

**Company Registration No. 07772298**

**SENIOR FIVE LIMITED**

**Report and Financial Statements**

**For the period from 13 September 2011 to 31 December 2012**

**SATURDAY**



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**27/04/2013**

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**COMPANIES HOUSE**

**SENIOR FIVE LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2012**

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**SENIOR FIVE LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2012**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

S J Nicholls  
A J Bodenham

**SECRETARY**

A J Bodenham

**REGISTERED OFFICE**

59/61 High Street  
Rickmansworth  
Hertfordshire  
WD3 1RH

**BANKERS**

Lloyds Banking Group plc  
25 Gresham Street  
London EC2V 7HN

**AUDITOR**

Deloitte LLP  
Reading, United Kingdom

## **SENIOR FIVE LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the period from 13 September 2011 to 31 December 2012

#### **Principal activity and business review**

The company was incorporated on 13 September 2011. The company acts as a non-trading company within the Senior plc group of companies and is expected to do so for the foreseeable future.

During the period, the company delivered good results with profit before tax of \$27,023,000 and its financial position at the period end was strong with net assets of \$265,023,000.

#### **Results and dividends**

The results for the period were as follows

|   | <b>2012</b>      |
|---|------------------|
|   | <b>USD\$'000</b> |
| Profit and loss account, at incorporation | -                |
| Profit for the financial period           | 27,023           |
| Dividends paid                            | (27,000)         |
|   | <hr/>            |
| Profit and loss account, 31 December      | 23               |
|   | <hr/>            |

#### **Principal risks and uncertainties**

The main risk facing the company is the underlying performance of its subsidiary companies. The directors address this by ensuring the subsidiaries have sufficient resources from within the Senior group to be able to continue trading.

Due to a large outstanding balance owed to group undertakings as stated in note 9, the company's main risk in respect of going concern is the net current liabilities held on the balance sheet. The company achieved a good level of profit in the period and its financial position is strong. This, combined with the support of its ultimate parent company (Senior plc), gives the directors the expectation that the company will have adequate resources to continue in existence for the foreseeable future. Thus, the Board has continued to adopt the going concern basis in preparing the company's financial statements.

#### **Directors**

The directors who served during the period and to the date of signing this report were as follows

S J Nicholls  
A J Bodenham

**SENIOR FIVE LIMITED**

**DIRECTORS' REPORT (continued)**

**Auditor**

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

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- (2) the director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP has indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting

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



A J Bodenham  
Secretary

23 April 2013

Registered Office

59/61 High Street  
Rickmansworth  
Herts  
WD3 1RH

## **SENIOR FIVE LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 instruments for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law). 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 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 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 AUDITOR'S REPORT TO THE MEMBERS OF SENIOR FIVE LIMITED**

We have audited the financial statements of Senior Five Limited for the period from 13 September 2011 to 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 14. 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, 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 Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 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.

### **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.



Gregory Culshaw ACA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Reading, United Kingdom  
23 April 2013

**SENIOR FIVE LIMITED****PROFIT AND LOSS ACCOUNT****For the period from 13 September 2011 to 31 December 2012**

|  | Notes | 2012<br>USD\$'000    |
|--|-------|----------------------|
| Income from shares in group undertakings   | 2     | <u>58,400</u>        |
| <b>Operating profit</b>  |       | <b>58,400</b>        |
| Interest payable   | 3     | <u>(31,377)</u>      |
| <b>Profit on ordinary activities before taxation</b>                                       | 4     | <b>27,023</b>        |
| Tax on profit on ordinary activities   | 5     | <u>-</u>             |
| <b>Profit on ordinary activities after taxation being the retained profit for the year</b> | 11    | <b><u>27,023</u></b> |

All activities derive from continuing operations

There were no recognised gains or losses other than reported above. Accordingly, no statement of total recognised gains and losses is presented.



**SENIOR FIVE LIMITED**

**BALANCE SHEET**

**31 December 2012**

|   | Notes | 2012<br>USD\$'000     |
|---|-------|-----------------------|
| <b>Fixed assets</b>   |       |                       |
| Investments in subsidiary undertakings                        | 7     | <u>720,000</u>        |
| <b>Current assets</b>   |       |                       |
| Debtors   | 8     | 896                   |
| Cash at bank and in hand                                      |       | <u>1</u>              |
| <b>Creditors: Amounts falling due within one year</b>         | 9     | <u>(455,874)</u>      |
| <b>Net current liabilities</b>                                |       | <u>(454,977)</u>      |
| <b>Total assets less current liabilities being net assets</b> |       | <u><u>265,023</u></u> |
| <b>Capital and reserves</b>                                   |       |                       |
| Called up share capital                                       | 10    | 265,000               |
| Profit and loss account                                       | 11    | <u>23</u>             |
| <b>Shareholder's funds</b>                                    | 11    | <u><u>265,023</u></u> |

These financial statements were approved by the Board of Directors and authorised for issue on 23 April 2013

Signed on behalf of the Board of Directors



S J Nicholls  
Director



A J Bodenham  
Director

Company Registration No 07772298

## **SENIOR FIVE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 13 September 2011 to 31 December 2012**

#### **1 Accounting policies**

The financial statements are prepared under the historic cost convention and in accordance with applicable United Kingdom accounting standards. The following principal accounting policies have been applied consistently during the financial period. The particular accounting policies adopted are described below.

##### *a) Accounting convention*

The financial statements are prepared on the going concern basis as discussed in the Directors' Report under the historical cost convention.

##### *b) Going concern*

The company's financial position and future prospects are described in the Directors' Report. The company achieved a good level of profit and its financial position is strong. This, combined with the support of its ultimate parent company (Senior plc), give the directors the expectation that the company will have adequate resources to continue in existence for the foreseeable future. Thus, the Board has continued to adopt the going concern basis in preparing the company's financial statements.

##### *c) Investments*

The company accounts for its investments in subsidiary undertakings at cost less amounts written off for impairment. Dividends receivable are credited to the company's profit and loss account when declared, inclusive of tax deducted at source in the country of origin.

##### *d) Taxation*

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

##### *e) Foreign currencies*

Transactions denominated in foreign currencies are recorded in US Dollars sterling at actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as exchange gain or loss in the profit and loss account.

##### *f) Cash flow statement*

As permitted by Financial Reporting Standard No 1 (Revised), the company has not produced a cashflow statement, as it is a wholly owned subsidiary undertaking of Senior plc, which has produced a group cashflow statement in its accounts.

##### *g) Exemption from preparation of consolidated accounts*

As permitted by the Companies Act 2006, the company has not prepared consolidated accounts, as it is a wholly owned subsidiary of Senior plc, which is registered in England and Wales and prepared consolidated accounts that are available to the public.

**SENIOR FIVE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the period from 13 September 2011 to 31 December 2012**

**2 Income from shares in group undertakings**

|   |               |
|---|---------------|
|   | 2012          |
|   | USD\$'000     |
| Dividends from subsidiary undertakings - Overseas | <u>58,400</u> |

**3 Interest payable**

|                               |               |
|-------------------------------|---------------|
|                               | 2012          |
|                               | USD\$'000     |
| Intercompany interest payable | <u>31,377</u> |

**4 Profit on ordinary activities before taxation**

The audit fee of \$1,000 is borne by another group company. There were no non audit services in financial period.

Directors' remuneration for services provided to the company for the financial period was £nil.

The company has no other employees.

# SENIOR FIVE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the period from 13 September 2011 to 31 December 2012

### 5 Taxation on profit on ordinary activities

a) Analysis of tax charge/(credit) on ordinary activities 2012  
USD\$'000

|   |   |
|---|---|
| UK corporation tax                                    | - |
| Current tax charge on profits of the financial period | - |

Under the group's current policy on group relief, no payments are received for losses surrendered by group undertakings

b) Factors affecting tax credit for the current period

The tax charge for the financial period differs from that resulting from applying the standard rate of corporation tax of 24.5% to the profit before tax

|   |                   |
|---|-------------------|
| The differences are explained below       | 2012<br>USD\$'000 |
| Profit on ordinary activities before tax  | 27,023            |
| Tax at 24.5% thereon                      | 6,621             |
| Effects of                                |                   |
| Dividend income                           | (14,308)          |
| Surrender of group tax relief             | 7,687             |
| Current tax charge for the financial year | -                 |

Finance Act 2012 provided for a reduction in the main rate of corporation tax from 25% to 23%, effective from 1 April 2013. Further reductions to the main rate are proposed to reduce the rate to 22% on 1 April 2014 and 20% on 1 April 2015.

## SENIOR FIVE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the period from 13 September 2011 to 31 December 2012

#### 6 Dividends

|  | 2012<br>USD\$'000 |
|--|-------------------|
| Dividend for the period ended 31 December 2012 of 0.16c per ordinary share | <u>27,000</u>     |

#### 7 Investments in subsidiary undertakings

|                                | USD\$'000      |
|--------------------------------|----------------|
| <b>Cost and net book value</b> |                |
| At incorporation               | -              |
| Additions                      | <u>720,000</u> |
| At 31 December 2012            | <u>720,000</u> |

On 2 December 2011 the company acquired 80% investment in Senior Holdings AG for a consideration of \$720,000,000. The consideration was satisfied by the issue of \$265,000,000 ordinary shares and \$455,000,000 intercompany loan notes.

The shares of the overseas subsidiary undertakings of the company are held directly by Senior Holdings AG, which is owned 80% by the company. The overseas trading subsidiary undertakings of the company are directly and wholly-owned by Senior Holdings AG.

| Name                               | Nature of Trade                                  | Country of Incorporation |
|------------------------------------|--|--------------------------|
| Senior Holdings AG                 | Holding company                                  | USA                      |
| Senior Operations LLC              | Aerospace, automotive and specialised industrial | USA                      |
| Senior Operations (Canada) Limited | Specialised industrial                           | Canada                   |
| Senior do Brasil Ltda              | Automotive                                       | Brazil                   |

#### 8 Debtors

|                                     | 2012<br>USD\$'000 |
|-------------------------------------|-------------------|
| Amounts due from group undertakings | <u>896</u>        |

#### 9 Creditors: Amounts falling due within one year

|  | 2012<br>USD\$'000 |
|--|-------------------|
| Interest payable - owing to group undertakings | 874               |
| Amounts owing to group undertakings            | <u>455,000</u>    |
|  | <u>455,874</u>    |

Intercompany loan notes bear a fixed interest rate of 6.285% per annum.

## SENIOR FIVE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the period from 13 September 2011 to 31 December 2012

#### 10 Called-up share capital

|  | 2012<br>USD\$'000 |
|--|-------------------|
| Allotted, called-up and fully paid         |                   |
| 168,789,801 ordinary shares of \$1 57 each | <u>265,000</u>    |

On 2 December 2011 168,789,801 £1 00 ordinary shares were issued as part of the consideration for the acquisition of Senior Holdings AG

#### 11 Shareholder's funds and movements on reserves

|                               | Share<br>capital<br>USD\$'000 | Profit & loss<br>account<br>USD\$'000 | 2012<br>Total<br>shareholder's<br>funds<br>USD\$'000 |
|-------------------------------|-------------------------------|---------------------------------------|--|
| At incorporation              | -                             | -                                     | -  |
| Shares issued                 | 265,000                       | -                                     | 265,000  |
| Profit for the financial year | -                             | 27,023                                | 27,023   |
| Dividends paid                | -                             | (27,000)                              | (27,000)   |
| At 31 December                | <u>265,000</u>                | <u>23</u>                             | <u>265,003</u>                                       |

#### 12 Guarantees

##### a) Private placement loans

The company is a guarantor, jointly and severally, with certain other group companies, of US \$120 million (2011 – \$120 million) unsecured loan notes under an agreement dated 8 October 2008. Loan notes of US \$25 million, \$75 million and \$20 million are due for repayment in October 2015, October 2018 and October 2020 respectively.

The company is a guarantor, jointly and severally, with certain other Group companies, of US \$30 million (2011 – \$30 million) unsecured loan notes under an agreement dated 31 January 2007 and are due for repayment in January 2017.

The company is a guarantor, jointly and severally, with certain other group companies of US \$35 million (2011 – \$35 million) unsecured loan notes under an agreement dated 22 October 2007 and are due for repayment in October 2014.

##### b) Bank guarantees

The company is a guarantor, jointly and severally, with certain other group companies of all indebtedness of certain US group companies to their US clearing banker, including a committed single bank US \$50 million overdraft and letter of credit facility. This was entered into in December 2012 and matures in May 2015. This facility replaced the US \$25 million facility. At 31 December 2012 there was US \$14.5 million letters of credit issued (2011 – US \$13.2 million) and no overdrafts drawn under the new facility (2010 – US \$nil).

## **SENIOR FIVE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the year ended to 31 December 2012**

#### **12 Guarantees (continued)**

##### **c) Revolving credit facility**

The company is a guarantor, jointly and severally, with certain other group companies of a committed £60 million syndicated multi-currency revolving credit facility maturing in October 2016. This facility replaced a £80 million facility which was due to mature in July 2012. There were no amounts drawn under either of these facilities as at 31 December 2012 and 31 December 2011.

#### **13 Ultimate parent company**

The company's immediate parent company is Senior US Holdings Inc.

The company's ultimate parent company and controlling party, which prepares consolidated accounts incorporating the company's results, is Senior plc, whose registered office is at 59/61 High Street, Rickmansworth, Hertfordshire WD3 1RH. The consolidated accounts of the group are available to the public and can either be downloaded from the Senior plc website [www.seniorplc.com](http://www.seniorplc.com) or obtained from the aforementioned address.

#### **14 Related party transactions**

The company has taken advantage of the exemption available under FRS 8 and therefore transactions with group entities are not disclosed as the company is a wholly owned subsidiary of a company which produces consolidated accounts that are publicly available.