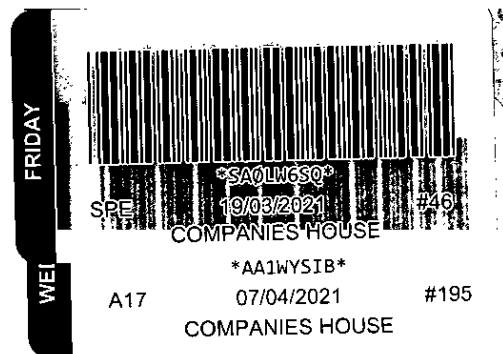


Registered number: 02558215

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

COMPANY INFORMATION

Directors	K Grady (resigned 11 December 2019) T Jordan (resigned 31 March 2019) M Beckett (appointed 11 December 2019) J Riedy (appointed 11 December 2019, resigned 6 August 2020) S E Johnston (appointed 6 August 2020)
Registered number	02558215
Registered office	Castle Bromwich Business Park Tameside Drive Birmingham B35 7AG
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Colmore Plaza 20 Colmore Circus Birmingham West Midlands B4 6AT
Solicitors	Simmon & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

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DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their strategic report for the year ended 31 December 2019.

Business review and key performance indicators

As the Statement of Comprehensive Income shows, sales have decreased 14% from 2019 (2018: decreased by 20.1%). The revenue will decrease in 2020 as the product range ages and some products come to the end of their life. The business will remain profitable as new products are developed.

The Statement of Financial Position shows that the company's financial position at the year end is positive in net assets terms. The Dura Automotive Systems, LLC, group manages its worldwide operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the structures division of Dura Automotive Systems, LLC, which includes the company, is discussed in the group's annual report which does not form part of this report.

Principal risks and uncertainties

Competitive pressure in the UK and European Automotive section is intense. The company endeavours to maintain its competitive position by offering well designed and engineered products at competitive prices with first class quality and customer support.

The company's operations expose it to a variety of financial risks that include credit risk, liquidity risk and foreign currency risk. Other risks such as interest rate risk are not considered to be significant to the company's operations. The company has in place a risk management programme that seeks to limit adverse effects on its financial performance. The policies set by the directors are implemented by the company's management team.

Credit risk

The company's principal financial assets are cash and trade and intercompany debtors. The company's credit risk is primarily attributable to its trade and intercompany debtors. The amounts presented in the balance sheet are net of allowances for doubtful debts. Credit risk in relation to trade debtors is in relation to a small number of customers, however management continually monitors the collectability of trade (and intercompany) debtors and makes allowance for impairment where there is an identified loss event which, based on previous experience, is evidence of reduction in the recoverability of the cash flows. Credit risk in relation to trade debtors is further reduced by the introduction of debt factoring of the company's major trade debtors during the year. The credit risk on cash is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company utilises cash flow generated through business operations. The company has access to a debt factoring facility.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Principal risks and uncertainties (continued)

Foreign currency risk

Part of the turnover is in Euros and is therefore at risk of adverse movements of exchange rates between the Euro and Pound. To mitigate this risk the company buys a proportion of its supplied parts in Euros to provide a natural hedge against this risk.

This report was approved by the board and signed on its behalf.



S E Johnston

Director

Date: 15th March 2021

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

Principal activity

Dura Automotive Body and Glass Systems UK Limited (the "company") operates within the overall Dura Automotive group, which is headed by Dura Automotive Systems, LLC (the "group").

The principal activity of the company continues to be that of manufacturing and supplying automotive components.

Results and dividends

The loss for the year, after taxation, amounted to £577,814 (2018 - profit £2,549,757).

The directors declared a dividend of £5,095,183 (2018: £13,700,000)

Directors

The directors who served during the year and since the year end were:

K Grady (resigned 11 December 2019)

T Jordan (resigned 31 March 2019)

M Beckett (appointed 11 December 2019)

J Riedy (appointed 11 December 2019, resigned 6 August 2020)

Environmental matters

The company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The company has complied with all applicable legislation and regulations.

Employees involvement

The group keeps employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the company. This is achieved through consultations with employee representatives and company newsletters.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the company may continue. It is the policy of the company that training, career development and promotion opportunities should be available to all employees.

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which remain in force at the date of this report.

Matters covered in the strategic report

The business review, financial risk management and objectives discussions have been included within the strategic report.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Directors' Responsibilities Statement

The directors are responsible for preparing the Strategic Report, the Directors' 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and 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 accounting estimates that are reasonable and prudent;
- 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.

Going concern review

Dura Automotive Body and Glass Systems Limited (the "Company") operates within the overall Dura Automotive group, which is headed by Firefish Top Co, LLC, a US entity (the "group").

As at 31 December 2019 the Company had net assets of £1,137,186 (2018: £6,810,183). The Company acts as an intermediate holding company and its liabilities are principally due to other group companies.

On August 4, 2020, Firefish TopCo, LLC (doing business as Dura Automotive Systems) closed a transaction to acquire the overall Dura Automotive group. This transaction culminated in a significant reduction in debt on the group's balance sheet, a substantial capital infusion to support investments in the group's future growth, and a new ownership structure and leadership team.

The Directors have performed an assessment of the Company's financial position, including the review of forecasts and projections and concluded that they have a reasonable expectation that the company has adequate resources and will be able to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. However the Directors have also obtained a letter of support from the Parent Company which confirms that the Company will be financially supported, as necessary, to enable liabilities to be met as they fall due for at least twelve months from the date of signing of the financial statements and that intercompany liabilities will not be recalled within that period

Accordingly the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15th March 2021

and signed on its behalf.



S E Johnston
Director



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURA AUTOMOTIVE BODY & GLASS
SYSTEMS UK LIMITED**

Opinion

We have audited the financial statements of Dura Automotive Body & Glass Systems UK Limited (the 'company') for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURA AUTOMOTIVE BODY & GLASS
SYSTEMS UK LIMITED (CONTINUED)**

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business model, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors Report and Strategic Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURA AUTOMOTIVE BODY & GLASS
SYSTEMS UK LIMITED (CONTINUED)**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURA AUTOMOTIVE BODY & GLASS
SYSTEMS UK LIMITED (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

A handwritten signature in black ink, appearing to read "Matt Buckingham".

Matt Buckingham BSc ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
Date: 16/3/2021

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Turnover	4	33,695,832	39,227,800
Cost of sales		(28,681,568)	(32,021,356)
Gross profit		5,014,264	7,206,444
Administrative expenses		(5,117,371)	(5,210,482)
Operating (loss)/profit	5	(103,107)	1,995,962
Interest receivable and similar income	8	164,426	294,598
Interest payable and expenses	9	(177,504)	(223,543)
(Loss)/profit before tax		(116,185)	2,067,017
Tax on (loss)/profit	10	(461,629)	482,740
(Loss)/profit for the financial year		(577,814)	2,549,757

There was no other comprehensive income for 2019 (2018: £Nil).

The notes on pages 13 to 30 form part of these financial statements.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED
REGISTERED NUMBER:02558215

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	12	2,163,466	3,032,507
		<u>2,163,466</u>	<u>3,032,507</u>
Current assets			
Stocks	14	843,787	912,407
Debtors	15	3,650,208	7,825,319
Cash at bank and in hand	16	152,508	360,267
		<u>4,646,503</u>	<u>9,097,993</u>
Creditors: amounts falling due within one year	17	(5,541,351)	(4,723,975)
Net current (liabilities)/assets		<u>(894,848)</u>	<u>4,374,018</u>
Total assets less current liabilities		<u>1,268,618</u>	<u>7,406,525</u>
Creditors: amounts falling due after more than one year	18	(131,432)	(596,342)
		<u>1,137,186</u>	<u>6,810,183</u>
Net assets		<u>1,137,186</u>	<u>6,810,183</u>
Capital and reserves			
Called up share capital	23	1,715,000	1,715,000
Profit and loss account	22	(577,814)	5,095,183
		<u>1,137,186</u>	<u>6,810,183</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

S E Johnston
 Director



Date: 15th March 2021

The notes on pages 13 to 30 form part of these financial statements.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2019	1,715,000	5,095,183	6,810,183
Comprehensive income for the year			
Loss for the year	-	(577,814)	(577,814)
Total comprehensive income for the year	-	(577,814)	(577,814)
Dividends paid	-	(5,095,183)	(5,095,183)
Total transactions with owners	-	(5,095,183)	(5,095,183)
At 31 December 2019	1,715,000	(577,814)	1,137,186

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2018	1,715,000	16,245,426	17,960,426
Comprehensive income for the year			
Profit for the year	-	2,549,757	2,549,757
Total comprehensive income for the year	-	2,549,757	2,549,757
Dividends: Equity capital	-	(13,700,000)	(13,700,000)
Total transactions with owners	-	(13,700,000)	(13,700,000)
At 31 December 2018	1,715,000	5,095,183	6,810,183

The notes on pages 13 to 30 form part of these financial statements.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. Company information

Dura Automotive Body & Glass Systems UK Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at Castle Bromwich Business Park, Tameside Drive, Birmingham, B35 7AG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Dura Automotive Systems, LLC as at 31 December 2018 and these financial statements may be obtained from 1780 Pond Run, Auburn Hills, Michigan 48326, USA.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.3 Going concern

Dura Automotive Body and Glass Systems Limited (the "Company") operates within the overall Dura Automotive group, which is headed by Firefish Top Co, LLC, a US entity (the "group").

As at 31 December 2019 the Company had net assets of £1,137,186 (2018: £6,810,183). The Company acts as an intermediate holding company and its liabilities are principally due to other group companies.

On August 4, 2020, Firefish TopCo, LLC (doing business as Dura Automotive Systems) closed a transaction to acquire the overall Dura Automotive group. This transaction culminated in a significant reduction in debt on the group's balance sheet, a substantial capital infusion to support investments in the group's future growth, and a new ownership structure and leadership team.

The Directors have performed an assessment of the Company's financial position, including the review of forecasts and projections and concluded that they have a reasonable expectation that the company has adequate resources and will be able to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. However the Directors have also obtained a letter of support from the Parent Company which confirms that the Company will be financially supported, as necessary, to enable liabilities to be met as they fall due for at least twelve months from the date of signing of the financial statements and that intercompany liabilities will not be recalled within that period

Accordingly the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements..

2.4 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Plant & machinery	- 8% to 33.33 % per annum
Motor vehicles	- 25% per annum
Leasehold improvements	- over term of lease

Assets under construction are recognised at cost and transferred to the relevant category of fixed assets when available for use. Depreciation is charged on these assets from the date they become available for use.

2.6 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.7 Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.11 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.13 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Sterling (£).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.14 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.16 Leasing and hire purchase

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard (31 December 2014) to continue to be charged over the period to the first market rent review rather than the term of the lease.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.17 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

2.18 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the year end date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

No significant judgements have been made which impact the financial statements. The following estimates have had the most significant effect on the amounts recognised in the financial statements:

Taxation

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 18.

4. Turnover

The whole of the turnover is attributable to the company's principal activity.

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	29,458,634	35,158,338
Rest of Europe	4,235,670	3,936,563
Rest of the world	1,528	132,899
	<u>33,695,832</u>	<u>39,227,800</u>

5. Operating (loss)/profit

The operating profit is stated after charging/(crediting):

	2019 £	2018 £
Operating lease expense	-	913,058
Depreciation of tangible fixed assets	497,880	1,527,704
Exchange differences	260,006	(225,188)
	<u>-</u>	<u>-</u>

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<u>42,110</u>	<u>39,222</u>
Accounts preparation services	<u>3,500</u>	-
Total non audit fees	<u><u>3,500</u></u>	<u><u>-</u></u>

7. Employees

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	4,628,537	5,271,025
Social security costs	436,799	483,888
Cost of defined contribution scheme	175,475	112,661
	<u><u>5,240,811</u></u>	<u><u>5,867,574</u></u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Management	4	4
Administration	32	34
Production	125	132
	<u><u>161</u></u>	<u><u>170</u></u>

The directors were remunerated by other group companies during 2019 and 2018.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - the same as) the standard rate of corporation tax in the UK of 19% (2018: 19.00%). The differences are explained below:

	2019 £	2018 £
(Loss)/profit on ordinary activities before tax	<u>(116,185)</u>	<u>2,067,017</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	<u>(22,076)</u>	<u>392,733</u>
Effects of:		
Expenses not deductible for tax purposes	18,354	31,597
Group relief	-	(279,160)
Transfer pricing adjustments	(36,349)	(179,746)
Adjustments to tax charge in respect of prior periods	80,395	(451,804)
Tax rate changes	4,216	3,640
Movement in unrecognised deferred tax	417,089	-
Total tax charge for the year	<u><u>461,629</u></u>	<u><u>(482,740)</u></u>

Factors that may affect future tax charges

In the 2021 budget, the Chancellor announced that the UK Corporate tax rate would increase from 19% to 23% from April 2023, but that small companies with profits of less than £50,000 would continue to be taxed at 19%.

11. Dividends

	2019 £	2018 £
Dividends paid	<u><u>5,095,183</u></u>	<u><u>13,700,000</u></u>

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. Interest receivable

	2019 £	2018 £
Interest receivable from group companies	164,426	291,315
Other interest receivable	-	3,283
	<u>164,426</u>	<u>294,598</u>

9. Interest payable and similar expenses

	2019 £	2018 £
Debt factoring	150,330	166,146
Finance leases and hire purchase contracts	27,174	57,397
	<u>177,504</u>	<u>223,543</u>

10. Taxation

	2019 £	2018 £
Corporation tax		
Adjustments in respect of previous periods	-	(444,973)
	<u>-</u>	<u>(444,973)</u>
Deferred tax		
Origination and reversal of timing differences	(40,073)	(34,576)
Adjustment in respect of previous periods	80,395	(6,830)
Changes to tax rates	4,218	3,639
Deferred tax derecognised	417,089	-
Total deferred tax	<u>461,629</u>	<u>(37,767)</u>
Taxation on profit/(loss) on ordinary activities	<u>461,629</u>	<u>(482,740)</u>

Management have assessed the recoverability of the deferred tax asset and have taken the decision to derecognise it on the basis that there are insufficient forecast profits against which the losses can be utilised.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Assets under construction £	Leasehold improvements £	Total £
Cost					
At 1 January 2019	22,414,414	8,300	6,901	2,391,150	24,820,765
Additions	253,473	-	-	-	253,473
Disposals	-	-	-	(617,733)	(617,733)
Transfers between classes	-	-	(6,901)	-	(6,901)
At 31 December 2019	<u>22,667,887</u>	<u>8,300</u>	<u>-</u>	<u>1,773,417</u>	<u>24,449,604</u>
Depreciation					
At 1 January 2019	19,940,629	8,300	-	1,839,329	21,788,258
Charge for the year on owned assets	1,031,370	-	-	-	1,031,370
Disposals	-	-	-	(533,490)	(533,490)
At 31 December 2019	<u>20,971,999</u>	<u>8,300</u>	<u>-</u>	<u>1,305,839</u>	<u>22,286,138</u>
Net book value					
At 31 December 2019	<u>1,695,888</u>	<u>-</u>	<u>-</u>	<u>467,578</u>	<u>2,163,466</u>
At 31 December 2018	<u>2,473,785</u>	<u>-</u>	<u>6,901</u>	<u>551,821</u>	<u>3,032,507</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Plant and machinery	<u>866,066</u>	<u>1,341,139</u>

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

13. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2019	1,000,000
At 31 December 2019	<u>1,000,000</u>
Impairment	
At 1 January 2019	1,000,000
At 31 December 2019	<u>1,000,000</u>
Net book value	
At 31 December 2019	<u>-</u>
At 31 December 2018	<u>-</u>

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

14. Stocks

	2019 £	2018 £
Raw materials and consumables	635,701	640,471
Work in progress (goods to be sold)	25,508	23,219
Finished goods and goods for resale	182,578	248,717
	<u>843,787</u>	<u>912,407</u>

An impairment loss of £54,003 (2018: £Nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

Stock of £18,555,918 (2018: £22,502,861) was recognised as an expense during the year in Statement of comprehensive income.

There is no material difference between purchase price or production cost of stocks and their replacement cost.

15. Debtors

	2019 £	2018 £
Due after more than one year		
Amounts owed by group undertakings	834,249	1,294,716
	<u>834,249</u>	<u>1,294,716</u>
Due within one year		
Trade debtors	1,976,949	3,074,658
Amounts owed by group undertakings	202,831	2,522,733
Other debtors	31,248	11,598
Prepayments and accrued income	604,705	311,215
Tax recoverable	226	148,770
Deferred taxation	-	461,629
	<u>3,650,208</u>	<u>7,825,319</u>

There was no impairment loss recognised in respect of trade debtors in either 2019 or 2018.

The debt factoring facility is secured by a fixed charge against the trade debtors to which it relates.

The amounts owed by group undertakings have no fixed repayment terms.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>152,508</u>	<u>360,267</u>

17. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	2,089,435	2,486,747
Amounts owed to group undertakings	2,379,069	730,147
Other taxation and social security	399,034	396,143
Obligations under finance lease and hire purchase contracts	435,526	721,608
Accruals and deferred income	238,287	389,330
	<u>5,541,351</u>	<u>4,723,975</u>

The amounts owed to other group undertakings have no fixed repayment terms. The hire purchase liability is secured on the assets to which it relates. The invoice discounting facility is secured against trade debtors.

18. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Net obligations under finance leases and hire purchase contracts	<u>131,432</u>	<u>596,342</u>

19. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	436,985	723,829
Between one and five years	131,939	598,137
	<u>568,924</u>	<u>1,321,966</u>

Certain plant and machinery are held under finance lease arrangements. Finance lease liabilities are secured by the related assets held under finance leases (see note 12). The lease arrangements generally include fixed lease payments and a purchase option at the end of the lease term.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

20. Financial instruments

	2019 £	2018 £
Financial assets		
Cash and cash equivalents	152,508	360,267
Financial assets measured at amortised cost	3,045,277	6,903,705
	<u>3,197,785</u>	<u>7,263,972</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(4,706,791)</u>	<u>(4,327,832)</u>

Cash and cash equivalents comprise cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Financial assets measured at amortised cost comprise trade debtors, other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group, obligations under finance lease and hire purchase and accruals.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

21. Deferred taxation

	2019 £	2018 £
At beginning of year	461,629	423,862
Charged to profit or loss	(461,629)	37,767
At end of year	-	461,629

The deferred tax asset is made up as follows:

	2019 £	2018 £
Fixed asset timing differences	-	459,090
Short term timing differences - trading	-	2,539
	-	461,629

Management have assessed the recoverability of the deferred tax asset and have taken the decision to derecognise it on the basis that there are insufficient forecast profits against which the losses can be utilised.

22. Reserves

Profit & loss account

Profit and loss account includes all current and prior period retained profits and losses.

23. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1,715,000 (2018 - 1,715,000) Ordinary shares of £1.00 each	1,715,000	1,715,000

Called up share capital represents the nominal value of shares that have been used.

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

24. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £175,476 (2018: £112,661). Contributions totaling £14,608 (2018: £12,450) were payable to the fund at the year end.

25. Commitments under operating leases

At 31 December 2019 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2019 £	2018 £
Other		
Within one year	60,136	48,233
Between one and five years	124,198	109,219
	<u>184,334</u>	<u>157,452</u>
	2019 £	2018 £
Land and buildings		
Within one year	836,950	836,950
Between one and five years	2,298,925	2,298,925
In more than five years	323,350	323,350
	<u>3,459,225</u>	<u>3,459,225</u>

26. Related party transactions

In accordance with the exemption permitted by Financial Reporting Section 33 "Related party disclosures", related party transactions between members of the group, headed by Dura Automotive Systems, LLC, are not disclosed as 100% of the company's voting rights are controlled within the group and consolidated financial statements, which incorporate the results of the company, are prepared.

Key management personnel compensation for the year totaled £273,533 (2018: £348,942).

DURA AUTOMOTIVE BODY & GLASS SYSTEMS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

27. Controlling party

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

Dura Automotive Systems, LLC, is the parent company of the largest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from 1780 Pond Run, Auburn Hills, Michigan 48326.

Dura Automotive Handels - und Beteiligungs GmbH is the parent of the smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from Koenigstrasse 57, 58840 Plettenberg, Germany.

On August 4, 2020, Firefish TopCo, LLC (doing business as Dura Automotive Systems) closed a transaction to acquire the overall Dura Automotive group and are the ultimate controlling party of the company at the time of signing.