

CEVA Supply Chain Solutions Limited

Annual report and financial statements

For the year ended 31 December 2020

Registered number: 01190596



**Annual report and financial statements
for the year ended 31 December 2020**

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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 2020.

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.

Results and dividends

The results for the year are shown in the profit and loss account on page 3. No dividend was paid during the year (2019: £Nil).

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 3.

Directors and company secretary

The directors of the company, who served during the year to 31 December 2020 and up to the date of signing the financial statements, were as follows:

E Aston	(resigned 7 th February 2020)
C Walton	(appointed 10 th February 2020)
J Gill	(resigned 20 th July 2020)
D Jones	(appointed 21 st July 2020)

Company secretary: Tracy Moore

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.

Directors' report (continued)

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.

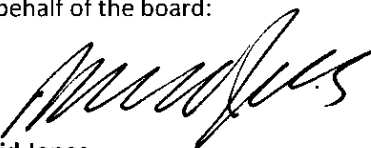
Qualifying third-party and pension scheme indemnity provisions

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

Auditors

The directors have decided to take advantage of the provisions of section 479a of the Companies Act 2006 and therefore an audit has not been performed.

On behalf of the board:



David Jones
Director

13th September 2021

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

Profit and loss account

for the year ended 31 December 2020

	Note	Year ended 31 December 2020 £000	Year ended 31 December 2019 £000
Operating profit		-	-
Interest receivable and similar income	5	628	626
Profit on ordinary activities before taxation		628	626
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		628	626

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.

Balance sheet
as at 31 December 2019

	Note	31 December 2020 £000	31 December 2019 £000
Fixed assets			
Investments	8	167,360	167,360
Current assets			
Debtors	9	26,805	26,177
Creditors: amounts falling due within one year	10	<u>(3,121)</u>	<u>(3,121)</u>
Net current assets		<u>23,684</u>	<u>23,056</u>
Total assets less current liabilities		<u>191,044</u>	<u>190,416</u>
Capital and reserves			
Called up share capital	11	77,839	77,839
Share premium account		107,267	107,267
Profit and loss account		5,938	5,310
Total shareholders' funds		<u>191,044</u>	<u>190,416</u>

For the year ended 31 December 2020 the company was entitled to exemption under section 479a of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for:

- i ensuring the company keeps accounting records which comply with section 386; and
- ii preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 4 to 12 were approved by the Board of Directors on 13th September 2021 and were signed on its behalf by



David Jones
Director

Statement of changes in equity
for the year ended 31 December 2020

	Called up share capital £'000	Share premium account £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2019	77,839	107,267	4,684	189,790
Profit for the financial year	-	-	626	626
Total comprehensive income for the year	-	-	626	626
Balance at 31 December 2019	77,839	107,267	5,310	190,416
Balance at 1 January 2020	77,839	107,267	5,310	190,416
Profit for the financial year	-	-	628	628
Total comprehensive income for the year	-	-	628	628
Balance at 31 December 2020	77,839	107,267	5,938	191,044

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. The address of its registered office is Ceva House, Excelsior Road, Ashby de la Zouch, Leicestershire, LE65 1NU.

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. Details of the transition to FRS102 are detailed in note 16.

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.

Notes to the financial statements *(continued)*

Summary of significant accounting policies *(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.

4 Directors and Employees

The company has no employees (2019: 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.

Notes to the financial statements *(continued)*

5 Interest receivable and similar income

	Year ended 31 December 2020 £000	Year ended 31 December 2019 £000
Interest receivable from group companies	628	626

6 Tax on profit on ordinary activities

	Year ended 31 December 2020 £000	Year ended 31 December 2019 £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 2020 £000	Year ended 31 December 2019 £000
Profit on ordinary activities before taxation	628	626
Profit on ordinary activities multiplied by the standard rate of tax in the UK at 19% (<i>year ended 31 December 2019: 19%</i>)	119	119
Effects of:		
- Non-taxable dividend income	-	-
- Transfer pricing adjustment	(12)	(12)
- Group relief received but not paid for	(107)	(107)
Total tax (credit)/charge for the year	-	-
Effective tax rate	0%	0%

Factors affecting the current and future tax charges

The standard rate of tax applied to reported profit on ordinary activities is 19% (2019: 19%). The applicable tax rate has changed following the substantive enactment of the Finance act 2013.

In the spring budget 2021 the government announced that from 1 April 2023 the corporation tax rate will increase from 19% to 25%.

Notes to the financial statements (continued)

7 Investments

**Subsidiary
companies
£000**

As at 1 January 2020 and 31 December 2020

167,360

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 2019 are as follows:

	Country of incorporation	Principal Activity	Class and percentage of Shares held
CEVA Automotive Logistics UK Limited	England and Wales	Distribution	100% Ordinary
Newsfast Limited	England and Wales	Dormant	100% Ordinary
CEVA Logistics NI Limited	England and Wales	Dormant	100% Ordinary
CEVA Showfreight Limited	England and Wales	Dormant	100% Ordinary
CEVA Network Logistics Limited	England and Wales	Holding company	100% Ordinary

The subsidiary companies owned indirectly by the company as at 31 December 2020 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
CEVA Distribution 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.

The companies in which the company holds an investment as at 31 December 2020 were as follows:

	Country of Incorporation	Principal Activity	Class and percentage of Shares held
Newsagents Wholesale Corporation Limited	England and Wales	Dormant	0.0003% Ordinary

Notes to the financial statements (continued)

8 Debtors

	31 December 2020 £000	31 December 2019 £000
Amounts falling due within one year:		
Amounts owed by group companies	26,805	26,177

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

9 Creditors: amounts falling due within one year

	31 December 2020 £000	31 December 2019 £000
Amounts owed to group companies	3,121	3,121

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

10 Called up share capital

	31 December 2020 £000	31 December 2019 £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 Ordinary shares at £1 each	77,808	77,808
30,600 5% Non-Cumulative Preference shares of £1 each	31	31
	77,839	77,839

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.

Notes to the financial statements *(continued)*

11 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

12 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.

13 Immediate and ultimate parent undertaking

At 31 December 2020 the immediate parent undertaking was CEVA Limited, a company incorporated in the United Kingdom.

The smallest and largest parent undertaking of CEVA Supplychain 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.