

# Annual Report and Financial Statements

## TRW Investment Management Company Limited

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For the Year Ended 31 December 2012



## Officers and professional advisors

**Company registration number** 2197513

**Directors**

PM Almond  
A Bassett  
F Chittka  
MG Degen  
MC Furber  
J Griffin  
S Kowicz  
R Lechner  
PR Rapin

**Secretary** J Pegg

**Auditor**

KPMG LLP  
Registered Auditor  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 69H

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## Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2012

### **Principal activities and business review**

Since 2008 the company accounts have been filed at Companies House as a dormant company. In 2011 the company received two capital contributions of £1,500,000 each from its immediate parent undertakings, Lucas Industries Limited and Joseph Lucas Limited. The contributions enable the company to issue a Pension Protection Fund guarantee in favour of TRW Pension Trust Limited (a fellow subsidiary undertaking and the trustee company of the TRW Pension Scheme), which will support the pension liabilities of TRW Limited (a fellow subsidiary undertaking and the sponsoring company of the TRW Pension Scheme).

### **Results and dividends**

The profit for the year amounted to £13,768 (2011 - £14,098). No dividends were paid or declared in the year (2011 - £ nil).

### **Directors**

The directors who served the company during the year were as follows:

PM Almond	(resigned 31 December 2012)
A Bassett	
F Chittka	
MG Degen	
MC Furber	
J Griffin	
S Kiwicz	(appointed 22 May 2012)
R Lechner	
R Middleton	(resigned 22 May 2012)
PR Rapin	

### **Directors' interests**

None of the directors had any declarable interests in shares of any group companies in the United Kingdom at 31 December 2012.

### **Directors' indemnities**

During the year an indemnity from the company was available to the directors against liabilities incurred by them in defending proceedings against them in relation to the affairs of the company. The indemnity is subject to the provisions of the Companies Act and is set out in the Articles of Association.

## Report of the directors (continued)

### **Going concern**

The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future

As of 31 December 2012, TRW Investment Management Company Limited had net current assets of £3,027,838 consisting of cash at bank and an intercompany receivable balance with its immediate parent undertaking Lucas Industries Limited, and net assets of the same value

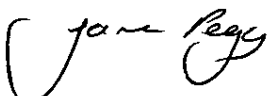
The company can participate in the centralised Treasury arrangements of the TRW Automotive group and therefore, shares banking arrangements with its parent and fellow subsidiaries. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of TRW Automotive to continue as a going concern, or its ability to continue with current banking arrangements

### **Directors' statement as to disclosure of information to auditors**

Each of the directors who were members of the board at the time of approving this directors' report confirm that

- to the best of their knowledge and belief, there is no relevant audit information to the preparation of their report of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

BY ORDER OF THE BOARD



J Pegg  
Company Secretary

17 September 2013

## 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)

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 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.

## Independent auditor's report to the members of TRW Investment Management Company Limited

We have audited the financial statements of TRW Investment Management Company Limited for the year ended 31 December 2012 set out on pages 9 to 14. 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 6, 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 (APB'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 APB's web-site at [www.frc.org.uk/apb/auditscopeukprivate](http://www.frc.org.uk/apb/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 2012 and of its profit 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**

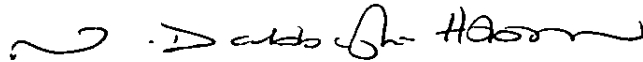
In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Independent auditor's report to the members of TRW Investment Management Company 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



Nadia Dabbagh-Hobrow

for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham, B4 6GH

20 September 2013



## Profit and loss account

	Note	2012 £	2011 £
Bank interest receivable		13,768	14,098
<b>Profit/result on ordinary activities before taxation</b>		<b>13,768</b>	<b>14,098</b>
Tax on profit/result on ordinary activities	3	—	—
<b>Profit for the financial year</b>	5	<b>13,768</b>	<b>14,098</b>


All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the profit for the year as set out above, and therefore no separate statement of gains and losses have been presented

## Balance sheet

	Note	2012 £	2011 £
<b>Current assets</b>			
Short term deposit		3,027,828	—
Cash at bank		8	3,014,098
Debtors amounts owed by parent undertakings		2	2
<b>Net current assets</b>		<u>3,027,838</u>	<u>3,014,100</u>
<b>Net assets</b>		<u>3,027,838</u>	<u>3,014,100</u>
<b>Capital and reserves</b>			
Called-up equity share capital	4	2	2
Capital reserve	5	3,014,098	3,000,000
Profit and loss account	5	13,738	14,098
<b>Equity shareholders' funds</b>	5,4	<u>3,027,838</u>	<u>3,014,100</u>

These financial statements were approved by the directors and authorised for issue on 17 September 2013, and are signed on their behalf by



A Bassett  
 Director

## Notes to the financial statements

### **1 Accounting policies**

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

#### **Going concern**

The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future

As of 31 December 2012, TRW Investment Management Company Limited had net current assets of £3,027,838 consisting of cash at bank and an intercompany receivable balance with its immediate parent undertaking Lucas Industries Limited, and net assets of the same value

The company can participate in the centralised Treasury arrangements of the TRW Automotive group and therefore, shares banking arrangements with its parents and fellow subsidiaries. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of TRW Automotive to continue as a going concern, or its ability to continue with current banking arrangements

#### **Cash flow statement**

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking TRW Automotive Holdings Corp, includes the company in its own published consolidated financial statements

#### **Related parties transactions**

As the company is a wholly owned subsidiary of TRW Automotive Holdings Corp, it has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with other subsidiary undertakings that form part of the TRW Automotive Holdings Corp group, or associated undertakings of the TRW Automotive Holdings Corp group

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

### **Deferred taxation**

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

## **2 Information regarding directors, employees and auditors**

Directors' emoluments are borne by other entities in the group. The directors do not spend a significant portion of time in respect of TRW Investment Management Company Limited and therefore the proportion of the charge that relates to TRW Investment Management Company Limited is not considered to be significant.

The company had no employees during the year (2011 - nil)

The auditors' remuneration for 2012 was borne by another group undertaking (2011 - £ nil)

**3 Taxation on ordinary activities**

(a) Analysis of charge in the year

	2012 £	2011 £
Current tax		
United Kingdom corporation tax	—	—
<b>Total current tax charge</b>	<b>—</b>	<b>—</b>

(b) Factors affecting current tax charge

	2011 £	2010 £
Profit on ordinary activities before taxation	<b>13,768</b>	<b>14,098</b>
Profit on ordinary activities by rate of tax multiplied by standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	<b>3,366</b>	<b>3,736</b>
Group relief received without payment	<b>(3,366)</b>	<b>(3,736)</b>
<b>Total current tax</b>	<b>—</b>	<b>—</b>

**4 Share capital**

Authorised share capital

	2012 £	2011 £
100 ordinary shares of £1 each	<b>100</b>	<b>100</b>

Allotted, called up and fully paid

	2012 £	2011 £
2 ordinary shares of £1 each	<b>2</b>	<b>2</b>

**5 Reconciliation of shareholders' funds and movement on reserves**

	Share capital	Capital reserve	Profit and loss account	Total shareholders' funds
	£	£	£	£
At 1 January 2011	2	—	—	2
Result for the year	—	—	14,098	14,098
Capital contribution	—	3,000,000	—	3,000,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2011 and 1 January 2012	2	—	—	2
Profit for the year	—	3,014,098	13,738	3,027,836
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2012	<u>2</u>	<u>3,014,098</u>	<u>13,738</u>	<u>3,027,838</u>

**6 Ultimate parent undertaking**

The company's immediate parent undertakings are Lucas Industries Limited, and Joseph Lucas limited

In the directors' opinion, the company's ultimate parent undertaking and controlling party is TRW Automotive Holdings Corp, incorporated in Delaware in the USA. This is the smallest and largest group in which the results of the company are consolidated and copies of the consolidated accounts of the company may be obtained from 12001 Tech Centre Drive, Livonia, Michigan 48150, USA