

Lorien Engineering Limited

**Directors' report and financial
statements**

Registered number 08056762

31 January 2016



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Directors' report

The directors present their annual report and the financial statements of the year ended 31 January 2016.

Principal activities

The principal activity of the company is to act as a holding company to the group containing the non-trading subsidiary Lorien Engineering Solutions Limited.

Business review

The company has not traded in the period.

Dividends

The company does not propose a dividend (2015: *£nil*)

Directors

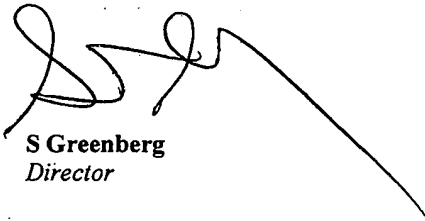
The directors who held office during and subsequent to the period were as follows:

D Sharp
S Greenberg

Political and charitable contributions

The Company made no political or charitable contributions during the period (2015: *£nil*).

By order of the board



S Greenberg
Director

3rd Floor
1 Ashley Road
Altrincham
WA14 2DT

28 November 2016

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), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 its 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.

Profit and loss account and other comprehensive income
for the year ended 31 January 2016

	<i>Note</i>	2016 £000	2015 £000
Administrative expenses		-	(170)
Operating loss		-	(170)
Loss on ordinary activities before taxation		-	(170)
Tax on loss on ordinary activities	2	-	-
Loss for the financial year		-	(170)
Other comprehensive income		-	-
Total comprehensive loss for the year		-	(170)

The notes on page 6 to 9 form an integral part of these financial statements.

Balance sheet
As at 31 January 2016

	<i>Note</i>	£000	2016 £000	£000	2015 £000
Fixed assets					
Investments	3		268		268
					268
Current assets					
Debtors	4	1		1	
		1		1	
Creditors: amounts falling due within one year	5	(55)		(55)	
Net current liabilities			(54)		(54)
Total assets less current liabilities			214		214
Net assets			214		214
Capital and reserves					
Called up share capital	6		1		1
Profit and loss account			213		213
Shareholders' funds			214		214

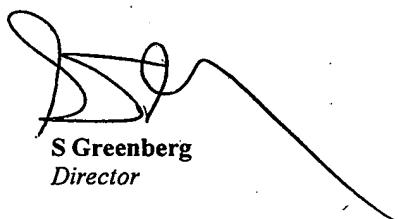
The notes on page 6 to 9 form an integral part of these financial statements.

For the financial year in question the company was entitled to exemption from audit under section 477 of the Companies Act 2006. Accordingly, the Directors confirm that:

- No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors on 28 November 2016 and were signed on its behalf by:


S Greenberg
Director
Company number 08056762

Statement of Changes in Equity

	Called up Share Capital £000	Profit and Loss Account £000	Total Equity £000
Balance at 1 February 2014	1	383	384
Total comprehensive income for the period			
Profit or loss	-	(170)	(170)
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	(170)	(170)
	<hr/>	<hr/>	<hr/>
Balance at 31 January 2015	1	213	214
	<hr/>	<hr/>	<hr/>

Statement of Changes in Equity

	Called up Share Capital £000	Profit and Loss Account £000	Total Equity £000
Balance at 1 February 2015	1	213	214
Total comprehensive income for the period			
Profit or loss	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 January 2016	1	213	214
	<hr/>	<hr/>	<hr/>

The notes on page 6 to 9 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Lorien Engineering Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

Basis of preparation

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

The company is exempt by virtue of s401 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.

These financial statements have been prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

These are the Company's first financial statements prepared in accordance with FRS 102. In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

FRS 102 grants certain first-time adoption exemptions from the full requirements of FRS 102. The company opted to take the exemption for lease incentives. For leases commenced before 1 February 2014 the Company continued to account for lease incentives under previous UK GAAP.

The Company's ultimate parent undertaking, GP Strategies Corporation includes the Company in its consolidated financial statements. The consolidated financial statements of GP Strategies Corporation are prepared in accordance with U.S. generally accepted accounting principles and are available to the public and may be obtained from the address disclosed in note 8. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of GP Strategies Corporation include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

As the Company is a wholly owned subsidiary of GP Strategies Limited, the company has taken advantage of the exemption contained in FRS102.33.1A and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the Company has not retrospectively changed its accounting under old UK GAAP for accounting estimates.

Notes *(continued)*

1 **Accounting policies** *(continued)*

Basis of preparation *(continued)*

There are no significant judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year. The company is a non-trading company.

Going concern

The directors have considered the ability of the company to continue as a going concern. This assessment has taken account of the fact that the company is a non-trading holding company, and that the company's only investment no longer trades alongside the fact that company has a net current liabilities of £54,000 (2015: £54,000), primarily owed to group undertakings. In addition, the directors have also incorporated into their assessment the fact that the ultimate parent undertaking GP Strategies Corporation, has provided confirmation of its intention to provide financial and other support to the UK Group of Companies for at least the next 12 months following the date of this report and for the foreseeable future thereafter. There, taking into account all of the above factors, the directors have a reasonable expectation that the Company has adequate resources to continue in the operational existence for the foreseeable future, and accordingly these accounts have been prepared adopting the going concern assumption.

Investments

In the company's financial statements, investments in subsidiary undertakings are stated at cost less accumulated impairment.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax in so far as liability or asset arose as a result of transactions that had occurred by the balance sheet date and gave rise to an obligation to pay more tax in the future or a right to pay less tax in the future. Assets are not recognised to the extent that the transfer of economic benefits in the future is uncertain. Deferred tax assets and liabilities recognised have not been discounted.

Notes (continued)

2 Taxation

Total tax expense recognised in the profit and loss account

	2016 £000	2015 £000
<i>Current tax</i>		
Current tax on income for the period	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>
Total tax	-	-
	<hr/>	<hr/>

Reconciliation of effective tax rate

	2016 £000	2015 £000
Loss for the year	-	(170)
Total tax expense	-	-
	<hr/>	<hr/>
Loss excluding taxation	-	(170)
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 20% (2015: 21.5%)	-	(36)
Income and expenses not allowable for tax purposes	-	36
	<hr/>	<hr/>
Total tax expense included in profit or loss	-	-
	<hr/>	<hr/>

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. The deferred tax balances as at 31 March 2016 have been calculated based on these rates. An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly.

3 Investments

	2016 £000	2015 £000
At beginning of year	268	438
Impairment	-	(170)
	<hr/>	<hr/>
At end of year	268	268
	<hr/>	<hr/>

4 Debtors

	2016 £000	2015 £000
Other debtors	1	1
	<hr/>	<hr/>

Notes *(continued)*

5 Creditors: amounts falling due within one year

	2016 £000	2015 £000
Amounts owed to other group undertaking	55	55

6 Called up share capital

	2016 £000	2015 £000
Allotted, called up and fully paid 1,000 Ordinary shares of 100p each	1	1

7 Ultimate parent company

On 12 June 2013, the entire share capital of the company was acquired by GP Strategies Limited. This company is a subsidiary undertaking of GP Strategies Holding Limited, an undertaking of GP Strategies Corporation incorporated in the U.S., which is the ultimate parent company.

The smallest and largest group in which the results of the company are consolidated is that headed by GP Strategies Corporation. The consolidated accounts of the company are available to the public and may be obtained from 70 Corporate Centre, 11000 Broken Land Parkway, Suite 2000, Columbia, MD 21044