

Dana Holdings Limited

Annual report and financial statements

for the year ended 31 December 2018

Registered number: 1373653



# **Dana Holdings Limited**

## **Annual report and financial statements for the year ended 31 December 2018**

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# **Dana Holdings Limited**

## **Strategic report for the year ended 31 December 2018**

The directors' present their Strategic report of Dana Holdings Limited (the "company") for the year ended 31 December 2018.

### **Business review**

The principal activity of Dana Holding Limited (the "company") is that of an investment holding company. The company is expected to be dormant next year.

The directors are satisfied with the financial performance and position of the Company which is expected to continue for the foreseeable future.

The Company is part of the worldwide Dana Incorporated Group ("the Group"), a company which is incorporated in the State of Delaware in the United States. The Strategic objectives of the Company are aligned with those of the Group. Further details on the strategy and performance of the Group can be found in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of the 2018 Form 10-K for Dana Incorporated, which does not form part of this report.

### **Principal risks and uncertainties**

The operations of the company's subsidiaries expose it to a number of business and financial risks. From the perspective of the Company, the principal risks and uncertainties are integrated within the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which included those of the Company, are discussed in Part 1 of the Form 10-K for Dana Incorporated, which does not form part of this report.

### **Financial risk management**

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies and procedures set by Dana Incorporated are implemented by the company's finance department as required.

#### *Liquidity risk*

The financial risks of the Company are managed centrally by the Group's European treasury department. The group operates within a corporate policy to hedge identified trading exposures. All borrowing facilities are arranged by Group Treasury. Wherever practicable, pooling, netting or concentration techniques are employed to minimise gross debt.

### **Employee involvement**

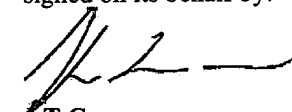
The Board are committed to and support employee involvement.

The group is operationally split into operating businesses, which systematically provide employees with information and consult with them regarding matters of concern to them as employees to ensure that there is a common awareness of the financial and economic factors that affect the performance of the company.

### **Disabled persons**

The company's policy is to give full and just consideration to applications made by disabled persons, with the selection being on the basis of ability. The company's recruitment, training, development and promotion policies give equality of opportunity to people to develop their potential. Steps are taken to accommodate the needs of disabled employees at work and, wherever possible, additional training is arranged to meet the special needs of those who become disabled.

The financial statements on pages 7 to 15 were approved by the Board of Directors on 30 October 2019 and signed on its behalf by:

  
**J T Coppage**  
**Director**

# **Dana Holdings Limited**

## **Directors' report for the year ended 31 December 2018**

The directors present their annual report and the financial statements of the company (registered company number: 1373653) for the year ended 31 December 2018.

### **Principal activities, review of the business and future developments**

The company is an investment holding company and did not trade during this or the previous financial year. The company is expected to remain a non-trading entity for the near future.

### **Directors**

The following have been directors of the company throughout the year and up to the date of signing the financial statements:

J Coppage  
J Wald

### **Directors' indemnity**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

### **Results and dividends**

The profit for the year is £nil (2017: £25,000,000).

On 21 June 2017 the Directors approved and performed a share capital reduction of 74,847,774 £1.00p ordinary shares and 3,000,000 £1.00p ordinary non-voting shares. Subsequently a dividend of £25,000,000 was received from Dana Spicer Europe Limited and a dividend of £25,000,000 was paid to Dana Investments UK Limited on 29 June 2017. No Dividends were paid or received in 2018

### **Key performance indicators**

The company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the business.

### **Independent auditors**

For the financial year in question the company are entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. 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 responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

## **Dana Holdings Limited**

### **Statement of comprehensive income for the year ended 31 December 2018**

		<b>Unaudited</b>	
		<b>2018</b>	<b>2017</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>Operating Profit</b>		-	-
Income from shares in subsidiary undertakings	8	-	25,000
<b>Profit before tax</b>		-	25,000
Tax on profit	4	-	-
<b>Profit for the financial year</b>		-	25,000
<b>Total comprehensive income for the financial year</b>		-	25,000

The notes on pages 6 to 11 form part of these financial statements.

# Dana Holdings Limited

## Balance sheet as at 31 December 2018

		Unaudited 2018	2017
	Note	£'000	£'000
<b>Fixed assets</b>			
Investments	5	29,667	29,667
		29,667	29,667
Creditors: amounts falling due within one year	6	(460)	(460)
<b>Net current liabilities</b>		<b>(460)</b>	<b>(460)</b>
<b>Net assets</b>		<b>29,207</b>	<b>29,207</b>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Capital reserve		10,000	10,000
Profit and loss account		19,206	19,206
<b>Total shareholders' funds</b>		<b>29,207</b>	<b>29,207</b>

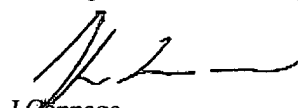
For the year ending 31 December 2018, the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements on pages 3 to 11 were approved by the Board of directors on 30 October 2019 and were signed on its behalf by:

  
J Oppage  
Director

## Dana Holdings Limited

### Statement of changes in Equity for the year ended 31 December 2018

	Called up share capital £'000	Capital reserve £'000	Profit and loss account £'000	Total Shareholders funds £'000
Balance at 1 January 2017	77,849	10,000	(58,642)	29,207
Profit for the financial year	-	-	-	-
<b>Total comprehensive income for the financial year (unaudited)</b>	-	-	-	-
<b>Balance at 31 December 2017 (unaudited)</b>	<b>77,849</b>	<b>10,000</b>	<b>(58,642)</b>	<b>29,207</b>
Profit for the financial year	-	-	-	-
<b>Total comprehensive income for the financial year</b>	-	-	-	-
Dividend (note 8)			-	-
Share capital reduction (note 7)	(77,848)	-	77,848	-
<b>Balance at 31 December 2018</b>	<b>1</b>	<b>10,000</b>	<b>19,206</b>	<b>29,207</b>

# **Dana Holdings Limited**

## **Notes to the financial statements**

### **for the year ended 31 December 2018**

#### **1 Accounting policies**

The financial statements have been prepared on a going concern basis, under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied consistently throughout the year:

##### **Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Dana Incorporated as at 31 December 2017 and these financial statements may be obtained from Dana Incorporated, P.O Box 1000, Maumee, Ohio, 43537, USA.

##### **Going concern**

The board has a reasonable expectation that the company has adequate resources to continue in operational existence for a foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

##### **Consolidation**

The financial statements contain information about Dana Investments UK Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is a wholly owned subsidiary undertaking and is included in the non-EEA group financial statements of Dana Incorporated which are publically available.

##### **Investments in subsidiaries**

Investments in subsidiaries are included in the balance sheet at cost less any provision for impairment determined by the directors. The directors consider that this is the most appropriate valuation method.

##### **Capital Reserves**

Capital contributions are recognised at the fair value of the cash received from the parent company providing the contribution.



**Dana Holdings Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2018**

**1 Accounting policies (continued)**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Taxation**

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

**Judgements in applying accounting policies and key sources of estimation uncertainty**

The company's significant accounting policies are set out above. The preparation of financial statements, in conformity with United Kingdom Accounting Standards, requires the use of estimates, subjective judgement and assumptions that may affect the amount of assets and liabilities at the balance sheet date and reported profit for the year. The directors base these estimates, judgements and assumptions on a combination of past experience, professional expert advice and other evidence that is relevant to the particular circumstance.

There are no accounting policies where the directors consider that more complex estimates, judgements and assumptions have been made.

**2 Employees and directors**

The company had no employees during 2018 or the previous financial year.

The directors are also directors of other companies within the Dana group and their emoluments relate to services provided to the group as a whole. The emoluments of J Coppage are included within the financial statements of Dana UK Axle Limited, the companies that paid the emoluments because it is not practical to apportion the amounts paid to the companies to which they relate. J Wald received emoluments from other Dana Incorporated group companies based outside the United Kingdom. These emoluments have not been recharged to the company in the current or prior year.

**Dana Holdings Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2018**

**3 Tax on profit**

	<b>Unaudited</b>	
	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Corporation tax</b>		
Current year charge	-	-
<b>Total tax on profit</b>	<b>-</b>	<b>-</b>

**Factors affecting tax charge for the financial year**

The tax assessed for the year is lower than (2017: the same as) the standard rate of corporation tax in the UK of 19.25% (2017: 20%). The differences are explained below:

	<b>Unaudited</b>	
	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Profit before taxation</b>	<b>-</b>	<b>25,000</b>
Profit multiplied by standard rate of corporation tax in the UK of 19.25% (2017: 20%)	-	4,813
<b>Effects of:</b>		
Non-taxable income	-	(4,813)
<b>Total tax charge for the financial year</b>	<b>-</b>	<b>-</b>

**Factors that may affect future tax charges**

The UK corporation tax rate will reduce from 19% to 17% over a period of 3 years from 2018. A reduction to 19% from 1 April 2018 was substantively enacted on 26 October 2015 and a further reduction to 17% from 1 April 2020 was substantively enacted on 6 September 2017. This will reduce the company's future current tax charge accordingly.

**Deferred taxation**

There is no deferred tax to recognise at 31 December 2018 (2017: £nil).

**Dana Holdings Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2018 (continued)**

**4 Investments**

	<b>Cost or valuation</b>	<b>Provision for diminution in value</b>	<b>Net book value</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Shares in group undertakings</b>			
<b>At 31 December 2017 and 31 December 2018</b>	<b>162,953</b>	<b>(133,286)</b>	<b>29,667</b>

The subsidiaries of the company at 31 December 2018 were:

<b>Company</b>	<b>Principal activity</b>	<b>Country of incorporation</b>	<b>% of ordinary share capital owned</b>
Dana Spicer Europe Limited	Manufacturing of automotive and industrial parts	England	100%
Dana UK Automotive Systems Limited	Investment holding company	England	100%
Dana UK Axle Limited	Manufacturing of axle products	England	100%
Dana UK Driveshaft Limited	Assembly of driveshaft products	England	100%
Dana Spicer Limited*	Dormant company	England	100%
Dana Commercial Credit (UK) Limited *	Investment holding company	England	100%
Dana Capital Limited*	Dormant company	England	100%

\* Companies did not trade during the year

**5 Creditors: amounts falling due within one year**

	<b>Unaudited 2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts due to group undertakings</b>	<b>460</b>	<b>460</b>

The amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**Dana Holdings Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2018 (continued)**

**6 Called up share capital**

Shares classified as equity	Allotted and fully paid	
	Number	£'000
<b>£1 ordinary voting shares</b>		
As at 31 December 2017	1,000	1
Share capital reduction		
<b>As at 31 December 2018</b>	<b>1,000</b>	<b>1</b>
<b>£1 ordinary non-voting shares</b>		
As at 31 December 2017	-	-
Share capital reduction	-	-
<b>As at 31 December 2018</b>	<b>-</b>	<b>-</b>
<b>Total share capital</b>		
<b>As at 31 December 2018</b>	<b>1,000</b>	<b>1</b>
As at 31 December 2017	1,000	1

The share capital was reduced from £77,848,774 to £1,000 by the cancellation of 74,847,774 £1 ordinary and 3,000,000 £1 ordinary non-voting shares to create reserves for distribution to the Company's sole member. The directors approved the reduction of share capital with a solvency statement on 21 June 2018.

**7 Income from shares in subsidiary undertakings**

A dividend of £25,000,000 was received from Dana Spicer Europe Limited and a dividend of £25,000,000 was paid to Dana Investments UK Limited. The dividends were both paid and received on 29 June 2017.

	Unaudited	
	2018	2017
	£'000	£'000
Final dividend paid of £25.00p (2017: nil) per £1 ordinary share	-	(25,000)

**Dana Holdings Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2018 (continued)**

**8 Ultimate parent company and controlling party**

The company is a wholly owned subsidiary of Dana Incorporated.

The company's immediate holding company is Dana Investments UK Limited, incorporated in Great Britain. A copy of these financial statements may be obtained from the registered office at Bridgeway House, Bridgeway, Stratford upon Avon, CV37 6YX.

The ultimate parent company and controlling party at 31 December 2018 and at the date of approval of these financial statements is Dana Incorporated, which is incorporated in the State of Delaware, USA. Dana Incorporated is the only parent undertaking of the group to consolidate the financial statements Of Dana Holdings Limited. Copies of the Dana Incorporated group financial statements may be obtained from PO Box 1000, Maumee, Ohio 43537, USA.