

Company Registration No. 02329378 (England and Wales)

**COOPER-STANDARD AUTOMOTIVE UK LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**



# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	F G Hernandez T M May J E Herraiz (Appointed 26 June 2020)
<b>Secretary</b>	T M May
<b>Company number</b>	02329378
<b>Registered office</b>	Orchard Court 8 Binley Business Park Coventry CV3 2TQ
<b>Auditor</b>	Thomas and Young Limited Carleton House 266-268 Stratford Road Shirley Solihull B90 3AD

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# COOPER-STANDARD AUTOMOTIVE UK LIMITED

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# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present the strategic report for the year ended 31 December 2020.

### **Fair review of the business**

Cooper-Standard Automotive UK Limited is an automotive supplier specialising in the body sealing systems and fluid handling systems for the UK automotive industry predominantly for Jaguar Land Rover, BMW and Nissan UK. Our UK office provides design applications engineering, commercial and program management support to UK based customers and Cooper-Standard manufacturing facilities in mainland Europe.

### **Principal risks and uncertainties**

Principle risk fluctuations seen through 2020 that have heavily impacted the automotive industry in the UK has been the process of Brexit, leaving European Union, the COVID19 pandemic and tighter emissions legislation requirements. Both BMW and Nissan UK made significant statements on the possible impact of Brexit and the need to move manufacturing operations out of the UK. However, since the exit and the subsequent financial trade deal agreement Nissan will continue to manufacture in Sunderland and move battery manufacturing also to the UK to support the push for vehicle electrification. BMW also committed to remain in the UK due to the FTA deal and will continue to manufacture the Mini brand in Oxford.

Cooper Standard are continuing to have a strong relationship with Nissan and Cooper Standard support the next generation Nissan Qashqai P33B, Nissan Juke P12C and Nissan Leaf B12P vehicles being built in the North East at Sunderland. Additional to this, Jaguar Land Rover will manufacture the next generation Range Rover MLA High, Medium and Low platform variants in the UK while continuing to manufacture and be self-sufficient for flexible powertrain solutions from their Wolverhampton manufacturing facility. JLR are going through a transition period and have cancelled the next MLA electric vehicles that would have been manufactured in Nitra Slovakia where Cooper-Standard had a significant sealing package content as the MLA Electric will be replaced by their new EMA vehicle (Electrical Modular Architecture) strategy where all Jaguars will be full BEV from 2025 onwards and 60% of all Land Rover products zero tail pipes by 2030. JLR are also looking to manufacture their battery requirements and be self-sufficient from the UK.

### **Development and performance**

The overall UK output showed a market decline in 2020 circa 1.93M vehicles versus 2.69M vehicles in 2019 a reduction of circa -28% and is driven pre-dominantly by the COVID pandemic, the 'lockdown' as well as diesel engine sales being down driven by emissions legislation and infrastructure to support electric vehicles. 2021 Sales in the UK market look to stabilize and grow, the manufacturing forecast is expected to be circa 2.3M vehicles though it will take until at least 2023 to get back to 2019 manufacturing output levels.

For JLR and Nissan platforms where Cooper Standard have a high value content, both are expected to continue to contribute very positively to Cooper-Standard sales and to our key target UK based customers though as stated in 2020 the impact of Covid-19 has had a significant impact on UK vehicle manufacturing output and vehicles registration. Additional to this, Cooper Standard has started to develop cooling and brake line products with the new Electrical startup company ARRIVAL headquartered in Banbury UK. ARRIVAL will start production of their zero-emission electric vehicles - the Arrival Van from 2022. Cooper Standard engineering development and sales management will be carried out from the Coventry UK office.

Cooper-Standard Automotive UK Limited continues in the process of quoting and targeting new business growth with the key vehicle manufacturers that will support our European operation growth targets and will continue to grow the personnel and skills in the Cooper-Standard Automotive UK Limited support office.

On behalf of the board



F G Hernandez

Director

10-6-2021

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present their annual report and financial statements for the year ended 31 December 2020.

### Principal activities

The principal activity of the company continued to be that of sales support for the group.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

F G Hernandez

J F De Miguel Posada

(Resigned 26 June 2020)

T M May

J E Herraiz

(Appointed 26 June 2020)

### Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

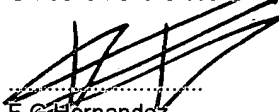
### Auditor

The auditor, Thomas and Young Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



F G Hernandez

Director

Date: 10-6-2021

# **COOPER-STANDARD AUTOMOTIVE UK LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- 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.

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF COOPER-STANDARD AUTOMOTIVE UK LIMITED

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#### Opinion

We have audited the financial statements of Cooper-Standard Automotive UK Limited (the 'company') for the year ended 31 December 2020 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows 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 FRS 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 2020 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.

#### 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.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF COOPER-STANDARD AUTOMOTIVE UK LIMITED

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#### Matters on which we are required to report by exception

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 and the directors' report.

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.

#### Responsibilities of directors

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, 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.

#### 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.



James Carty ACA FCCA (Senior Statutory Auditor)  
for and on behalf of Thomas and Young Limited

Chartered Accountants  
Statutory Auditor

15 June 2021

Carleton House  
266-268 Stratford Road  
Shirley  
Solihull  
B90 3AD



# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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		2020	2019
	Notes	£	£
Administrative expenses		(234,874)	(1,240)
Interest payable and similar expenses	5	(12,166)	(30,424)
<b>Loss before taxation</b>		<u>(247,040)</u>	<u>(31,664)</u>
Tax on loss	6	-	-
<b>Loss for the financial year</b>		<u>(247,040)</u>	<u>(31,664)</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

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	2020 £	2019 £
Loss for the year	(247,040)	(31,664)
Other comprehensive income		
Defined benefit scheme adjustment on scheme winding up	-	400,000
Total comprehensive income for the year	<u>(247,040)</u>	<u>368,336</u>

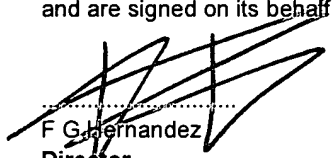
# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	7		32,743		20,975
<b>Current assets</b>					
Debtors	8	125,712		1,999,090	
<b>Creditors: amounts falling due within one year</b>	9	(1,559,338)		(3,173,908)	
<b>Net current liabilities</b>			(1,433,626)		(1,174,818)
<b>Total assets less current liabilities</b>			(1,400,883)		(1,153,843)
<b>Capital and reserves</b>					
Called up share capital	11		4,000,000		4,000,000
Profit and loss reserves			(5,400,883)		(5,153,843)
<b>Total equity</b>			(1,400,883)		(1,153,843)

The financial statements were approved by the board of directors and authorised for issue on 12-6-2021 and are signed on its behalf by:

  
F. G. Hernandez  
Director

Company Registration No. 02329378

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2019</b>	4,000,000	(5,522,179)	(1,522,179)
<b>Year ended 31 December 2019:</b>			
Loss for the year	-	(31,664)	(31,664)
Other comprehensive income:			
Actuarial losses on defined benefit plans	-	400,000	400,000
Total comprehensive income for the year	-	368,336	368,336
<b>Balance at 31 December 2019</b>	4,000,000	(5,153,843)	(1,153,843)
<b>Year ended 31 December 2020:</b>			
Loss and total comprehensive income for the year	-	(247,040)	(247,040)
<b>Balance at 31 December 2020</b>	4,000,000	(5,400,883)	(1,400,883)

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	15	2,030,989		198,138	
Interest paid		(12,166)		(30,424)	
<b>Net cash inflow from operating activities</b>		<b>2,018,823</b>		<b>167,714</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(30,295)		(14,616)	
<b>Net cash used in investing activities</b>		<b>(30,295)</b>		<b>(14,616)</b>	
<b>Net increase in cash and cash equivalents</b>		<b>1,988,528</b>		<b>153,098</b>	
Cash and cash equivalents at beginning of year		(2,848,752)		(3,001,850)	
<b>Cash and cash equivalents at end of year</b>		<b>(860,224)</b>		<b>(2,848,752)</b>	
<b>Relating to:</b>					
Bank overdrafts included in creditors payable within one year		(860,224)		(2,848,752)	

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Cooper-Standard Automotive UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is Orchard Court, 8 Binley Business Park, Coventry, CV3 2TQ.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

At the time of approving the financial statements, the directors have a reasonable expectation that the company will receive continued group support for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	Straight line over the life of the lease
Plant and machinery	2 - 10 years
Fixtures, fittings & equipment	3 - 10 years
Computer equipment	3 - 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **1.4 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.



# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### *Other financial liabilities*

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.8 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Operating loss

	2020	2019
	£	£
Operating loss for the year is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	10,397	76,482
Fees payable to the company's auditor for the audit of the company's financial statements	11,596	5,285
Depreciation of owned tangible fixed assets	18,527	22,461
Operating lease charges	37,219	45,622

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020	2019
	Number	Number
Administration	21	22

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	1,739,772	1,406,149
Social security costs	74,424	76,791
	1,814,196	1,482,940

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Interest payable and similar expenses

	2020 £	2019 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	12,166	30,424

### 6 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Loss before taxation	(247,040)	(31,664)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(46,938)	(6,016)
Tax effect of expenses that are not deductible in determining taxable profit	9,076	464
Unutilised tax losses carried forward	40,339	4,356
Permanent capital allowances in excess of depreciation	(2,477)	-
Depreciation in excess of permanent capital allowances	-	1,196
Taxation charge for the year	-	-

### 7 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2020	113,095	15,039	83,028	468,555	679,717
Additions	-	876	-	29,419	30,295
At 31 December 2020	113,095	15,915	83,028	497,974	710,012
<b>Depreciation and impairment</b>					
At 1 January 2020	113,095	14,112	82,981	448,554	658,742
Depreciation charged in the year	-	-	139	18,388	18,527
At 31 December 2020	113,095	14,112	83,120	466,942	677,269
<b>Carrying amount</b>					
At 31 December 2020	-	1,803	(92)	31,032	32,743
At 31 December 2019	-	927	47	20,001	20,975

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	1,390	1,390
Amounts owed by group undertakings	-	1,867,034
Other debtors	15,169	33,350
Prepayments and accrued income	109,153	97,316
	<u>125,712</u>	<u>1,999,090</u>

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

	Notes	2020	2019
		£	£
Bank loans and overdrafts	10	860,224	2,848,752
Trade creditors		48,929	95,290
Amounts owed to group undertakings		36,096	-
Taxation and social security		364,022	73,860
Accruals and deferred income		250,067	156,006
		<u>1,559,338</u>	<u>3,173,908</u>

### 10 Loans and overdrafts

	2020	2019
	£	£
Bank overdrafts	<u>860,224</u>	<u>2,848,752</u>
Payable within one year	<u>860,224</u>	<u>2,848,752</u>

The bank overdraft is secured by a corporate guarantee issued by Cooper Standard Holdings Inc (US), the parent company.

### 11 Share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
4,000,000 ordinary shares of £1 each	<u>4,000,000</u>	<u>4,000,000</u>

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 12 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	11,965	3,494
Between two and five years	257,826	301,508
	<u>269,791</u>	<u>305,002</u>

### 13 Related party transactions

#### Transactions with related parties

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

### 14 Controlling party

Cooper-Standard Automotive International Holdings BV is the company's immediate parent undertaking and is incorporated in the Netherlands. Cooper-Standard Automotive International Holdings BV is a wholly owned subsidiary of Cooper Standard Holdings Inc (US) which is the ultimate parent company. Cooper Standard Holdings Inc (US) is incorporated in the United States. Copies of its accounts are available from its executive offices of 39550 Orchard Hill Place Drive, Novi, MI 48325.

### 15 Cash generated from operations

	2020 £	2019 £
Loss for the year after tax	(247,040)	(31,664)
<b>Adjustments for:</b>		
Finance costs	12,166	30,424
Depreciation and impairment of tangible fixed assets	18,527	22,461
<b>Movements in working capital:</b>		
Decrease in debtors	1,873,378	544,272
Increase/(decrease) in creditors	373,958	(367,355)
<b>Cash generated from operations</b>	<u>2,030,989</u>	<u>198,138</u>

# COOPER-STANDARD AUTOMOTIVE UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**16 Analysis of changes in net debt**

	1 January 2020 £	Cash flows £	31 December 2020 £
Bank overdrafts	(2,848,752)	1,988,528	(860,224)