

CEVA Supply Chain Solutions Limited

Annual report and financial statements

For the year ended 31 December 2022

Registered number: 01190596



**Annual report and financial statements
for the year ended 31 December 2022**

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Directors' report

The directors present their annual report together with the financial statements of the company for the year ended 31 December 2022.

Directors and company secretary

The directors of the company, who served during the year to 31 December 2022 and up to the date of signing the financial statements, were as follows:

C Walton
D Jones

Company secretary: Tracy Moore

Principal activities and future developments

The principal activity of the company during the year was that of a holding company. The directors do not envisage initiating any material departure from these activities in the foreseeable future.

Stakeholder Relationships and Engagement

Engaging with our stakeholders and continually working towards strengthening these relationships is fundamental to the long-term success of the Company. We are focused on maintaining effective working relationships with all stakeholders, including shareholders, customers, suppliers, regulatory authorities and our employees. We align these stakeholder relationships with the Company's purpose. This is evidenced by documents and practices such as the ethics guide, supplier code of conduct, and the whistle-blowing policy.

Employees

The company had no employees other than the directors during the year (2021: nil).

Financial risk management

The directors of the company consider that price risk, credit risk and liquidity risk do not have a material impact on the financial statements.

Results and dividends

The results for the year are shown in the profit and loss account on page 8.

During the year no dividends were received (2021: £28,047,032).

During the year no dividends were paid. (2021: £28,047,032).

Review of business

The only measures of the company's performance are profit before tax and profit after taxes which are disclosed in the profit and loss account on page 8.

Going Concern

The financial statements are prepared on a going concern basis which the directors consider to be appropriate. The directors continue to monitor the impact of COVID-19 on the company and in considering these events, have undertaken an assessment of the going concern basis and application to the company's financial statements. At the balance sheet date, the company has net current assets of £24,520,000 (2021: £24,311,000).

Charitable contributions

There were no charitable contributions made during the year (2021: £nil).

Streamlined Energy and Carbon Reporting (SECR)

The company is exempt from reporting on SECR as it is a small company and does not meet the required thresholds.

Strategic report

The company has taken advantage of the exemption from reporting a strategic report on the grounds that it would be entitled to take advantage of the small companies' exemption.

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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

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 United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of 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.

Qualifying third-party and pension scheme indemnity provisions

The company has no qualifying third-party indemnity provision or pension scheme indemnity provision for the benefit of the directors.

Statement of disclosure of information to auditors

As required by section 418 of the Companies Act 2006, the directors confirm that at the date when this report was approved that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the Board of Directors on 22 September 2023 and signed on its behalf by



David Jones
Director

PO Box 8663
CEVA House
Excelsior Road
Ashby de la Zouch
Leicestershire
LE65 9BA

Independent auditor's report to the members of CEVA Supply Chain Solutions Limited

Opinion

We have audited the financial statements of CEVA Supply Chain Solutions Limited (the 'Company') for the year ended 31 December 2022, which comprise the Profit and loss, the Balance sheet, Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of CEVA Supply Chain Solutions Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Director's report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with

ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Independent auditor's report to the members of CEVA Supply Chain Solutions Limited (continued)

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Independent auditor's report to the members of CEVA Supply Chain Solutions Limited (continued)

Use of our report

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 Auditors' 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.



Simon Hawkins (Senior Statutory Auditor)
For and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
ST1 5RQ
Date: 22 September 2023

Profit and loss account
for the year ended 31 December 2022

	Note	Year ended 31 December 2022	Year ended 31 December 2021
		£000	£000
Administrative expenses		(13)	-
Other operating income		-	-
Operating (loss)/profit		(13)	-
Income from shares in group undertakings	8	-	28,047
(Loss)/profit on ordinary activities before interest and taxation		(13)	28,047
Interest receivable and similar income	5	222	626
Profit on ordinary activities before taxation		209	28,673
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		209	28,673

The amounts shown above are in respect of continuing operations.

The company has no recognised gains and losses other than those included in the results above, and therefore separate statement of comprehensive income has not been presented.

The notes on pages 11 to 16 are an integral part of these financial statements.

Balance sheet
as at 31 December 2022

	Note	31 December 2022 £000	31 December 2021 £000
Fixed assets			
Investments	7	159,559	159,559
Current assets			
Debtors	9	27,653	27,432
Creditors: amounts falling due within one year	10	<u>(3,133)</u>	<u>(3,121)</u>
Net current assets		24,520	24,311
Total assets less current liabilities		184,079	183,870
Capital and reserves			
Called up share capital	11	77,840	77,840
Share premium account	14	107,267	107,267
Profit and loss account	14	<u>(1,028)</u>	<u>(1,237)</u>
Total shareholders' funds		184,079	183,870

The financial statements were approved by the Board of Directors on 22 September 2023 and were signed on its behalf by



David Jones
Director

The notes on pages 11 to 16 are an integral part of these financial statements.

**Statement of changes in equity
for the year ended 31 December 2022**

	Called up share capital £'000	Share premium account £'000	Restated Retained earnings £'000	Restated Total equity £'000
Balance at 1 January 2021	77,840	107,267	(1,863)	183,244
Profit for the financial year	-	-	28,673	28,673
Dividends paid	-	-	(28,047)	(28,047)
Balance at 31 December 2021	77,840	107,267	(1,237)	183,870
Balance at 1 January 2022	77,840	107,267	(1,237)	183,870
Profit for the financial year	-	-	209	209
Total comprehensive income for the year	-	-	209	209
Balance at 31 December 2022	77,840	107,267	(1,028)	184,079

The notes on pages 11 to 16 are an integral part of these financial statements.

Notes to the financial statements

1 General Information

CEVA Supply Chain Solutions Limited is an intermediate holding company.

The company is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is PO Box 8663, Ceva House, Excelsior Road, Ashby de la Zouch, Leicestershire, LE65 9BA.

2 Statement of compliance

The financial statements of CEVA Supply Chain Solutions Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

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

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the recognition of certain assets and liabilities measured at fair value.

Going Concern

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should continue to be profitable and cash generative. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, the company therefore continues to adopt the going concern basis in preparing its financial statements.

Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard number 102 to prepare a cash flow statement.

Distributions to equity holders

Dividends and other distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Fixed asset investments

Investments are stated at the cost of the shares, plus all other associated costs less any provision for impairment.

Interest receivable and similar income

Interest receivable is recognised in the profit & loss on accrual basis.

Dividend income is recognised in the profit and loss on a received basis.

Notes to the financial statements (continued)

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax assets and liabilities are not discounted.

Accounting Estimates and Key Judgements

In the application of the company's accounting policies, which are described above, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Critical judgement in applying the company's accounting policies

The following are the critical judgements that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

There are no accounting estimate or judgements that directors believe require disclosing.

Notes to the financial statements (continued)

4 Directors and Employees

The company has no employees (2021: None) other than directors. The directors are also directors of other companies within the group and their emoluments relate to their services provided to the group as a whole. Hence the emoluments of the directors are included within CEVA Logistics Limited, the company which paid the emoluments.

5 Interest receivable and similar income

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Interest receivable from group companies	222	626

6 Tax on profit on ordinary activities

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Current Tax		
UK Corporation tax on profit for the period	-	-
Adjustment in respect of group relief from prior period	-	-
Total current tax	-	-

Factors affecting tax charge for year

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Profit on ordinary activities before taxation	209	28,673
Profit on ordinary activities multiplied by the standard rate of tax in the UK at 19% (year ended 31 December 2021: 19%)	40	5,448
Effects of:		
- Non-taxable dividend income	-	(5,329)
- Transfer pricing adjustment	(20)	(8)
- Group relief received but not paid for	(20)	(111)
Total tax (credit)/charge for the year	-	-
Effective tax rate	0%	0%

Notes to the financial statements (continued)

Factors affecting the current and future tax charges

The March 2020 Budget announced that a rate of 19% would apply with effect from 1 April 2020, and the change was substantively enacted on 17 March 2020. An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly.

7 Investments

**Subsidiary
companies
£000**

As at 1 January 2022 and 31 December 2022

159,559

The directors believe that the carrying value of the investments is supported by their underlying net assets. The companies in which the company has a direct interest as at 31 December 2022 are as follows:

	Country of incorporation	Principal Activity	Class and percentage of Shares held
CEVA Network Logistics Limited	England and Wales	Holding company	100% Ordinary
CEVA Logistics – The Chill Hub Limited	England and Wales	Warehousing and Logistics solutions	100% Ordinary

CEVA Automotive Logistics UK Limited was dissolved on 7 June 2022.
CEVA Showfreight Limited was dissolved on 26 July 2022.

The subsidiary companies owned indirectly by the company as at 31 December 2022 were as follows:

	Country of Incorporation	Principal Activity	Class and percentage of shares held
CEVA Container Logistics Limited	England and Wales	Property rental	100% Ordinary

The company also holds a direct investment of 33% of the Ordinary shares in CEVA Logistics Limited and an indirect investment of 67% of the ordinary shares in the same company through its subsidiary company CEVA Container Logistics Limited. CEVA Logistics Limited was incorporated in England and Wales and its principal activity is that of warehousing and distribution.

8 Dividends

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Equity – Ordinary		
Final dividend paid	-	28,047

Notes to the financial statements (continued)

9 Debtors

	31 December 2022 £000	31 December 2021 £000
Amounts falling due within one year:		
Amounts owed by group companies	27,653	27,432

Amounts due from group companies are unsecured and repayable on demand. Interest is charged at market rates.

10 Creditors: amounts falling due within one year

	31 December 2022 £000	31 December 2021 £000
Amounts owed to group companies	3,133	3,121

Amounts owed to group companies are unsecured and repayable on demand. Interest is not charged.

11 Called up share capital

	31 December 2022 £000	31 December 2021 £000
Authorised		
99,969,400 Ordinary shares of £1 each	99,969	99,969
30,600 5% Non-Cumulative Preference shares of £1 each	31	31
	100,000	100,000
Allotted, called up and fully paid:		
77,808,817 (2021: 77,808,817) Ordinary shares at £1 each	77,809	77,809
30,600 5% (2021: 30,600) Non-Cumulative Preference shares of £1 each	31	31
	77,840	77,840

Notes to the financial statements (continued)

Rights of preference shareholders

The preference shareholders are entitled to 5% non-cumulative dividends per annum on the capital paid up. No such dividends were paid in the year or are payable because the right to the dividend has been waived. The preference shares do not have a right to any further participation in the profits of the company. On the winding up of the company, the preference shareholders are entitled to receive the amount of capital paid up once all liabilities have been settled. The preference shareholders do not have any rights to vote.

12 Contingent liabilities

The company is a participant in a group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. In addition, the company has issued an unlimited guarantee to the bank to support these group facilities. Further financial information on guarantees are disclosed in the consolidated financial statements of CEVA Group plc. CEVA Group plc financial statements can be obtained from Companies House website.

13 Related party disclosures

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the CEVA Group.

14 Reserves

Share Premium

The share premium reserve relates to the excess paid for the purchase of share capital.

Profit and loss

The profit and loss reserve cumulative profit or losses, net of dividends paid and other adjustments

15 Immediate and ultimate parent undertaking

At 31 December 2022 the immediate parent undertaking was CEVA Limited, a company incorporated in the United Kingdom.

The ultimate controlling undertaking is CMA CGM.

The smallest and largest parent undertaking of CEVA Supply Chain Solutions Limited preparing consolidated financial statements is CMA CGM, a company registered in France. Copies of the consolidated financial statements of CMA CGM can be obtained from the CMA CGM website. The ultimate controlling party is Merit France SAS.