

Company Registration No. 09197780

SENIOR AMERICAS TWO LIMITED

Report and Financial Statements

For the period ended 31 December 2015

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SENIOR AMERICAS TWO LIMITED

REPORT AND FINANCIAL STATEMENTS 2015

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SENIOR AMERICAS TWO LIMITED

REPORT AND FINANCIAL STATEMENTS 2015

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D Harding
A J Bodenham

SECRETARY

A J Bodenham

REGISTERED OFFICE

59/61 High Street
Rickmansworth
Hertfordshire
WD3 1RH

BANKERS

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

AUDITOR

Deloitte LLP
Cambridge, United Kingdom

SENIOR AMERICAS TWO LIMITED

STRATEGIC REPORT

The directors present their annual report and the audited financial statements for the period from 1 September 2014 to 31 December 2015.

Principal activity

The Company was incorporated on 1 September 2014 to act as a non-trading financing company within the Senior plc Group of companies and is expected to do so for the foreseeable future.

Business review

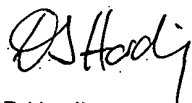
During the period from 1 September 2014 to 31 December 2015, the Company incurred a loss before tax of £3,128,000 and at the period end had net assets of £28,017,000.

On 26 November 2014, Senior Americas One Limited, the Company's immediate parent company, contributed Senior Holdings LLC as well as £2,216,000 in cash in exchange for one additional share in the company. In addition, on that date Senior Holdings LLC distributed Senior Operations (Canada) Limited to the Company and the Company's investment in Senior Holdings LLC was written down by £3,165,000.

Principal risks and uncertainties

The main risk facing the Company is attributed to its receivables from Group undertakings. The directors address this by ensuring all Group undertakings have sufficient resources to be able to continue trading and to be able to service their respective debts.

The Strategic Report was approved by the Board of Directors and signed on behalf of the Board



D Harding

Director

23 May 2016

SENIOR AMERICAS TWO LIMITED

DIRECTORS' REPORT

Results and dividends

The results for the period from 1 September 2014 to 31 December 2015 were as follows:

| | £000 |
|--|---------|
| Profit and loss account, at incorporation | - |
| Loss for the financial period | (3,128) |
| Dividends received | 5,378 |
| Capital contribution | 25,767 |
| | <hr/> |
| Profit and loss account, at 31 December 2015 | 28,017 |
| | <hr/> |

Directors

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

A J Bodenham (appointed 1 September 2014)
D Harding (appointed 1 September 2014)

Directors' indemnities

Qualifying third party indemnity provisions for the benefit of the directors were renewed by the Group during the period and remain in force at the date of this report.

Going Concern basis

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.

SENIOR AMERICAS TWO 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 were appointed as auditor during the period and 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



D Harding

Director

23 May 2016

SENIOR AMERICAS TWO 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 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), including FRS 101 "Reduced Disclosure Framework". 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 accounting estimates that are reasonable and prudent; 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENIOR AMERICAS TWO LIMITED

We have audited the financial statements of Senior Americas Two Limited for the period 1 September 2014 to 31 December 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 11. 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), including FRS 101 "Reduced Disclosure Framework".

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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015 and of its loss for the period 1 September 2014 to 31 December 2015;
- 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.

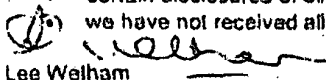
Opinion on other matter prescribed by the Companies Act 2006

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.


Lee Welham
Deloitte LLP

Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom, 23 May 2016

SENIOR AMERICAS TWO LIMITED

PROFIT AND LOSS ACCOUNT

For the period from 1 September 2014 to 31 December 2015

| | Notes | £000 |
|--|-------|-----------------------|
| Write off of investment in subsidiary undertaking | 8 | (3,165) |
| Operating profit | | <u>(3,165)</u> |
| Interest receivable | 2 | 37 |
| Loss on ordinary activities before taxation | 3 | <u>(3,128)</u> |
| Tax on loss on ordinary activities | 4 | - |
| Loss for the financial period | | <u><u>(3,128)</u></u> |

All activities derive from continuing operations.

There were no recognised gains or losses other than reported above. Accordingly, no Statement of Comprehensive Income is presented.

SENIOR AMERICAS TWO LIMITED

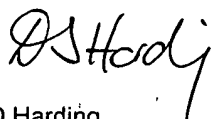
BALANCE SHEET

31 December 2015

| | Notes | £000 |
|--|-------|---------------|
| Fixed Assets | | |
| Investments in subsidiary undertakings | 8 | 23,551 |
| Current assets | | |
| Debtors: amounts falling due within one year | 6 | 4,414 |
| Cash at bank and in hand | | <u>52</u> |
| Total Current assets | | <u>4,466</u> |
| Net assets | | <u>28,017</u> |
| Capital and reserves | | |
| Called up share capital | 7 | - |
| Profit and loss account | | <u>28,017</u> |
| | | <u>28,017</u> |

These financial statements were approved by the Board of Directors and authorised for issue on 23 May 2016.

Signed on behalf of the Board of Directors:



D Harding
Director

Company Registration No. 09197780

SENIOR AMERICAS TWO LIMITED

STATEMENT OF CHANGES IN EQUITY

For the period from 1 September 2014 to 31 December 2015

| | Notes | Share Capital £000 | Profit and Loss Account £000 | Total £000 |
|-------------------------------|-------|--------------------------|---------------------------------------|---------------|
| Balance at incorporation | | - | - | - |
| Loss for the financial period | | - | (3,128) | (3,128) |
| Capital contribution | | - | 25,767 | 25,767 |
| Dividends received | 5 | - | 5,378 | 5,378 |
| Issue of Share Capital | | - | - | - |
| Balance at 31 December 2015 | | - | 28,017 | 28,017 |

SENIOR AMERICAS TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2014 to 31 December 2015

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The following principal accounting policies have been applied consistently during the current period. The Company has applied Financial Reporting Standard 101 "Reduced Disclosure Framework" issued by the Financial Reporting Council. 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 Strategic Report and Directors' Report. The Company's financial position and balance sheet remains strong and 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) 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.

d) Foreign currencies

Transactions denominated in foreign currencies are recorded in Sterling at actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the period 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.

e) Investments

Investments are shown at cost less provision for any impairment.

f) Cash flow statement

As permitted by FRS 101, the Company has not produced a cash flow statement, as it is a wholly owned subsidiary undertaking of Senior plc, which has produced a Group cash flow statement in its accounts.

SENIOR AMERICAS TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the period 1 September 2014 to 31 December 2015

2 Interest receivable

| | £000 |
|----------------------------------|-----------|
| Intercompany interest receivable | <u>37</u> |

3 Loss on ordinary activities before taxation

The audit fee of £1,000 is borne by a related party. There were no non audit services in the financial period.

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

The Company has no other employees.

SENIOR AMERICAS TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period 1 September 2014 to 31 December 2015

4 Taxation on loss on ordinary activities

a) Analysis of tax charge on ordinary activities

£000

UK Corporation tax

-

b) Factors affecting tax charge for the current period

The tax charge for the period differs from that resulting from applying the effective UK Corporation tax rate of 20.44% to the estimated assessable loss for the period.

The charge for the period can be reconciled to the loss for the period as below:

£000

Loss on ordinary activities before tax

(3,128)

Tax at 20.44% thereon

(639)

Effects of:

Non tax deductible write off of investment in subsidiary

647

Group relief received for nil consideration

(8)

Tax charge for the period

-

The Finance (No.2) Act, which provides for reductions in the main rate of Corporation Tax from 20% to 19% for the financial year beginning 1 April 2017 and to 18% for the financial year beginning 1 April 2020, was substantively enacted on 26 October 2015.

SENIOR AMERICAS TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period 1 September 2014 to 31 December 2015

5 Dividends

| | |
|--|-------|
| | £000 |
| Dividends received from subsidiary undertaking | 5,378 |

6 Debtors

| | |
|---|--------------|
| | £000 |
| Interest receivable - due from group undertakings | 1 |
| Amounts due from group undertakings | 4,413 |
| | <u>4,414</u> |

7 Called-up share capital

| | |
|------------------------------------|------|
| Allotted, called-up and fully paid | £000 |
|------------------------------------|------|

2 ordinary shares of £1 each

-

On incorporation the ordinary share capital was one share of £1. Following the Company's incorporation, at 26 November 2014 Senior Americas One Limited subscribed for a further one ordinary shares of the Company for nominal value of £1 each.

SENIOR AMERICAS TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the period 1 September 2014 to 31 December 2015

8 Investments in subsidiary undertakings

The subsidiary undertakings of the Company are as follows:

| Name | Nature of Trade | Country of Incorporation |
|------------------------------------|---------------------|--------------------------|
| Senior Holdings LLC | Non-trading company | USA |
| Senior Operations (Canada) Limited | Industrial | Canada |
| Senior do Brasil Ltda | Automotive | Brazil |

Senior do Brasil Ltda is indirectly owned by the company and directly owned by Senior Holdings LLC

On 26 November 2014, Senior Americas One Limited, the Company's immediate parent company, contributed Senior Holdings LLC as well as £2,216,000 in cash in exchange for one additional share in the company. In addition, on that date Senior Holdings LLC distributed Senior Operations (Canada) Limited to the Company and the Company's investment in Senior Holdings LLC was written down by £3,165,000.

9 Guarantees

On 23 October 2015, the company became a guarantor, jointly and severally, with certain other Group companies of all indebtedness of these other Group companies to the Group's UK clearing bank.

10 Ultimate parent company

The Company's immediate parent company is Senior Americas One Limited.

The Company's ultimate parent company and controlling party, which prepares consolidated accounts of the Group 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 or obtained from the aforementioned address.

11 Related party transactions

Transactions with Group entities are not disclosed, in accordance with FRS 101, as the Company is a wholly owned subsidiary of a Company which produces consolidated accounts that are publicly available.