

**TRIDENT AUTOMOTIVE LIMITED**

**Report and Financial Statements**

**31 December 2007**

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# **TRIDENT AUTOMOTIVE LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2007**

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# **TRIDENT AUTOMOTIVE LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

E Rundall  
T Skotak

### **SECRETARY**

T Skotak

### **REGISTERED OFFICE**

100 New Bridge Street  
London  
EC4V 6JA

### **BANKERS**

Barclays Bank Plc  
Napier Court  
Napier Road  
Reading  
Berkshire  
RG1 8FD

### **SOLICITORS**

Baker & McKenzie LLP  
100 New Bridge Street  
London  
EC4V 6JA

### **AUDITORS**

Deloitte LLP  
Chartered Accountants  
Birmingham

# TRIDENT AUTOMOTIVE LIMITED

## DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements and the independent auditors' report, for the year ended 31 December 2007. This directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

### PRINCIPAL ACTIVITY

The principal activity of the company is to act as an intermediate holding company. The subsidiary undertakings held by the company are disclosed in note 5 to the financial statements.

#### *Going concern and liquidity*

Trident Automotive Limited (the "Company") operates within the overall Dura Automotive group, which is headed by Dura Automotive Systems, Inc, a US entity (the "Group").

As at 31 December 2007, the Company had net current liabilities of £172,236,000 and net liabilities of £172,236,000. The Company acts as an intermediate holding company and its liabilities are principally due to other Group companies. The Company does not have access to funds except via other Group companies and so it is dependent on those Group companies for future financial support, for example to pay administrative fees on behalf of the Company and to repay any Group balances, should payment be requested.

The directors have prepared the accounts on the going concern basis as they expect to continue to receive support from fellow Group companies when required. Given the Group's exposure to the global automotive industry, it is uncertain whether the broader Dura Group would be able to provide such financial support, if it were required. Were Group support not to be available when needed, or if amounts due to Group companies were called for payment, the Company may find itself unable to meet its liabilities as they fall due.

### RESULTS AND DIVIDENDS

The loss for the financial year after taxation was £nil (2006 -£41,194,000), as shown in the profit and loss account on page 7. The company's financial position as at 31 December 2007 is shown on page 8.

No dividend is proposed for the financial year (2006 - £nil).

### DIRECTORS

The directors of the company, who served throughout the year except as noted, were as follows:

K Marchiando (resigned 1 January 2007)

G Dong (resigned 11 April 2007)

E Rundell (appointed 1 February 2007)

T Skotak (appointed 30 April 2007)

# TRIDENT AUTOMOTIVE LIMITED

## DIRECTORS' REPORT

### AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- The director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Deloitte LLP have indicated their willingness to continue in office as the company's auditors and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



E Rundall  
Director

26 February 2009

## **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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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 proper 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 1985. 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRIDENT AUTOMOTIVE LIMITED**

We have audited the financial statements of Trident Automotive Limited for the year ended 31 December 2007 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRIDENT AUTOMOTIVE LIMITED (continued)**

### **Emphasis of matter – Going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure in the Statement of Accounting Policies concerning the Company's ability to continue as a going concern due to uncertainties in respect of the provision of future Group support and due to the net liability position of the Company. This, along with other matters set out in the Statement of Accounting Policies, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern as it is not practicable to determine or quantify them.

*Deloitte LLP*

Deloitte LLP  
Chartered Accountants and Registered Auditors  
Birmingham, United Kingdom

*27 February* 2009



# TRIDENT AUTOMOTIVE LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 December 2007

	Note	2007 £'000	2006 £'000
Amounts written off investments		-	(40,491)
Provision against inter-company debtors		-	(675)
		<hr/>	<hr/>
Administrative expenses, being operating loss		-	(41,166)
Interest payable and similar charges	1	-	(28)
		<hr/>	<hr/>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	-	(41,194)
Tax on loss on ordinary activities	4	-	-
		<hr/>	<hr/>
<b>LOSS FOR THE FINANCIAL YEAR</b>	8	-	(41,194)
		<hr/>	<hr/>

There have been no recognised gains and losses for the current or prior financial years other than as stated in the profit and loss account and, accordingly, no separate statement of total recognised gains and losses is presented.

# TRIDENT AUTOMOTIVE LIMITED

## BALANCE SHEET 31 December 2007

	Note	2007 £'000	2006 £'000
<b>FIXED ASSETS</b>			
Investments	5	-	-
<b>CREDITORS: amounts falling due within one year</b>	6	(172,236)	(172,236)
<b>NET CURRENT LIABILITIES</b>		<u>(172,236)</u>	<u>(172,236)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET LIABILITIES</b>		<u>(172,236)</u>	<u>(172,236)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	7	26,598	26,598
Share premium account	8	92,570	92,570
Capital contribution reserve	8	218,340	218,340
Profit and loss account	8	(509,744)	(509,744)
<b>SHAREHOLDERS' DEFICIT</b>	9	<u>(172,236)</u>	<u>(172,236)</u>

These financial statements were approved by the Board of Directors and authorised for issue on 26 February 2009.  
Signed on behalf of the Board of Directors



E Rundall  
Director

# **TRIDENT AUTOMOTIVE LIMITED**

## **STATEMENT OF ACCOUNTING POLICIES**

**Year ended 31 December 2007**

A summary of the company's principal accounting policies is set out below. They have been applied consistently throughout the year and the preceding year.

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

In accordance with section 228A of the Companies Act 1985, the company has taken the exemption from preparing consolidated financial statements because it is a wholly owned subsidiary of a company incorporated in the United States of America which prepares consolidated financial statements including the results of the company drawn up in a manner equivalent to the Seventh European Company Law directive.

In accordance with Financial Reporting Standard 1, 'Cash flow statements', the company has taken advantage of the exemption from preparing a cash flow statement on the grounds that it is a wholly owned subsidiary within the Dura Automotive Systems, Inc., group and the parent company prepares publicly available consolidated financial statements that incorporate the results of the company.

### *Going concern*

Trident Automotive Limited (the "Company") operates within the overall Dura Automotive group, which is headed by Dura Automotive Systems, Inc, a US entity (the "Group"). As at 31 December 2007, the Company had net current liabilities of £172,236,000 and net liabilities of £172,236,000. The company acts as an intermediate holding company and its liabilities are principally due to other Group companies. The Company does not have access to funds except via other Group companies and so it is dependent on those Group companies for future financial support, for example to pay administrative fees on behalf of the Company and to repay any Group balances, should payment be requested.

The directors have prepared the accounts on the going concern basis as they expect to continue to receive support from fellow Group companies when required. Given the Group's exposure to the global automotive industry, it is uncertain whether the broader Dura Group would be able to provide such financial support, if it were required. Were Group support not to be available when needed, or if amounts due to Group companies were called for payment, the Company may find itself unable to meet its liabilities as they fall due. The financial statements do not include any adjustments that would result if the going concern basis were not appropriate.

Given the above, there is a material uncertainty which may cast significant doubt as to the Company's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

### **Investments**

Fixed asset investments are shown at cost less provision for impairment.

### **Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. 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.

### **Foreign currency**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All exchange differences are taken to the profit and loss account.

### **Finance costs**

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

# TRIDENT AUTOMOTIVE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

### 1. INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £'000	2006 £'000
Loss on foreign currency borrowings (net)	-	28

### 2. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Fees payable to the company's auditors for the audit of the company's annual accounts of £8,820 (2006: £8,000) are borne on the company's behalf by other group undertakings.

### 3. STAFF COSTS

Apart from the directors, there are no other employees (2006: none). The remuneration of the directors is paid by other group undertakings in the current and preceding year and no part of their remuneration is specifically attributable to their services to this company.

### 4. TAX ON LOSS ON ORDINARY ACTIVITIES

There is no UK corporation tax charge or deferred tax asset charge in either the current or prior financial years.

The difference between the current taxation shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	2007 £'000	2006 £'000
Loss on ordinary activities before tax	-	(41,194)
Tax on loss on ordinary activities before tax at 30% (2006 – 30%)	-	12,358
<b>Factors affecting charge for the year</b>		
Expenses not deductible for tax purposes	(50)	(12,364)
Group tax loss relief	50	6
<b>Current tax charge for year</b>	-	-

The UK corporation tax rate changed to 28% with effect from 1 April 2008 following the enactment of Finance Act 2007.

# TRIDENT AUTOMOTIVE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2007

### 5. FIXED ASSET INVESTMENTS

	2007 £'000	2006 £'000
Subsidiary undertakings	-	-
The company has investments in the following subsidiary undertakings:		
<b>Subsidiary undertakings</b>	<b>Country of incorporation</b>	<b>Principal activity</b>
Dura Automotive Acquisition Limited	England and Wales	Dormant
Dura Holdings Limited	England and Wales	Holding company
Spicebright Limited	England and Wales	Holding company
		<b>Holding</b>
		100%
		100%
		100%
		<b>£'000</b>
<b>Cost</b>		
At 1 January 2007 and 31 December 2007		482,752
<b>Amounts written off</b>		
At 1 January 2007 and 31 December 2007		482,752
<b>Net book value</b>		
At 31 December 2006 and 31 December 2007		-

### 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £'000	2006 £'000
Amounts owed to group undertakings	172,236	172,236

### 7. CALLED-UP SHARE CAPITAL

	2007 £'000	2006 £'000
<b>Authorised</b>		
16,431,468 ordinary shares of £1 each	16,431	16,431
25,000,000 ordinary shares of US \$1 each	14,950	14,950
	31,381	31,381
<b>Allotted, called-up and fully paid</b>		
16,431,468 ordinary shares of £1 each	16,431	16,431
17,000,001 ordinary shares of US \$1 each	10,167	10,167
	26,598	26,598

Share capital denominated in US dollars is converted to pounds sterling at the historical rate at the date of issue and subsequently maintained at that rate.

# TRIDENT AUTOMOTIVE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2007

### 8. RECONCILIATION OF MOVEMENTS ON RESERVES

	Capital contribution reserve £'000	Share premium account £'000	Profit and loss account £'000	Total £'000
At 1 January 2007 and 31 December 2007	218,340	92,570	(509,744)	(198,834)

### 9. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2007 £'000	2006 £'000
Retained loss for the year	-	(41,194)
Capital contribution	-	242
Net increase in shareholders' deficit	-	(40,952)
Opening shareholders' deficit	(172,236)	(131,284)
Closing shareholders' deficit	(172,236)	(172,236)

### 10. RELATED PARTY TRANSACTIONS

In accordance with the exemption permitted by Financial Reporting Standard 8, 'Related party disclosures', related party transactions between members of the group, headed by Dura Automotive Systems, Inc., are not disclosed as more than 90% of the company's voting rights are controlled within the group and consolidated financial statements, which incorporate the results of the company, are publicly available.

### 11. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The directors regard Dura Automotive Systems, Inc., a company incorporated in the United States of America, as the ultimate parent company and the ultimate controlling party.

Dura Automotive Systems, Inc., is the parent company of the smallest and the largest group of which the company is a member and for which group financial statements are drawn up. Copies of its financial statements are available from 2791 Research Drive, Rochester Hills, MI 48309-3575, USA.

The immediate parent company and immediate controlling party is Dura UK Limited, a company incorporated in the United Kingdom.