

Company registration number 02329378 (England and Wales)

COOPER-STANDARD AUTOMOTIVE UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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COOPER-STANDARD AUTOMOTIVE UK LIMITED

COMPANY INFORMATION

Directors	T M May J E Herraiz
Secretary	T M May
Company number	02329378
Registered office	Orchard Court 8 Binley Business Park Coventry CV3 2TQ
Auditor	Thomas and Young Limited Carleton House 266-268 Stratford Road Shirley Solihull B90 3AD

COOPER-STANDARD AUTOMOTIVE UK LIMITED

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COOPER-STANDARD AUTOMOTIVE UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

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, Nissan UK and ARRIVAL. 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 2021 that have heavily impacted the automotive industry in the UK has been predominantly down to the COVID19 pandemic, tighter emissions legislation requirements and more subsequently the shortage of semi-conductors.

Though 2021 was a tough year to navigate through, Cooper Standard has continued to have a strong relationship with Nissan supporting the Nissan Qashqai P33B, Nissan Juke P12C and Nissan Leaf B12P vehicles being built in the North East at Sunderland and supporting development for the next generation variants including X-Trail for Russia.

Cooper Standard continued to strengthen the alliance with Jaguar Land Rover supporting current production vehicles and the development of the next generation vehicle electrification platform EMA 'Electrified Modular Architecture' from which all future Jaguar products (by 2025) and Land Rover products (by 2030) will be EV powertrain. Jaguar engineering is also currently developing the Panthera, an EV platform separate from the existing MLA and future EMA that Cooper Standard engineering are supporting.

Additional to this, in 2021 Cooper Standard successfully secured battery cooling and brake line business with the new start company ARRIVAL base in Banbury supporting ARRIVAL's EV lightweight commercial vehicles. Cooper Standard engineering development and sales management for this customer are being carried out from the Coventry UK office.

Development and performance

The overall UK output showed that the market did actually increase in 2021 circa 2.1M passenger cars & commercial vehicles versus 1.93M in 2020 an improvement of circa 8% though vehicle sales were hampered 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. 2022 sales in the UK market look to stabilize and grow slightly, the manufacturing forecast is expected to be circa 2.18M vehicles though it will take until at least 2024 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 2021 the impact of Covid-19 and semi-conductor shortages has had an impact on UK vehicle manufacturing output and vehicles registration.

This said, JLR especially has an exciting vehicle line up with the new L663 Defender selling well and manufacturing capacity being increased to support demand, the upcoming launch of the new Range Rover and Rover Sport. Plus with ARRIVAL's EV Bus and commercial vans launching this year, there are green shoots coming through.

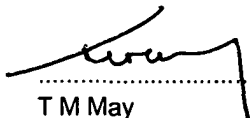
Cooper-Standard Automotive UK Limited continues in the process of quoting and targeting new business growth with the key vehicle manufacturers that will support our European operation growth targets and will continue to grow the personnel and skills in the Cooper-Standard Automotive UK Limited support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

COOPER-STANDARD AUTOMOTIVE UK LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

On behalf of the board



T M May
Director

Date: 26th July 2022.

COOPER-STANDARD AUTOMOTIVE UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

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

Results and dividends

The results for the year are set out on page 8.

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

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

(Resigned 1 July 2021)

T M May

J E Herraiz

Auditor

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

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

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


.....
T M May
Director

Date:

26th July 2022

COOPER-STANDARD AUTOMOTIVE UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

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

Opinion

We have audited the financial statements of Cooper-Standard Automotive UK Limited (the 'company') for the year ended 31 December 2021 which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 2021 and of its profit 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

COOPER-STANDARD AUTOMOTIVE UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF COOPER-STANDARD AUTOMOTIVE UK LIMITED

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.

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 or the directors' report. 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

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The auditor's assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

Which laws and regulations the auditor identified as being of significance in the context of the entity.

The auditor's explanation of its audit response will depend on the risks identified but may include:

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

COOPER-STANDARD AUTOMOTIVE UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF COOPER-STANDARD AUTOMOTIVE UK LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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

Date: 27 July 2022

Chartered Accountants
Statutory Auditor

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 2021

	Notes	2021 £	2020 £
Turnover	3	2,009,657	2,405,213
Administrative expenses		(1,953,291)	(2,640,087)
Operating profit/(loss)	4	56,366	(234,874)
Interest payable and similar expenses	6	(12,559)	(12,166)
Profit/(loss) before taxation		43,807	(247,040)
Tax on profit/(loss)	7	-	-
Profit/(loss) for the financial year		<u>43,807</u>	<u>(247,040)</u>

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

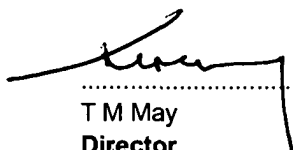
COOPER-STANDARD AUTOMOTIVE UK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	8		23,891		32,743
Current assets					
Debtors	9	176,013		125,712	
Creditors: amounts falling due within one year	10	<u>(1,556,980)</u>		<u>(1,559,338)</u>	
Net current liabilities			<u>(1,380,967)</u>		<u>(1,433,626)</u>
Net liabilities			<u>(1,357,076)</u>		<u>(1,400,883)</u>
Capital and reserves					
Called up share capital	12		4,000,000		4,000,000
Profit and loss reserves			<u>(5,357,076)</u>		<u>(5,400,883)</u>
Total equity			<u>(1,357,076)</u>		<u>(1,400,883)</u>

The financial statements were approved by the board of directors and authorised for issue on 26th July 2022 and are signed on its behalf by:


T M May
Director

Company Registration No. 02329378

COOPER-STANDARD AUTOMOTIVE UK LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2020	4,000,000	(5,153,843)	(1,153,843)
Year ended 31 December 2020:			
Loss and total comprehensive income for the year	-	(247,040)	(247,040)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	4,000,000	(5,400,883)	(1,400,883)
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	43,807	43,807
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	<u>4,000,000</u>	<u>(5,357,076)</u>	<u>(1,357,076)</u>

COOPER-STANDARD AUTOMOTIVE UK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	16	51,157		2,030,989	
Interest paid		(12,559)		(12,166)	
Net cash inflow from operating activities		38,598		2,018,823	
Investing activities					
Purchase of tangible fixed assets		(21,492)		(30,295)	
Proceeds on disposal of tangible fixed assets		13,298		-	
Net cash used in investing activities		(8,194)		(30,295)	
Net increase in cash and cash equivalents		30,404		1,988,528	
Cash and cash equivalents at beginning of year		(860,224)		(2,848,752)	
Cash and cash equivalents at end of year		(829,820)		(860,224)	
Relating to:					
Bank overdrafts included in creditors payable within one year		(829,820)		(860,224)	

COOPER-STANDARD AUTOMOTIVE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 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

COOPER-STANDARD AUTOMOTIVE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

1.5 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.

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.

1.6 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.

1.7 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.

COOPER-STANDARD AUTOMOTIVE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

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.

COOPER-STANDARD AUTOMOTIVE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

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.

1.8 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.

1.9 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.

COOPER-STANDARD AUTOMOTIVE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 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.

1.11 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.

1.12 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 Turnover

An analysis of the company's turnover is as follows:

	2021 £	2020 £
Turnover analysed by class of business		
Recharges	2,009,657	2,405,213
	<u> </u>	<u> </u>
	2021 £	2020 £
Turnover analysed by geographical market		
United Kingdom	2,009,657	2,405,213
	<u> </u>	<u> </u>

COOPER-STANDARD AUTOMOTIVE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4 Operating profit/(loss)

	2021	2020
	£	£
Operating profit/(loss) for the year is stated after charging:		
Exchange losses	11,712	10,397
Fees payable to the company's auditor for the audit of the company's financial statements	12,705	11,596
Depreciation of owned tangible fixed assets	17,046	18,527
Operating lease charges	40,629	37,219
	<u> </u>	<u> </u>

5 Employees

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

	2021 Number	2020 Number
Administration	20	21
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	1,552,346	1,739,772
Social security costs	88,394	74,424
	<u> </u>	<u> </u>
	1,640,740	1,814,196
	<u> </u>	<u> </u>

6 Interest payable and similar expenses

	2021 £	2020 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	12,559	12,166
	<u> </u>	<u> </u>

COOPER-STANDARD AUTOMOTIVE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Taxation

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

	2021 £	2020 £
Profit/(loss) before taxation	43,807	(247,040)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	8,323	(46,938)
Tax effect of expenses that are not deductible in determining taxable profit	632	9,076
Unutilised tax losses carried forward	-	40,339
Permanent capital allowances in excess of depreciation	(1,043)	(2,477)
Research and development tax credit	(7,912)	-
Taxation charge for the year	-	-

8 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost					
At 1 January 2021	113,095	15,915	83,028	497,974	710,012
Additions	-	-	-	21,492	21,492
Disposals	-	-	-	(13,298)	(13,298)
At 31 December 2021	113,095	15,915	83,028	506,168	718,206
Depreciation and impairment					
At 1 January 2021	113,095	14,112	83,120	466,942	677,269
Depreciation charged in the year	-	-	-	17,046	17,046
At 31 December 2021	113,095	14,112	83,120	483,988	694,315
Carrying amount					
At 31 December 2021	-	1,803	(92)	22,180	23,891
At 31 December 2020	-	1,803	(92)	31,032	32,743

COOPER-STANDARD AUTOMOTIVE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,390	1,390
Other debtors	27,688	15,169
Prepayments and accrued income	146,935	109,153
	<u>176,013</u>	<u>125,712</u>

10 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans and overdrafts	11	829,820	860,224
Trade creditors		38,630	48,929
Amounts owed to group undertakings		357,548	36,096
Taxation and social security		109,599	364,022
Accruals and deferred income		221,383	250,067
		<u>1,556,980</u>	<u>1,559,338</u>

11 Loans and overdrafts

	2021 £	2020 £
Bank overdrafts	<u>829,820</u>	<u>860,224</u>
Payable within one year	<u>829,820</u>	<u>860,224</u>

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

12 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
ordinary shares of £1 each	<u>4,000,000</u>	<u>4,000,000</u>	<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 2021

13 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:

	2021 £	2020 £
Within one year	-	11,965
Between two and five years	188,683	257,826
	<u>188,683</u>	<u>269,791</u>

14 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.

15 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.

16 Cash generated from operations

	2021 £	2020 £
Profit/(loss) for the year after tax	43,807	(247,040)
Adjustments for:		
Finance costs	12,559	12,166
Depreciation and impairment of tangible fixed assets	17,046	18,527
Movements in working capital:		
(Increase)/decrease in debtors	(50,301)	1,873,378
Increase in creditors	28,046	373,958
Cash generated from operations	<u>51,157</u>	<u>2,030,989</u>

COOPER-STANDARD AUTOMOTIVE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Analysis of changes in net debt

	1 January 2021 £	Cash flows £	31 December 2021 £
Bank overdrafts	(860,224)	30,404	(829,820)