income</b>	16	(1,291)	(135)

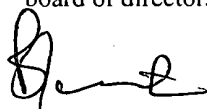


## Balance sheet

at 31 December 2015

	Notes	2015 £000	2014 £000
<b>Current assets</b>			
Debtors	10	234	68
<b>Current liabilities</b>			
<b>Creditors:</b> amounts falling due within one year	11	(45,793)	(44,336)
<b>Net current liabilities</b>		(45,559)	(44,268)
<b>Total assets less current liabilities</b>		(45,559)	(44,268)
<b>Creditors:</b> amounts falling due after more than one year	12	(100)	(100)
<b>Net liabilities</b>		(45,659)	(44,368)
<b>Capital and reserves</b>			
Called up share capital	13	41,600	41,600
Share premium account	14	1,999	1,999
Profit and loss account	15	(89,258)	(87,967)
<b>Shareholders' Deficit</b>	16	(45,659)	(44,368)

The accounts of Seddon Atkinson Vehicles Limited, registration number 00492855 were approved by the board of directors on 27<sup>th</sup> September 2016 and signed its behalf by:



P Hunter

Director

## Statement of changes in equity

For the year ended 31 December 2015

	Share capital £000	Share premium £000	Revaluation Reserve £000	Additional Paid in capital £000	Other reserves £000	Profit And loss account £000	Total Equity £000
At 1 January 2014	41,600	1,999	-	-	-	(87,832)	(44,233)
Loss for the financial year	-	-	-	-	-	(135)	(135)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	(135)	(135)
At 31 December 2014	41,600	1,999	-	-	-	(87,967)	(44,368)
Loss for the financial year	-	-	-	-	-	(1,291)	(1,291)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	(1,291)	(1,291)
At 31 December 2015	41,600	1,999	-	-	-	(89,258)	(45,659)

## Notes to the financial statements

at 31 December 2015

### 1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Seddon Atkinson Vehicles Limited for the year ended 31 December 2015 were authorised for issue by the board of directors on the 27<sup>th</sup> September 2016 and the Statement of Financial position was signed on the board's behalf by Paul Hunter on the 27<sup>th</sup> September 2016. Seddon Atkinson Vehicles Limited is incorporated and domiciled in England and Wales. These financial statements were prepared in accordance with Financial Reporting Standards 101 Reduced Disclosures Framework (FRS 101) under the historical cost convention and in accordance with applicable accounting standards.

The company's financial statements are prepared in pounds sterling and all values are rounded to the nearest thousand pounds (£'000) except otherwise indicated.

### 2. Accounting policies

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

#### *Basis of preparation*

The financial statements were prepared in accordance with Financial Reporting Standards 101 Reduced Disclosures Framework (FRS 101) and the companies Act 2006 (The Act) FRS 101 sets out a reduced disclosure framework for a "qualifying entity" as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of the qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The company is a qualifying entity for the purposes of FRS 101. Note 19 gives details of the Companies ultimate parent and from where it's consolidated financial statements prepared in accordance with IFRS may be obtained. The disclosure exemptions adopted by the Company in accordance with FRS 101 are:

- the requirements of IFRS 7 Financial Instruments disclosures;
- the requirements of paragraphs 10(d), 10(f), 111, 38(a), 38(b), 38(c), 38(d), 40(a), 40(b), 40(c) 40(d), 134 of IAS 1 presentation of Financial Statements;
- the requirements of paragraphs 7, 17-27 of IAS 24 Related Party disclosures;
- the requirements of paragraphs 30 and 31 of IAS 8;
- the requirements of paragraphs 91 to 99 of IFRS 13; and
- the requirements of IAS 7 Statement of Cash Flows.

#### *Going concern*

The company ceased trading in October 2006. The Company is in a net liabilities position at year-end, however it has obtained in writing the guaranteed financial support from its parent company confirming that they will support the operational needs of Seddon Atkinson Vehicles Limited for twelve months following the date of signing these financial statements in order to allow it to meet its liabilities as and when they fall due unless circumstances change in a manner such as it would or might no longer be open for them to provide such financial support. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### *Statement of cash flows*

Under the provisions and exemptions of FRS 101 Reduced Disclosures Framework the Company has not produced a statement of cash flows on the grounds that its ultimate parent undertaking, of CNH Industrial N.V., has produced group financial statements including a group statement of cash flows. Group financial

## Notes to the financial statements

### at 31 December 2015

#### 2. Accounting policies (Continued)

##### ***Taxation***

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the profit or loss account.

##### ***Foreign currencies***

Monetary assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial period. Transactions in foreign currencies have been converted to sterling using the rates of exchange ruling at the dates of the transactions. All foreign exchange differences are taken to the profit and loss account in the period in which they arise. The company's functional currency is British pounds.

##### ***Operating leases***

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement inception date whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset. Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases and rentals payable, net of incentives, are charged in the income statement on a straight line basis over the lease term. The company stipulated a number of sublease for commercial premises and these are accounted as an operating lease.

## Notes to the financial statements

### at 31 December 2015

#### 3. Turnover

The company ceased trading in October 2006 and thus has no turnover in the current or preceding year.

#### 4. Other operating income/(expenses)

	2015 £000	2014 £000
Administrative expenses	(101)	(43)
Release of employee risk provision	-	160
	<u>(101)</u>	<u>117</u>

#### 5. Operating loss

This is stated after charging:

	2015 £000	2014 £000
Auditors' remuneration – Audit services	<u>5</u>	<u>5</u>

#### 6. Directors' remuneration

The directors did not receive remuneration for their services to the company. The remuneration paid by other group companies for their services as directors of this company has been apportioned as £nil (2014 – £nil) as the services of these directors in their capacity as directors did not occupy a significant amount of their time.

#### 7. Staff costs

The company had no employees in the year (2014 – nil).

#### 8. Interest payable and similar charges

	2015 £000	2014 £000
Group interest payable	<u>(1,475)</u>	<u>(333)</u>

Interest payable is derived from financial payables due to CNH Industrial Finance Europe S.A., another group company, and is accrued at a variable rate of LIBOR +5.3 % and EURIBOR +5.3 % on Euro balances

## Notes to the financial statements

### at 31 December 2015

#### 9. Tax

##### (a) Tax on loss on ordinary activities

The tax credit is made up as follows:

	2015 £000	2014 £000
<b>Current tax:</b>		
Current year 20.25% (2014 – 21.50%)	(319)	(81)
Adjustment in respect of prior years	34	–
Tax on loss on ordinary activities (note 8(b))	<u>(285)</u>	<u>(81)</u>

##### (b) Factors affecting the current tax credit for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.25% (2014 – 21.5%). The differences are explained below:

	2015 £000	2014 £000
Loss on ordinary activities before tax	<u>(1,576)</u>	<u>(216)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 – 21.50%)	(319)	(46)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	–	(35)
Adjustment to tax charge in respect of previous periods	34	–
Current tax for the year (note 8(a))	<u>(285)</u>	<u>(81)</u>

##### (c) Deferred tax

There is no deferred tax liability arising at 31 December 2015 or 31 December 2014.

#### 10. Debtors

	2015 £000	2014 £000
<b>Amounts falling due within one year:</b>		
Amounts owed by group companies	<u>234</u>	<u>68</u>

## Notes to the financial statements

### at 31 December 2015

#### 11. Creditors: amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	39	6
Amounts owed to group companies	45,754	44,330
	<u>45,793</u>	<u>44,336</u>

#### 12. Creditors: amounts falling after more than one year

	2015 £000	2014 £000
100,000 Preference shares of £ 1 each	<u>100</u>	<u>100</u>

Cumulative irredeemable preference shares carry an entitlement to dividend at the rate of 6% per annum payable annually. Holders of the preference shares have the right on a winding-up to receive the capital paid up on the preference shares, together with a sum equal to any arrears of the fixed dividend thereon.

Iveco Limited have waived their rights to the cumulative dividend.

#### 13. Issued share capital

	No.	2015 £000	No.	2014 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	41,600,000	<u>41,600</u>	41,600,000	<u>41,600</u>

#### 14. Share premium account

	£000
At 1 January 2015 and 31 December 2015	<u>1,999</u>

#### 15. Movements on reserves

	£000
At 1 January 2015	(87,967)
Loss for the year	<u>(1,291)</u>
At 31 December 2015	<u>(89,258)</u>

## Notes to the financial statements

### at 31 December 2015

#### 16. Reconciliation of shareholders' deficit

	2015	2014
	£000	£000
At 1 January	(44,368)	(44,233)
Loss for the year	(1,291)	(135)
At 31 December	<u>(45,659)</u>	<u>(44,368)</u>

#### 17. Guarantees

The Company has entered into a cross guarantee arrangement with other United Kingdom CNH Industrial Group companies within the CNH Industrial central cash management system whereby each Company guarantees all financial obligations of the participating companies to their bankers and vice versa.

#### 18. Related party transactions

During the year the Company entered into transactions, in the ordinary course of business, with other related parties. Those transactions with directors are disclosed in note 5. The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

#### 19. Ultimate parent undertaking and controlling party

For the period ended 31 December 2015, the directors regard CNH Industrial N.V, a company incorporated in the Netherlands with its principal place of business in the UK, as the ultimate parent undertaking and controlling party.

CNH Industrial N.V. is the parent undertaking of the largest and smallest group of which the company is a member and for which group accounts are available at CNH Industrial N.V.'s corporate office at 25 St James 's Street , London SW1A 1HA UK.

#### 20. Impact of applying FRS 101

No transitional adjustments were required on conversion from previous UK GAAP to FRS 101.