

CVS Holdings Limited

**Annual report and financial
statements**

Registered number 4027709

For the year ended 31 December 2014



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Strategic report

Business review

The company did not trade in the year, therefore made neither a profit nor a loss.

During the year, the company issued share capital of £3,075,000 to its parent company, Commercial Vehicle Group Inc. In the same period the company invested £3,075,000 in its subsidiary KAB Seating Limited.

Principal risks and uncertainties

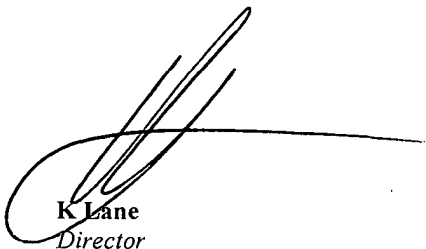
The key risk faced by the company is the underperformance of its trading subsidiaries as the company is largely dependent on future cash flows from these subsidiaries. Should a trading subsidiary not perform to expectation this could potentially affect its ability to pay future dividends, which may result in an impairment to the investment carrying value.

The company is reliant upon support from its ultimate parent company, Commercial Vehicle Group Inc. The Board have received a non-legally binding confirmation from the ultimate parent company that it is their intention that intra group debt will continue to be made available at levels sufficient to allow the company to meet its liabilities as they fall due.

Accordingly, the Board have concluded that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for this reason have adopted the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in the financial statements.

By order of the board



K Lane
Director

16 September 2015

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

Principal activity

The principal activity of the company is that of an investment holding company. The activities of its immediate subsidiaries are as described in Note 5 of the financial statements.

Directors

The directors who held office during the year were as follows:

RP Lavin
TO Haatanen (resigned 7 July 2014)
K Lane (appointed 7 July 2014)

Results and dividend

The result for the year was £Nil (2013: profit of £3,060,000).

The directors do not propose the payment of a dividend in the current year (2013: £Nil).

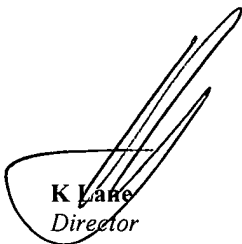
Disclosure of information to auditor

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 auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

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

By order of the board



K Lane
Director

Stone Circle Road
Round Spinney
Northampton
NN3 8RS

16 September 2015

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

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 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 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.



KPMG LLP

One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Independent auditor's report to the members of CVS Holdings Limited

We have audited the financial statements of CVS Holdings Limited for the year ended 31 December 2014 set out on pages 6 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 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 3, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2014 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 Strategic report and Directors' 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 CVS Holdings 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.



John Leech (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

16 September 2015

Profit and loss account
for the year ended 31 December 2014

	<i>Note</i>	2014 £000	2013 £000
Amounts provided against debtors owed by group undertakings	2	-	3,110
Loss on disposal of investment		-	(50)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	2,3	-	3,060
Tax on profit on ordinary activities	4	-	-
		<hr/>	<hr/>
Profit for the financial year	7	-	3,060
		<hr/> <hr/>	<hr/> <hr/>

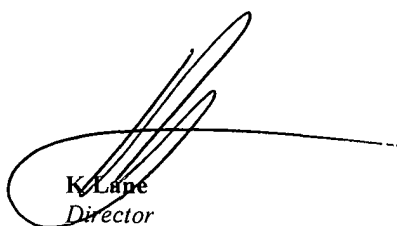
All figures relate to continuing operations.

There are no recognised gains or losses in either year other than those shown above, and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet
at 31 December 2014

	<i>Note</i>	2014 £000	2013 £000
Fixed assets			
Investments	5	6,185	3,110
		<hr/>	<hr/>
Net assets		6,185	3,110
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	6	3,075	-
Profit and loss account	7	3,110	3,110
		<hr/>	<hr/>
Shareholders' funds	8	6,185	3,110
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 16 September 2015 and were signed on its behalf by:



K. Lane
Director

Company registered number: 4027709

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 preparation

The financial statements have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards.

The Company is exempt by virtue of Section 401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

As the Company is a wholly owned subsidiary of Commercial Vehicle Group Inc., the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

Going concern

The Board have received a non-legally binding confirmation from the ultimate parent company that it is the intention that intergroup debt will continue to be made available at levels sufficient to allow the company to meet its liabilities as they fall due.

Accordingly, the Board have concluded that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for this reason have adopted the going concern basis in preparing the financial statements.

Investments

Investments in subsidiary undertakings are stated at cost less any provisions for impairment.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) 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 all 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.

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.

Group relief is applied across the group and in the current year no payments between companies will be made for the relief received or surrendered.

2 Profit on ordinary activities before taxation

Company did not trade in the year and as such recognised no profit or loss.

The £3.1 million credit in the year ended 31 December 2013 related to the reversal of a provision against amounts owed by group undertakings.

Auditor's remuneration of £500 in the current year (2013: £500) is borne by a fellow group company, KAB Seating Limited. There were no non audit services provided in the period.

Notes (continued)

3 Staff numbers and costs

Apart from the directors there are no employees. The remuneration for the services of the directors is borne by a fellow group company. No part of their remuneration is specifically attributable to their services to this company.

4 Tax on profit on ordinary activities

(i) Analysis of charge for the year

	2014 £000	2013 £000
<i>Current tax:</i>		
UK corporation tax	-	-

(ii) Factors affecting the tax charge for the year

The current tax charge for the year is the same as (2013: lower than) the effective rate of corporation tax in the UK of 21.49% (2013: 23.25%). The differences are explained below:

	2014 £000	2013 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	-	3,060
Current tax at 21.49% (2013: 23.25%)		711
<i>Effects of:</i>		
Amounts provided against debtors owed by group undertakings	-	(723)
Loss on disposal of investment	-	12
Total current tax charge	-	-

(iii) Factors that may affect future, current and total tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly.

5 Fixed asset investments

	Shares in subsidiary undertakings £000
<i>Cost and net book value</i>	
At beginning of year	3,110
Additions (see note 6)	3,075
At end of year	6,185

Notes (continued)

5 Fixed asset investments (continued)

The principal subsidiaries of the Company at the year end are as follows:

	Country of incorporation	Principal activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>			
KAB Seating Limited	UK	Vehicle and office seating manufacturer	100% ordinary
KAB Seating SA	Belgium	Vehicle and office seating manufacturer	100% ordinary
KAB Seating Pty	Australia	Vehicle and office seating manufacturer	100% ordinary
KAB Seating AB	Sweden	Vehicle and office seating manufacturer	100% ordinary

6 Share capital

	2014 £000	2013 £000
<i>Allotted, called up and fully paid:</i>		
3,075,000 (2013: 1) ordinary shares of £1 each	3,075	-

During the year, the company issued share capital of £3,075,000 to its parent company, Commercial Vehicle Group Inc. In the same period the company invested £3,075,000 in its subsidiary, KAB Seating Limited.

7 Profit and loss account

	Profit and loss account £000
At beginning and end of year	3,110

8 Reconciliation of movements in shareholders' funds

	2014 £000	2013 £000
Opening shareholders' funds	3,110	50
Result/profit for the financial year	-	3,060
Issued share capital	3,075	-
Closing shareholders' funds	6,185	3,110

9 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of Commercial Vehicle Group Inc., incorporated in the USA, which is the ultimate parent company and the largest group in which the results of the company are consolidated.

The consolidated financial statements of the group may be obtained from Commercial Vehicle Group Inc., 7800 Walton Parkway, New Albany, Ohio.