

**Magna Interiors Holding
(UK) Limited
(formerly Intier Automotive
Holding (U.K.) Limited)**

**Reports and Financial
Statements**

28 December 2013

Registration No: 3167671

TUESDAY



A45RU3VT

A13

21/04/2015

#326

COMPANIES HOUSE

Magna Interiors Holding (UK) Limited
(formerly Intier Automotive Holding (U.K.) Limited)

Registered No. 3167671

Directors

R Hupe
R Brownlee (resigned on 15 April 2013)
M Andrews (appointed on 15 April 2013)
M Smith

Secretary

M Smith

Auditor

Ernst & Young LLP
No. 1 Colmore Square
Birmingham
B4 6HQ

Bankers

Royal Bank of Scotland PLC
250 Bishopsgate
London
EC2M 4AA

Solicitors

Sidley Austin Brown & Wood
Woolgate Exchange
25 Basinghall Street
London
EC2V 5HA

Registered Office

Apollo Way
Tachbrook Park
Warwick
Warwickshire
CV34 6RW

Magna Interiors Holding (UK) Limited (formerly Intier Automotive Holding (U.K.) Limited)

Strategic report

The directors present their strategic report for the year ended 28 December 2013.

Principal activity and review of the business

The principal activity of Magna Interiors Holding (UK) Limited ("the Company") is that of a holding company and provider of debt finance for operating companies which design, engineer and manufacture a complete range of interior systems, components and tooling for supply to the European automotive industry.

The profit for the year after taxation amounted to £456,000 (2012 – £7,133,000), which will be transferred to reserves.

On 11 October 2013, the Company resolved to recapitalise its principal subsidiary, Magna Seating (UK) Limited, which issued 8,000,000 ordinary £1 shares to the Company at par value.

On 10 October 2014, the Company changed its name from Intier Automotive Holding (U.K.) Limited to Magna Interiors Holding (UK) Limited.

Principal Risks and Uncertainties

The management of the business and the nature of the Company's strategy are subject to a number of risks.

The directors have set out below the principal risks facing the business.

The unfavourable automotive climate

The automotive and automotive supply industries continued to experience uncertain conditions during 2012 and through much of 2013. These include:

- The continued rise in inflationary pressures impacting certain commodities such as petroleum based products, resins, metals and other chemicals (see below)
- Continuing pricing pressures from the OEMs

This impacts the value of subsidiary investments and the recoverability of loans to subsidiaries and fellow Group companies. Throughout 2013 the Company continued to mitigate the risks described above, through good relationships with customers and suppliers. However, we can expect the uncertain automotive parts' climate to continue in the short to medium term. There can be no guarantee that the results of our ongoing efforts will continue to be successful in the future. We will continue to monitor and evaluate the trends referred to above and develop robust action plans to mitigate those trends.

Liquidity risk

Liquidity risk is the risk that the Company may be unable to meet short term financial demands. The Company has access to Group debt facilities that ensures the Company has sufficient funds for operations.

By order of the board



M Smith

Director

Date 31st March 2014.

Magna Interiors Holding (UK) Limited (formerly Intier Automotive Holding (U.K.) Limited)

Directors' report

The directors present their report for the year ended 28 December 2013.

Dividends

No dividend is recommended by the directors (2012 – £Nil).

Future outlook

The business will continue as a holding company of operating companies which design, engineer and manufacture a complete range of interior systems, components and tooling for supply to the automotive industry.

Although the business faced an uncertain market during 2013, the Company's operating subsidiaries have reduced their cost base to become more competitive and are in a strong position to pursue new business opportunities with its major OEMs. This should in turn minimise the Company's cash requirements going forward.

Going concern

The Company's business activities, together with the factors that are likely affect the future development and position, are set out above. The financial statements have been prepared on a going concern basis.

The Company participates in the group's centralised treasury arrangements, which organise its banking requirements. The directors, having assessed the responses of the directors of the Company's parent undertaking, Magna International Inc. to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Magna International Inc. and as a result, the Company, to continue as a going concern or its ability to continue with the current funding requirements.

The directors have obtained a letter of support from Magna International Inc. indicating that Magna International Inc. expect to continue to fund the company for a period of at least 12 months from the signing of the statutory accounts. On this basis, the directors consider that the Company has adequate funds to be able to meet its liabilities as they fall due.

Directors of the Company

The directors during the year ended 28 December 2013 were as follows:

R Hupe
R Brownlee (resigned on 15 April 2013)
M Andrews (appointed on 15 April 2013)
M Smith

Directors' liabilities

Magna International Inc., the ultimate parent undertaking, indemnifies the directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year.

Magna Interiors Holding (UK) Limited
(formerly Intier Automotive Holding (U.K.) Limited)

Directors' report

Disabled employees

The Company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Company's policy to provide continuing employment wherever practicable in the same or an alternative position under normal terms and conditions and to provide appropriate training to achieve this aim.

Employee Involvement

The Company is committed to an operating philosophy which is based on fairness for people and has adopted the Magna International Inc. charter, which applies to all Magna International Inc. companies worldwide. This charter includes principles which strive to create a quality work environment by providing employees fair treatment and a safe and healthy work place, competitive wages and benefits and regular communication between management and employees.

Political and charitable contributions

During the year, the Company made no political contributions (2012 – £nil) or charitable contributions (2012 – £nil).

Statement as to disclosure of information to the auditor

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.

Auditor

Further to a resolution by Magna International Inc. to adopt an audit rotation programme, Ernst & Young LLP will not be reappointed as auditor to the Company. Deloitte LLP has been asked and expressed their willingness to be appointed as auditor. A resolution concerning the appointment of Deloitte LLP has been approved at a meeting of the directors.

By order of the board


M Smith

Director

Date 31st March 2015

Magna Interiors Holding (UK) Limited

(formerly Intier Automotive Holding (U.K.) Limited)

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report and 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 judgements and accounting 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 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 auditor's report to the members of Magna Interiors Holding (UK) Limited (formerly Intier Automotive Holding (U.K.) Limited)

We have audited the financial statements of Magna Interiors Holding (UK) Limited (formerly Intier Automotive Holding (U.K.) Limited) for the year ended 28 December 2013, which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. 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 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 Directors' Responsibilities Statement set out on page 5, 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 Reports and Financial Statements 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 December 2013 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Magna Interiors Holding (UK) Limited (formerly Intier Automotive Holding (U.K.) Limited) 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.

Ernst & Young LLP

Nigel Meredith (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

Date *20 April 2015*

Magna Interiors Holding (UK) Limited
(formerly Intier Automotive Holding (U.K.) Limited)

Profit and loss account
for the year ended 28 December 2013

	<i>Notes</i>	2013 £000	2012 £000
Administrative expenses		(8)	(9)
Operating loss	3	(8)	(9)
Income from shares in group undertakings	4	-	6,837
Interest receivable	5	339	363
Interest payable and similar charges	6	(58)	(58)
Profit on ordinary activities before tax		273	7,133
Tax on profit on ordinary activities	7	183	-
Profit for the year	12	456	7,133

All of the above results are derived from the continuing operations of the Company.

The Company has no recognised gains or losses in either the current or preceding years other than the profit shown above and therefore no statement of total recognised gains and losses has been presented.

Magna Interiors Holding (UK) Limited
(formerly Intier Automotive Holding (U.K.) Limited)

Balance sheet
at 28 December 2013

	Notes	2013 £000	2012 £000
Fixed assets			
Investments	8	8,000	-
Current assets			
Debtors	9	6,138	44,418
Cash at bank and in hand		47,737	54,137
		<u>53,875</u>	<u>98,555</u>
Creditors: amounts falling due within one year	10	(35,678)	(72,814)
Net current assets		<u>18,197</u>	<u>25,741</u>
Net assets		<u>26,197</u>	<u>25,741</u>
Capital and reserves			
Called up share capital	11	197,413	197,413
Profit and loss account	12	(171,216)	(171,672)
Shareholders' funds		<u>26,197</u>	<u>25,741</u>

The financial statements were approved by the board of directors on the date below and signed on its behalf by:



M Smith

Director

Date 31st March 2015.

Magna Interiors Holding (UK) Limited

(formerly Intier Automotive Holding (U.K.) Limited)

Notes to the financial statements

for the year ended 28 December 2013

1. Accounting policies

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable UK accounting standards.

Going concern

The Company's business activities, together with the factors that are likely affect the future development and position, are set out above. The financial statements have been prepared on a going concern basis.

The Company participates in the group's centralised treasury arrangements, which organise its banking requirements. The directors, having assessed the responses of the directors of the Company's parent undertaking, Magna International Inc. to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Magna International Inc. and as a result, the Company, to continue as a going concern or its ability to continue with the current funding requirements.

The directors have obtained a letter of support from Magna International Inc. indicating that Magna International Inc. expect to continue to fund the company for a period of at least 12 months from the signing of the statutory accounts. On this basis, the directors consider that the Company has adequate funds to be able to meet its liabilities as they fall due.

Group Financial Statements

As noted within the Directors' Report, the Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group.

Cash flow statement and related party disclosures

The directors have not prepared a cash flow statement, in accordance with FRS1, as the group is wholly owned by Magna International Inc. which prepares publicly available consolidated financial statements, including a cash flow statement, in which the group is included.

The Company has utilised the exemption available under FRS8 as a wholly owned subsidiary undertaking, not to disclose related party transactions with other entities that are part of the Magna International Inc. group.

Deferred taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

1. deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Magna Interiors Holding (UK) Limited
(formerly Intier Automotive Holding (U.K.) Limited)

Notes to the financial statements
for the year ended 28 December 2013

1. Accounting policies (continued)

Deferred taxation (continued)

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Investments

Investments are stated at cost less any provision for impairment. The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

2. Directors' emoluments

In 2012 and 2013 directors' emoluments have been borne by fellow group companies in respect of Mr R Hupe, Mr R Brownlee and Mr M Smith.

The directors of the Company are also directors or officers of a number of the companies within the Magna Group. The directors' services to the Company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the Company for the year ended 28 December 2013 and the year ended 31 December 2012.

3. Operating loss

This is stated after charging:

	2013 £000	2012 £000
Auditor's remuneration – audit of financial statements	8	9
	<u> </u>	<u> </u>

4. Income from shares in group undertakings

	2013 £000	2012 £000
Dividends received	-	6,837
	<u> </u>	<u> </u>

5. Interest receivable

	2013 £000	2012 £000
External interest receivable	-	41
Interest receivable from group undertakings	339	322
	<u> </u>	<u> </u>
	339	363
	<u> </u>	<u> </u>

Magna Interiors Holding (UK) Limited
(formerly Intier Automotive Holding (U.K.) Limited)

Notes to the financial statements
for the year ended 28 December 2013

6. Interest payable and similar charges

	2013 £000	2012 £000
Bank overdrafts	52	32
Interest payable to group undertakings	6	26
	<u>58</u>	<u>58</u>

7. Tax on profit on ordinary activities

(a) Analysis of tax credit in the year

	2013 £000	2012 £000
Foreign withholding tax refund	183	-
	<u>183</u>	<u>-</u>

(b) Factors affecting the tax credit for the year

The tax credit arising on the profit on ordinary activities for the year is different from the effective rate of corporation tax in the UK of 23.25% (2012 – 24.5%). The differences are reconciled below:

	2013 £000	2012 £000
Profit on ordinary activities before tax	273	7,133
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 – 24.5%)	63	1,748
<i>Effect of:</i>		
Non-taxable income	(41)	(1,724)
Non-trade losses brought forward	(22)	(24)
Foreign withholding tax refund	183	-
Current tax credit for the year	<u>183</u>	<u>-</u>

(c) Factors affecting future tax charges

In his Budget of 20 March 2013, the Chancellor of the Exchequer proposed a decrease in the rate of UK corporation tax to 20% by 2015. The current rate of 23% will reduce to 21% with effect from 1 April 2014. These reductions were substantively enacted in July 2013 and have therefore been reflected in these financial statements.

Magna Interiors Holding (UK) Limited
(formerly Intier Automotive Holding (U.K.) Limited)

Notes to the financial statements
for the year ended 28 December 2013

8. Investments

	<i>Group Undertakings £000</i>
Cost:	
At 1 January 2013	7,000
Addition	8,000
	<hr/>
At 28 December 2013	15,000
	<hr/>
Impairment:	
At 1 January 2013	7,000
Movement	-
	<hr/>
At 28 December 2013	7,000
	<hr/>
Net Book Value:	
At 28 December 2013	8,000
	<hr/>
At 31 December 2012	-
	<hr/>

On 11 October 2013, the Company resolved to recapitalise its principal subsidiary, Magna Seating (UK) Limited, which issued 8,000,000 ordinary £1 shares to the Company at par value.

Principal subsidiaries

The principal subsidiary of the Company at 28 December 2013, which is registered in England and Wales, was:

	<i>Proportion Held</i>	<i>Principal activity</i>
Magna Seating (UK) Limited	100%	Automotive

9. Debtors

	2013 £000	2012 £000
Amounts due from subsidiary undertakings	-	7,900
Amounts due from group undertakings	6,138	36,518
	<hr/>	<hr/>
	6,138	44,418
	<hr/>	<hr/>

Magna Interiors Holding (UK) Limited
(formerly Intier Automotive Holding (U.K.) Limited)

Notes to the financial statements
for the year ended 28 December 2013

10. Creditors: amounts falling due within one year

	2013 £000	2012 £000
Amounts owing to subsidiary undertakings	1,184	-
Amounts owing to group undertakings	34,494	72,814
	<u>35,678</u>	<u>72,814</u>

11. Share capital

	2013 £	2012 £
Authorised:		
100 ordinary shares of £1 each	100	100
249,999,900 redeemable preference shares of £1 each	249,999,900	249,999,900
	<u>250,000,000</u>	<u>250,000,000</u>

	2013 £	2012 £
Allotted, called up and fully paid:		
1 Ordinary shares of £1 each	1	1
197,412,999 redeemable preference shares of £1 each	197,412,999	197,412,999
	<u>197,413,000</u>	<u>197,413,000</u>

The preference shares, which were issued at par, are redeemable by the Company at any time. They carry the same dividend and voting rights as ordinary shares.

On winding-up of the Company, the preference shareholders have a right to receive, in preference to any payments to the ordinary shareholders, £1 per share.

Magna Interiors Holding (UK) Limited
(formerly Intier Automotive Holding (U.K.) Limited)

Notes to the financial statements
for the year ended 28 December 2013

12. Reconciliation of shareholders' funds and movements on reserves

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total shareholders' funds</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 1 January 2012	197,413	(178,805)	18,608
Profit for the year	-	7,133	7,133
At 1 January 2013	197,413	(171,672)	25,741
Profit for the year	-	456	456
At 28 December 2013	197,413	(171,216)	26,197

13. Related party transactions

The Company has taken advantage of the exemption contained in FRS8 from disclosing transactions with related parties that are part of the Magna International Inc. group, consolidated financial statements of which are publicly available.

14. Ultimate parent undertaking

The Company's immediate parent undertaking is New Magna Investments NV, a company registered in Belgium. The Company results are included in the consolidated financial statements of this company.

In the directors' opinion the Company's ultimate parent undertaking and controlling party is Magna International Inc., incorporated in Ontario, Canada. The Company results are therefore included in the consolidated financial statements of this group. Copies of the financial statements of Magna International Inc. are available from 337 Magna Drive, Aurora, Ontario, Canada L4G 7K1.