

Cooper-Standard Automotive UK Sealing Limited

Report and Accounts

31 December 2008

THURSDAY



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28/01/2010
COMPANIES HOUSE

Cooper-Standard Automotive UK Sealing Limited

Registered No: 258607

Directors

M J Anderson
L J Johnson

Secretary

M J Anderson

Auditors

Thomas & Young LLP
240-244 Stratford Road
Shirley
Solihull
West Midlands
B90 3AE

Bankers

ABN Amro Bank NV
250 Bishopsgate
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Solicitors

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Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report for the year ended 31 December 2008.

Results and dividends

The trading profit for the year after taxation amounted to £96,000 (2007 – profit of £1,789,000), which is stated after an exceptional loss of £259,000 (2007 – exceptional loss of £438,000).

Principal activity and business review

In the period January 1 – August 31, the company's activities consist of sales support activities for fellow subsidiaries of the Cooper-Standard Automotive Inc group.

In a move towards the complete consolidation of all UK activities into one legal entity, and the eventual liquidation of the company, the following transactions were effected in 2008:

- Transfer of the 1% interest in the French limited partnership Technistan SNC to CSA France SAS, effective 25 July 2008;
- Transfer of the 100% interest in The Standard Products Company (Europe) Ltd (subsequently renamed Cooper-Standard Automotive UK Limited) to Cooper-Standard Automotive International Holdings BV, a fellow subsidiary of the Cooper-Standard Automotive Inc group in July 2008;
- Strike-off of the remaining (dormant) UK based subsidiaries in July and August 2008;
- Transfer of the design and sale activities (including all related staff, assets and liabilities) to Cooper-Standard Automotive UK Limited, effective 1 September 2008.

As part of the liquidation preparation, the majority of the company's assets and liabilities remaining after the business transfer and not otherwise realized, have been transferred to Cooper-Standard Automotive UK Limited. At 31 December 2008, the main items not yet realised are the Maesteg land and buildings and certain remaining receivables and payables.

As a result of the above the accounts have been prepared on an orderly realisation basis.

The company's key financial and other performance indicators performance during the year were as follows:

	2008	2007
	£'000	£'000
Turnover	25	48,736
Profit / (loss) on ordinary activities after tax	96	1,789
Shareholders' funds	(2,292)	(2,388)

Events since the balance sheet date and future developments

The management of the company is currently working with Grant Thornton to prepare the company for liquidation. The preparation mainly consists of the transfer of the Maesteg facility, and the assignment of several lease agreements, to Cooper-Standard Automotive UK Ltd.

Directors' report

Principal risks and uncertainties

Prior to the events described above, the main risks to the business fall broadly into two categories, market and to a greater extent the vehicle platforms that the company is on and the foreign exchange impacts of doing business in Europe with global companies.

The automotive component supply sector is under constant pressure both in quoting and during the life cycle of the product to be as competitive as possible. The company has a constant programme with its sister company to identify lean savings to offset these pressures. The company constantly reviews its level of business activity against the volumes that the manufacturer claimed for new models or variants. The company endeavours to match its investment and capacity in line with these expectations and has discussions with its customers where it sees significant variations. This includes the review of its customer's migration eastwards on new vehicle build in order to gain price advantage.

The effect of currency and the pricing of commodities based on different rates can give the company very cyclical impact in its raw material costs and on-costs. Consequently, the company manages the costs which are in other than sterling by means of currency hedging. From a group perspective the company is monitoring its major commodity buys with the possibility of hedging some of these in the future.

Research and development

Prior to the events described above, the company continued its policy of developing new products and markets for the automotive industry, such that the vehicle manufacturers can offer more fuel efficient and less noxious vehicles. Equally in designing our products, we are mindful of the materials used and there ability to biodegrade or to be recycled.

Directors

The directors who served during the year were as follows:

M J Anderson

L J Johnson

Charitable and political contributions

The group contributed £50 (2007 - £431) to charities during the year. No political contributions were made.

Employment of disabled persons

The group is conscious of its legal and moral obligations for the health, safety and welfare of all its employees. These obligations are fully considered in any employment decision, including recruitment, training and career development relating to disabled persons. In the event of members of staff becoming disabled every effort is made to ensure that their employment within the group continues and that appropriate training is arranged.

Employee consultation

The company places considerable value on the involvement of its employees and has continued its practice of keeping them informed of matters affecting them as employees and on the various factors influencing the performance of the company. This is achieved through regular consultation over decisions likely to affect their interests.

Directors' report

On behalf of the board

M J Anderson
Director

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

25/1/10

Independent auditors' report

to the members of Cooper-Standard Automotive UK Sealing Limited (continued)

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, 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. Given the circumstances of the company at the date of the approval of the financial statements, the directors consider it inappropriate to prepare the financial statements on the going concern basis. Consequently the financial statements have been prepared using an orderly realisation basis as described in note 1.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to 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 Cooper-Standard Automotive UK Sealing Limited (continued)

We have audited the company's financial statements for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein. These financial statements have been prepared on the orderly realisation basis.

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 United Kingdom law and 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 judgments 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.

Independent auditors' report

to the members of Cooper-Standard Automotive UK Sealing Limited (continued)

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 2008 and of its profit 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.

Thomas + Young LLP

Thomas & Young LLP
Registered Auditor
Solihull, West Midlands

Date *27 January 2010*

Profit and loss account

for the year ended 31 December 2008

	Notes	2008 £000	2007 £000
Turnover	2	25	48,736
Cost of sales		(226)	(42,885)
Gross profit		(201)	5,851
Other operating expenses	3	988	(2,899)
Operating profit	4	787	2,952
Exceptional items	5	(259)	(438)
Profit / (loss) on ordinary activities before interest and taxation		528	2,514
Interest payable and similar charges	6	(548)	(854)
Bank interest receivable		155	129
Profit / (loss) on ordinary activities before taxation		135	1,789
Tax on profit / (loss) on ordinary activities	8	(39)	-
Profit / (loss) on ordinary activities after taxation	15	96	1,789

All amounts relate to discontinuing operations – see notes 1, 5 and 18.

Statement of total recognised gains and losses

for the year ended 31 December 2008

There are no recognised gains or losses in either of the above years, other than the profit/(loss) reported above.

Balance sheet

at 31 December 2008

	Notes	2008 £000	2007 £000
Fixed assets			
Tangible assets	9	1,325	2,172
Current assets			
Stocks	10	-	2,194
Debtors	11	841	13,696
Cash at bank and in hand		2,938	3,733
Creditors: amounts falling due within one year	12	3,779 (7,396)	19,623 (23,963)
Net current liabilities		(3,617)	(4,340)
Total assets less current liabilities		(2,292)	(2,168)
Provisions for liabilities	13	-	(220)
Net liabilities		(2,292)	(2,388)
Capital and reserves			
Called-up share capital	14	34,954	34,954
Other reserves	15	2,374	2,374
Profit and loss account	15	(39,620)	(39,716)
Shareholders' deficit	15	(2,292)	(2,388)

Signed on behalf of the Board

25/1/10

M J Anderson
Director



COMPANY NUMBER: 00258607

Notes to the financial statements

at 31 December 2008

1. Accounting policies

Fundamental accounting concept

The accounts have been prepared on an orderly realisation basis reflecting the termination of the Toll Manufacturing arrangement and transfer of business to Cooper Standard Automotive UK Limited as detailed in note 5. Accordingly, adjustments have been made to provide for the value of assets so as to reduce their carrying value to their estimated realisable amount and to provide for any further liabilities which will arise.

Basis of accounting

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

Group accounts

The accounts present information about the company as an individual undertaking and not about its group. The company is not required to prepare group accounts by virtue of Section 248 of the Companies Act 1985.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and any provision for impairment.

Depreciation is provided on all fixed assets except land at rates calculated to write off the cost or valuation, less estimated residual value, of each asset, on a straight-line basis, over its expected useful life, as follows:

Freehold buildings	-	25 years
Leasehold property	-	Over the term of the lease
Plant and machinery	-	10 years
Tools and utensils	-	3-4 years
Furniture and fixtures	-	10 years
Computer software and hardware	-	3-7 years

Residual value is calculated on prices prevailing at the date of acquisition.

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying values may not be recoverable.

Stocks

Stocks are stated at the lower of cost, on a first-in first-out basis, and net realisable value. In the case of finished goods and work-in-progress, cost comprises direct materials, direct labour and an appropriate proportion of manufacturing overheads, based on normal levels of activity.

Net realisable value is based on estimated normal selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Taxation

Corporation tax payable is provided at the current rate on the taxable profit for the year.

Notes to the financial statements

at 31 December 2008

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:

- 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 rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at the date or, if appropriate, at the forward contract rate. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

Government grants

Government grants relating to tangible fixed assets are accounted for by crediting the grants receivable to a deferred income account which is amortised over the lives of the related assets.

Grants receivable in respect of revenue expenditure are credited to the profit and loss account in the periods in which the expenditure is incurred or the requirements of the grant have been satisfied.

Research & development

Research and development expenditure is written off as incurred.

Leases

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities while the interest elements charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Pension costs

The group operates a defined contribution pension and death benefits plan. All contributions are charged to the profit and loss account in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard No. 1 (Revised) "Cash Flow statements" to present a cash flow statement as it is a wholly owned subsidiary and the consolidated financial statements of the parent company are publicly available.

Notes to the financial statements

at 31 December 2008

1. Accounting policies (continued)

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must be met before revenue is recognised:

Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

2. Turnover

In the opinion of the directors the disclosure of turnover by geographical region would be seriously prejudicial to the interests of the group.

Turnover is derived from one class of business and relates to discontinued activities.

3. Other operating expenses

	2008 £000	2007 £000
Development and engineering costs	338	927
Selling and distribution costs	256	431
Administrative expenses	(1,582)	1,541
	<u>(988)</u>	<u>2,899</u>

4. Operating profit

Operating profit is stated after charging the following:

	2008 £000	2007 £000
Loss on disposal of fixed assets	-	98
Depreciation of own fixed assets	183	302
Operating lease rentals on		
- plant and machinery	-	45
- other	354	650
Auditors' remuneration		
- audit of the financial statements	17	61
- taxation	10	2
Gain on foreign exchange	(914)	(808)

Notes to the financial statements

at 31 December 2008

5. Exceptional items

	2008	2007
	£000	£000
Recognised after operating profit:		
Loss on termination of operations	(209)	(467)
Impaired assets - Maesteg	(50)	(471)
Profit on sale of the business to Polska Spzoo	-	500
	<u>(259)</u>	<u>(438)</u>

Loss on termination of operations and Maesteg asset impairment

On 29 September 2006, the company announced its intention to close the company's manufacturing facilities in Maesteg, South Wales. The closure was completed in 2007. The 2008 accounts include exceptional charges in respect of the finalisation of closure costs.

The directors have also reassessed the realisable value of the remaining Maesteg freehold land and buildings and other fixed assets.

Profit on sale of business to Cooper-Standard Automotive Polska Spzoo

In addition, the Company has been active as the principal in a toll manufacturing arrangement based on a Toll Processing Agreement ('the Agreement') effective from 1 November 2004. Cooper-Standard Automotive Polska Spzoo has been acting as the toll manufacturer. During discussions that took place in the spring and summer of 2007, parties to the Agreement agreed to terminate the Agreement with effect from close of business on 31 December 2007. In November and December 2007, customers, suppliers, relevant tax and regulatory authorities, and other outside parties were notified of the termination of the toll manufacturing arrangement. Based on the oral agreement, the Company transferred the following to CSA Polska: i) all principal's activities, ii) all customer contracts, iii) inventory, iv) trade receivables. Parties confirmed the above in the Confirmatory Agreement signed on 28 November 2008.

In connection with the above, the inventory and the trade receivables were required to be sold at net book value as soon as reasonably possible in 2008. The purchase price for the customer contracts was negotiated at £500,000. The results for the year ended 31 December 2007 therefore include an overall exceptional gain of £500,000 as above.

6. Interest payable and similar charges

	2008	2007
	£000	£000
Bank loans and overdrafts	548	854

7. Staff costs

	2008	2007
	£000	£000
Wages and salaries	1,397	4,769
Severance costs	56	282
Social security costs	155	522
Other pension costs	86	285
	<u>1,694</u>	<u>5,858</u>

Notes to the financial statements

at 31 December 2008

7. Staff costs (continued)

The average monthly number of persons employed by the company during the year was as follows:

	2008 Number	2007 Number
Manufacturing	1	121
Sales and design engineers	18	18
Administrative	22	34
	<u>41</u>	<u>173</u>

Directors' remuneration

The amounts below represent total remuneration received by the directors, who are also directors of other group companies. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and services provided in carrying out other group responsibilities.

	2008 £000	2007 £000
Emoluments	<u>112</u>	<u>169</u>
Company contributions to money purchase pension schemes	<u>8</u>	<u>11</u>
	<u>2008 £000</u>	<u>2007 £000</u>
The amount in respect of the highest paid director was as follows:		
Emoluments	<u>112</u>	<u>169</u>
Company contributions to money purchase pension schemes	<u>8</u>	<u>11</u>

Pensions

Retirement benefits accrue under money purchase schemes in respect of qualifying service for 1 (2007 - 1) of the company's directors.

8. Tax on profit/(loss) on ordinary activities

a) Tax on profit/(loss) on ordinary activities

	2008 £000	2007 £000
<i>Current tax</i>		
UK corporation tax (note 8(b))	<u>39</u>	<u>-</u>
<i>Deferred tax</i>		
Deferred tax	<u>-</u>	<u>-</u>
Tax on profit / (loss) on ordinary activities	<u>39</u>	<u>-</u>

Notes to the financial statements

at 31 December 2008

8. Tax on profit/(loss) on ordinary activities (continued)

b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28.75% (2007 - 30%). The differences are reconciled below:

	2008 £000	2007 £000
Profit / (loss) on ordinary activities before tax	135	1,789
Profit / (loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28.75% (2007 – 30%)	39	537
Net impact of cessation of trade (note 8(c))	(23)	(545)
Expenses not deductible for tax purposes	33	8
Capital allowances in excess of depreciation	(11)	-
Capital gain	1	-
Unrelieved tax losses carried forward	-	-
Total current tax (note 8(a))	39	-

c) Deferred tax

The termination of the toll manufacturing activities, effective 31 December 2007 (see note 5) constitutes the cessation of a 'trade' for UK tax purposes and gives rise to a significant balancing allowance and therefore a taxable loss. A similar situation arises in the company's sister company, Cooper Standard Automotive UK Fluid Systems Limited ("Fluids"). Any gain arising on the sale of the business can be offset against this loss or group relieved with Fluids for £nil consideration. As a result of the cessation of the trade, all remaining capital allowances and operating losses are forfeited. This forfeiture has no impact on either the balance sheet or the profit and loss account as, in accordance with FRS 19, no deferred tax asset had been recognised in the past as its recoverability could not be predicted with certainty.

Notes to the financial statements

at 31 December 2008

9. Tangible fixed assets

Cost or valuation:	Land and buildings Freehold £000	Land and buildings Leasehold £000	Plant machinery, tools and utensils £000	Furniture and fixtures £000	Computer software hardware £000	Capital work-in progress £000	Total £000
At 1 January 2008	2,453	147	3,146	260	267	-	6,273
Transfer Out to CSA UK Ltd	-	(147)	(2,709)	(80)	(278)	-	(3,214)
Additions	-	-	12	-	13	-	25
Disposals	-	-	-	-	-	-	-
At 31 December 2008	2,453	-	449	180	2	-	3,084
Accumulated depreciation:							
At 1 January 2008	1,153	50	2,488	172	238	-	4,101
Transfer Out to CSA UK Ltd	-	(65)	(2,218)	(37)	(255)	-	(2,575)
Charge for the year	-	15	146	5	17	-	183
Disposals	-	-	-	-	-	-	-
Assets impaired	50	-	-	-	-	-	50
At 31 December 2008	1,203	-	416	139	-	-	1,759
Net book value:							
At 31 December 2008	1,250	-	33	41	1	-	1,325
At 31 December 2007	1,300	97	658	88	29	-	2,172

Notes to the financial statements

at 31 December 2008

10. Stocks

	2008 £000	2007 £000
Raw materials	-	395
Work-in-progress	-	715
Finished goods	-	1,084
	<u>-</u>	<u>2,194</u>

In the opinion of the directors, there is no material difference between the balance sheet value of stocks and their replacement cost.

During discussions that took place in 2007 the company terminated the toll processing agreement, as a result all inventory was sold at net book value to Cooper-Standard Automotive Polska Spzoo, effective 1 January 2008.

11. Debtors

	2008 £000	2007 £000
Trade debtors	675	10,211
Amounts due from fellow group undertakings	-	211
Prepayments and accrued income	30	588
Other taxes	136	2,686
	<u>841</u>	<u>13,696</u>

12. Creditors: amounts falling due within one year

	£000	£000
Trade creditors	20	1,132
Amounts due to fellow group undertakings	6,586	4,302
Other taxation and social security	39	351
Accruals and deferred income	751	1,281
Bank overdraft	-	16,897
	<u>7,396</u>	<u>23,963</u>

Notes to the financial statements

at 31 December 2008

13. Provision for liabilities

	<i>Redundancy</i> £'000	<i>Other</i> £'000	<i>Total</i> £'000
At 1 January 2008	220	-	220
Arising during the year	-	-	-
Utilised	(137)	-	(137)
Transfer Out to CSA UK Ltd	(84)	-	(84)
At 31 December 2008	-	-	-

The majority of provisions in respect of Maesteg related redundancies have been utilised during 2008, with £84,000 transferred to CSA UK Ltd per the Business Transfer Agreement, effective 1 September 2008.

14. Called-up share capital

	2008 £000	2007 £000
<i>Authorised:</i>		
600,000 ordinary shares of 1p each	6	6
39,994,000 deferred ordinary shares of £1 each	39,994	39,994
	<u>40,000</u>	<u>40,000</u>
<i>Allotted, called-up and fully paid:</i>		
600,000 ordinary shares of 1p each	6	6
34,948,197 deferred ordinary shares of £1 each	34,948	34,948
	<u>34,954</u>	<u>34,954</u>

15. Reconciliation of shareholders funds and movement on reserves

	<i>Share capital</i> £000	<i>Other reserves</i> £000	<i>Profit and loss account</i> £000	<i>Total</i> £000
At 1 January 2006	34,954	2,374	(41,505)	(4,177)
Loss for the year	-	-	1,789	1,789
At 1 January 2007	<u>34,954</u>	<u>2,374</u>	<u>(39,716)</u>	<u>(2,388)</u>
Profit for the year			96	96
At 31 December 2008	<u>34,954</u>	<u>2,374</u>	<u>(39,620)</u>	<u>(2,292)</u>

Notes to the financial statements

at 31 December 2008

15. Reconciliation of shareholders funds and movement on reserves (continued)

Other reserves represent contributed capital, which the holding company invested in the company over a number of years. This reserve is not distributable.

16. Pension scheme

The company operates a defined contribution pension and death benefits plan, which is administered in-house and is open to employees of the company and subsidiary undertakings. An insurance company administers the investment management.

The pension expense for the year was £86,000 (2007 - £285,000). With effect from 1st September the Company ceased to be the sponsoring employer, or a participating employer, of the Plan with CSA UK Ltd taking over the Company's obligations from this date in relation to the plan. As a result the unpaid contributions outstanding at the year end are £nil (2007 - £27,000).

17. Parent undertaking and related party disclosures

Cooper Standard Automotive Inc (USA) is the company's immediate parent undertaking and is incorporated in the United States. Cooper Standard Holdings Inc is the company's ultimate parent and is also incorporated in the United States. Copies of its accounts are available from its executive offices 39550 Orchard Hill Place Drive, Novi, MI 48325.

As a consequence of being a wholly owned subsidiary, the company is exempt from the requirement of Financial Reporting Standard No. 8 "Related party disclosures" to disclose transactions with other group members.

18. Events since the balance sheet date

The management of the company is currently working with Grant Thornton to prepare the company for liquidation. The preparation mainly consists of the transfer of the Maesteg facility, and the assignment of several lease agreements, to Cooper-Standard Automotive UK Ltd.