

Company Number 2640241

## **GST Automotive Safety UK Limited**

**Director's report and financial statements**  
**Year ended 31 December 2012**

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# **GST Automotive Safety UK Limited**

## **Director's report and financial statements for the year ended 31 December 2012**

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## **Officers and professional advisers**

### **Directors**

G Saint-Denis

G Gottwick

### **Secretary**

Eversecretary Limited

Eversheds House

70 Great Bridgewater Street

Manchester

M1 5ES

### **Registered Office**

Eversheds House

70 Great Bridgewater Street

Manchester

M1 5ES

### **Bankers**

HSBC Plc

97 Bute Street

Cardiff

CF10 5NA

### **Solicitors**

Eversheds

1 Callaghan Square

Cardiff

CF10 5BT

### **Auditor**

Grant Thornton UK LLP

Grant Thornton House

Melton Street

Euston Square

London

NW1 2EP

## **Directors' report for the year ended 31 December 2012**

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

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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 elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a 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 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.

### **Disclosure of information to auditors**

In so far as each of the directors is aware

- there is no relevant audit information 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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Principal activities**

The principal activity of the company is that of an intermediate holding company.

The project to initiate the liquidation of the company is still ongoing.  
Operational and administrative support is provided by a fellow group entity based in Germany.

### **Statement of compliance**

To comply with the Companies Act 2006 the company has provided below a review of the development and performance of the business during the year, including financial performance, and a description of the principal risks and uncertainties facing the company

### **Results and Dividends**

The results for the period are shown in the profit and loss account on page 7 The directors do not recommend the payment of a dividend (2011 £ nil)

### **Principal risks and uncertainties**

The company is subject to the risk of exchange rate and interest rate variances which relate to the foreign debt due from a group company The directors feel the exchange rate and interest rate exposure are mitigated by the financial support from the company's intermediate and indirect holding companies

### **Directors and their interests**

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

G Saint-Denis  
G Gottwick

None of the directors had any interests in the shares of the company at any time in the year

## **Directors' report for the year ended 31 December 2012 (continued)**

### **Business review**

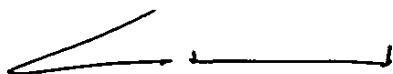
In the year, the company settled the debt repayable from its Romanian subsidiary, GST Automotive Safety RO s r l. The transaction was facilitated by a debt for equity swap that resulted in the share capital of GST Automotive Safety RO s r l being increased from 300 lei to 5,000,000 lei.

Furthermore it was agreed that an impairment of GBP 2,665K should be recorded to take the investment value down to equal the net realizable value of its Romanian subsidiary of GBP 2,143K. The directors are of the opinion that the investment now represents its fair value.

### **Auditors**

Grant Thornton UK LLP offer themselves for reappointment as auditor in accordance with section 485 of the companies Act 2006.

### **On behalf of the Board**



**Günter Gottwick**  
**Director**

*15. October 2013*

# **Independent auditor's report to the members of GST Automotive Safety UK Limited**

We have audited the financial statements of GST Automotive Safety UK Limited for the year ended 31 December 2012 which comprise the Profit and loss account, Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 2, 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 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 website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

## **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 loss 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

## **Independent auditor's report to the members of GST Automotive Safety UK Limited**

### **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

### **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



Harold Wilson  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Chartered Accountants  
Statutory Auditor  
London

21 October 2013



# GST Automotive Safety UK Limited

## Profit and loss account for the year ended 31 December 2012

|   | Note | Year ended<br>31 December<br>2012<br>£'000 | Year ended<br>31 December<br>2011<br>£'000 |
|---|------|--|--|
| Turnover  |      | -  | -  |
| Administrative expenses                                     |      | (198)                                      | (184)                                      |
| <b>Operating loss</b>                                       |      | <b>(198)</b>                               | <b>(184)</b>                               |
| Interest receivable   | 1    | 138  | 463  |
| Interest payable  | 2    | -  | (237)                                      |
| Impairment of investment                                    | 7    | (2,665)                                    | -  |
| <b>(Loss)/Profit on ordinary activities before taxation</b> | 3    | <b>(2,725)</b>                             | 42   |
| Tax on (loss)/profit on ordinary activities                 | 6    | 74   | (30)                                       |
| <b>(Loss)/Profit for the financial year</b>                 | 11   | <b>(2,651)</b>                             | 12   |

There have been no recognised gains and losses other than as shown above and accordingly no statement of total recognised gains and losses is shown

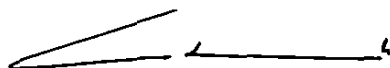
There is no difference between the loss or profit on ordinary activities before taxation and the retained profit/(loss) for the year stated above and their historical cost equivalents

# GST Automotive Safety UK Limited

## Balance sheet as at 31 December 2012

|  | Note | 31 December<br>2012<br>£'000 | 31 December<br>2011<br>£'000 |
|--|------|------------------------------|------------------------------|
| <b>Fixed assets</b>                                    |      |                              |                              |
| Investments  | 7    | 2,143                        | -                            |
|  |      | <b>2,143</b>                 |                              |
| <b>Current assets</b>                                  |      |                              |                              |
| Debtors  | 8    | 1,267                        | 6,137                        |
| Cash at bank and in hand                               |      | 203                          | 223                          |
|  |      | <b>1,470</b>                 | <b>6,360</b>                 |
| <b>Creditors – amounts falling due within one year</b> | 9    | <b>(100)</b>                 | <b>(196)</b>                 |
| <b>Net current assets</b>                              |      | <b>1,370</b>                 | <b>6,164</b>                 |
| <b>Net assets</b>                                      |      | <b>3,513</b>                 | <b>6,164</b>                 |
| <b>Capital and reserves</b>                            |      |                              |                              |
| Called up share capital                                | 10   | -                            | -                            |
| Share premium account                                  | 11   | 600                          | 600                          |
| Capital redemption reserve                             | 11   | 1,811                        | 1,811                        |
| Profit and loss account                                | 11   | 1,102                        | 3,753                        |
| <b>Shareholders' funds</b>                             | 12   | <b>3,513</b>                 | <b>6,164</b>                 |

These financial statements were approved by the board of directors on **Oct 15<sup>th</sup> 2013** and were signed on its behalf by



**Günter Gottwick**  
Director

Company number : 02640241

# **GST Automotive Safety UK Limited**

## **Statement of accounting policies**

### **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. The particular accounting policies adopted have been applied consistently except for the adoption of new accounting standards and are described below.

It is the directors' intention to liquidate the company within a year and consequently these financial statements have been prepared on a break up basis which is consistent with the treatment in the prior period accounts.

### **Accounting convention**

The financial statements are prepared under the historical cost convention.

### **Foreign exchange**

All monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the mid-market rate ruling at the close of business at that date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit or loss.

### **Cash flow statement**

Under the provision of Financial Reporting Standard No 1 (Revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

### **Deferred taxation**

Deferred tax is provided for using the tax rates expected to be in force when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallize. Unprovided deferred tax is disclosed as a contingent liability.

### **Consolidation**

The company has taken advantage of the exemption afforded by section 400 of the Companies Act 2006 from preparing consolidated financial statements because its financial statements, and those of its subsidiary, are included in the consolidated financial statements of GST Global GmbH. These financial statements therefore present information about the company as an individual undertaking and not about its group.

### **Investments**

Investments in subsidiaries are valued at cost less any provision for impairment.

**Notes to the financial statements  
for the year ended 31 December 2012**

**1 Interest receivable**

|  | Year ended<br>31 December<br>2012<br>£'000 | Year ended<br>31 December<br>2011<br>£'000 |
|--|--|--|
| Interest receivable and similar income | 138  | 463  |

**2 Interest payable**

|                                       | Year ended<br>31 December<br>2012<br>£'000 | Year ended<br>31 December<br>2011<br>£'000 |
|---------------------------------------|--|--|
| Interest payable on intercompany loan | -  | 237  |

**3 (Loss)/profit on ordinary activities before taxation**

(Loss)/profit on ordinary activities before taxation is stated after charging

|                        | Year ended<br>31 December<br>2012<br>£'000 | Year ended<br>31 December<br>2011<br>£'000 |
|------------------------|--|--|
| Auditor's remuneration | 11   | 13   |
| Foreign exchange loss  | 150  | 144  |

# **GST Automotive Safety UK Limited**

## **Notes to the financial statements**

### **for the year ended 31 December 2012 (continued)**

#### **4 Staff numbers and costs**

|   | <b>Year ended<br/>31 December<br/>2012</b> | <b>Year ended<br/>31 December<br/>2011</b> |
|---|--|--|
| The average monthly number of employees during the period was |  |  |
| Directors   | <b>2</b>                                   | <b>2</b>                                   |

#### **5 Directors' remuneration, interests and transactions**

Directors' emoluments have been paid by other group companies, in both the current and preceding year. It is not possible to allocate the proportion of their remuneration which relates to this company.

**GST Automotive Safety UK Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2012 (continued)**

**6 Tax on (loss)/profit on ordinary activities**

|  | Year ended<br>31 December<br>2012<br>£'000 | Year ended<br>31 December<br>2011<br>£'000 |
|--|--|--|
| United Kingdom corporation tax                                     | -  | -  |
| Overseas tax   | -  | 27   |
| Adjustments in respect of previous years – (credit)/charge         | (74)                                       | 3  |
| <b>Total current tax (credit)/charge</b>                           | <b>(74)</b>                                | <b>30</b>                                  |
| <b>Deferred taxation</b>   |  |  |
| Origination and reversal of timing differences                     | -  | -  |
| <b>Tax (credit)/charge on (loss)/profit on ordinary activities</b> | <b>(74)</b>                                | <b>30</b>                                  |

The current tax (credit)/charge for the year differs from the standard rate of corporation tax in the United Kingdom of 24.5% (2011: 26.5%). The differences are explained below:

|  | Year ended<br>31 December<br>2012<br>£'000 | Year ended<br>31 December<br>2011<br>£'000 |
|--|--|--|
| (Loss)/profit on ordinary activities before taxation | (2,725)                                    | 42   |
| <b>Factors affecting charge for the year</b>         |  |  |
| Tax charge at the standard rate of corporation tax   | (668)                                      | 11   |
| Expenses not deductible for tax purposes             | -  | (8)  |
| Tax losses not recognised                            | 668  | -  |
| Overseas tax   | -  | 27   |
| Other timing differences                             | -  | (3)  |
| Adjustment in respect of previous year               | (74)                                       | 3  |
| <b>Current tax (credit)/charge</b>                   | <b>(74)</b>                                | <b>30</b>                                  |

# **GST Automotive Safety UK Limited**

## **Notes to the financial statements**

### **for the year ended 31 December 2012(continued)**

#### **7 Fixed asset investments**

|                      | <b>Year ended<br/>31 December<br/>2012<br/>£'000</b> | <b>Year ended<br/>31 December<br/>2011<br/>£'000</b> |
|----------------------|--|--|
| At 1 January         | -  | -  |
| Additions            | 4,808  | -  |
| Impairment           | (2,665)  | -  |
| <b>At 31 January</b> | <b>2,143</b>   |  |

#### **Investment in Subsidiary**

On May 30th 2012 a resolution was made between GST Automotive Safety UK Ltd and its subsidiary GST Automotive Safety RO s r l to convert the company's loan to GST Automotive Safety RO s r l into equity

Furthermore it was agreed that an impairment of £2,665K should be recorded to take the investment down to a value equal to the fair value of its Romanian subsidiary of £2,143K

GST Automotive Safety UK Limited is the sole shareholder of GST Automotive Safety RO s r l (formerly ITG Automotive Safety RO s r l), registered in Romania. The nominal share capital of the company was increased from RON 300 to RON 5,000,000 and divided into 500 shares of RON 10,000 each. The principal activity of the company is the manufacturing of automotive airbags. The company's net liabilities at the balance sheet date and loss for the period are as below

|                          | <b>2012<br/>£'000</b> | <b>2011<br/>£'000</b> |
|--------------------------|-----------------------|-----------------------|
| Net assets/(liabilities) | <b>2,972</b>          | <b>(1,050)</b>        |
| (Loss) after Tax         | <b>(1,733)</b>        | <b>(31)</b>           |

**GST Automotive Safety UK Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2012(continued)**

**8 Debtors**

|                                  | <b>31 December<br/>2012<br/>£'000</b> | <b>31 December<br/>2011<br/>£'000</b> |
|----------------------------------|---------------------------------------|---------------------------------------|
| Other debtors                    | -                                     | 3                                     |
| Amounts due from group companies | 1,267                                 | 6,134                                 |
|                                  | <b>1,267</b>                          | <b>6,137</b>                          |

**9 Creditors – Amounts falling due within one year**

|                                    | <b>31 December<br/>2012<br/>£'000</b> | <b>31 December<br/>2011<br/>£'000</b> |
|------------------------------------|---------------------------------------|---------------------------------------|
| Trade creditors                    | 2                                     | 19                                    |
| Amounts owed to group undertakings | 11                                    | 13                                    |
| Accruals and deferred income       | 87                                    | 164                                   |
|                                    | <b>100</b>                            | <b>196</b>                            |

**10 Called up share capital**

|   | <b>31 December<br/>2012<br/>£'000</b> | <b>31 December<br/>2011<br/>£'000</b> |
|---|---------------------------------------|---------------------------------------|
| <b>Authorised</b>                         |                                       |                                       |
| 200 ordinary shares of £1 each            | -                                     | -                                     |
| <b>Allotted, called up and fully paid</b> |                                       |                                       |
| 200 ordinary shares of £1 each            | -                                     | -                                     |



# **GST Automotive Safety UK Limited**

## **Notes to the financial statements**

### **for the year ended 31 December 2012 (continued)**

#### **11 Reserves**

|                            | <b>Share<br/>premium<br/>account<br/>£'000</b> | <b>Capital<br/>redemption<br/>reserve<br/>£'000</b> | <b>Profit and<br/>loss account<br/>£'000</b> |
|----------------------------|--|---|--|
| At 1 January 2012          | 600  | 1,811   | 3,753  |
| Retained loss for the year | -  | -   | (2,651)                                      |
| <b>At 31 December 2012</b> | <b>600</b>                                     | <b>1,811</b>  | <b>1,102</b>                                 |

#### **12 Reconciliation of movement in shareholders' funds**

|  | <b>Year ended<br/>31 December<br/>2012<br/>£'000</b> | <b>Year ended<br/>31 December<br/>2011<br/>£'000</b> |
|--|--|--|
| (Loss)/Profit for the financial period | (2,651)  | 12   |
| Opening shareholders' funds            | 6,164  | 6,152  |
| <b>Closing shareholders' funds</b>     | <b>3,513</b>   | <b>6,164</b>   |

#### **13 Related party transactions**

The company has taken advantage of the exemption which is conferred by Financial Reporting Standard No 8, 'Related party disclosures' that allows it not to disclose transactions with group undertakings where 100% of the voting rights are controlled within the group

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**GST Automotive Safety UK Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2012 (continued)**

**14 Financial commitments**

There are no annual commitments under non-cancellable operating leases at 31 December 2012 or 31 December 2011

**15 Ultimate parent company**

The company's ultimate parent company is Hyosung Corporation, 121-720, 450 Gongdeok-dong, Mapo-Gu, Seoul, Korea. Group accounts may be obtained from Hyosung Corporation, 121-720, 450 Gongdeok-dong, Mapo-Gu, Seoul, Korea.

The smallest group of undertakings for which group financial statements have been drawn up is that of GST Global GmbH.

The largest group of undertakings for which group financial statements have been drawn up is that headed by Hyosung Corporation.