Wilker UK Limited

Annual Report

Financial Year Ended 31 December 2019

CONTENTS

DIRECTORS AND OTHER INFORMATION

Board of directors

M Kerrigan
D Hurley

Secretary and registered office

M Kerrigan
Units 1 and 2 Millbuck Park
Millbuck Way
Springvale Industrial Estate
Sandbach
Cheshire
United Kingdom
CW11 3HT

Registered number: 02849024

Independent Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Ireland
DO1 X9R7

Solicitors

TLT LLP
3 Hardman Square
Manchester
United Kingdom
MF 3EB

SAS Daniels LLP
30 Greek Street
Stockport
Cheshire
United Kingdom
SK3 8AD

Bankers

Bank of Ireland UK
Townhall Street
Enniskillen
Northern Ireland
BT74 7BD

STRATEGIC REPORT

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

Business review
Turnover in 2019 was £14,737,904 compared with £16,044,951 in the prior year. Gross profit for the year was £2,802,394 (2018: £2,874,155) and the operating profit was £1,569,678 (2018: £1,729,995).

The directors consider the financial position as indicated on the balance sheet on page 10 to be satisfactory.

The directors believe that the company is in a strong position to maintain the sales and profitability trends of recent years as it has built up a strong customer base in its sectors of operation and has efficient and cost effective production capability and a strong management team and experienced long serving employees.

Principal risks and uncertainties
The company turnover is mainly with the UK NHS Ambulance Trusts and Private Ambulance Services throughout the UK as well as local and UK government authorities.

The company could be vulnerable to a downturn in the economy. The directors believe the company has gained a strong reputation in the market place and is in a good position to mitigate any risks or industry uncertainties especially since solid turnover has been sustained in 2019 and thus far in 2020 and based upon order in hand and leads pipeline, this performance is expected to be maintained for the rest of 2020 and 2021.

Covid-19
The company is exposed to the impact of the recent outbreak of the Covid-19 virus pandemic across the Globe. As discussed in note 18 this crisis is unprecedented in both the United Kingdom and at a global level. As a result, there is no way of predicting how long the pandemic will last and what the longer-term impact of the pandemic will be on the economy. The company is continuing to actively monitor the situation in order to take the necessary steps to mitigate the impact of the pandemic on operations. To protect staff and customers, the Company continues to fully implement the prescribed social distancing protocols and the stringent health and safety requirements for minimising the future spread of the virus in the workplace environment.

Other key performance indicators
We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross profit, operating profit and profit before taxation as set out in the profit and loss account. Trading for the year was in line with directors' expectations.

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

D Hurley
Director

Date: 13 | July | 2020

DIRECTORS' REPORT

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

Statement of directors' responsibilities
The directors are responsible for preparing 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102).

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 estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a 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.

Business review
Turnover in 2019 was £14,737,904 compared with £16,044,951 in the prior year. Gross profit for the year was £2,802,394 (2018: £2,874,155) and the operating profit was £1,569,678 (2018: £1,729,995).

The directors consider the financial position as indicated on the balance sheet on page 10 to be satisfactory.

The directors believe that the company is in a strong position to maintain the sales and profitability trends of recent years as it has built up a strong customer base in its sectors of operation and has efficient and cost effective production capability and a strong management team and experienced long serving employees.

Principal activities
The principal activities of the company are the manufacture of components for certain motor vehicles including ambulances buses and other similar vehicles.

Results and dividends
The profit and loss account is set out on page 9. The profit for the year after taxation was £1,266,532 (2018: £1,394,207). A dividend of £4,000,000 was paid during the year ended 31 December 2019 (2018: £nil).

Events since the end of the financial year
As set out in note 18 of the financial statements, the company is exposed to the impact of the recent outbreak of the Covid-19 virus pandemic. This crisis is unprecedented both in the United Kingdom and at a global level. As a result, there is no way of predicting how long the pandemic will last and what the longer-term impact of the pandemic will be on the economy. The company is continuing to actively monitor the situation in order to take the necessary steps to mitigate the impact of the pandemic on operations.

There have been no other significant events affecting the company since year end.

DIRECTORS' REPORT - continued

Research and development
The company did not engage in any research and development during the financial year end.

Employees
Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performances of their business units and of the company as a whole.

Directors
The names of all persons who were directors at any time during the financial year ended 31 December 2019 are set out below. Unless indicated otherwise stated they served as directors for the entire year:

Donnacha Hurley
Martin Kerrigan

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company. According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Holding company
The company is a 100% subsidiary of Auto Conversions Limited, a company incorporated in the Republic of Ireland whose registered office is at Frederick Street, Clara, Co. Offaly. The ultimate parent is Motor Mania Limited, a company incorporated in the Republic of Ireland, whose registered office is at 36 Cookstown Industrial Estate, Belgard Road, Tallaght, Dublin 24.

Political donations
The company made no political contributions or donations to UK Charities during the current financial year or prior financial year.

Future developments
The company does not expect any change in the nature or trade of business in the next financial year.

Disclosure of information to auditors
In the case of each of the persons who are directors at the time when the report is approved, the following applies:

- as far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors
The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office.

On behalf of the board

D Hurley
Director
Date: 13th July 2020.

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Independent auditors' report to the members of Wilker UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, Wilker UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise:

- the balance sheet as at 31 December 2019;
- the profit and loss account for the year then ended,
- the statement of comprehensive income for the year then ended,
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

John Dunne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Dublin
13 July 2020

PROFIT AND LOSS ACCOUNT
Financial Year Ended 31 December 2019

	Notes	2019 £	2018 £
Turnover	5	14,737,904	16,044,951
Cost of sales		(11,935,510)	(13,170,796)
Gross profit		2,802,394	2,874,155
Distribution costs		(6,509)	(11,905)
Other operating income		1,430	12,979
Administrative expenses		(1,227,637)	(1,145,234)
Operating profit	6	1,569,678	1,729,995
Profit before taxation		1,569,678	1,729,995
Tax on profit	8	(303,146)	(335,788)
Profit for the financial year		1,266,532	1,394,207

STATEMENT OF COMPREHENSIVE INCOME
Financial Year Ended 31 December 2019

	2019 £	2018 £
Profit for the financial year	1,266,532	1,394,207
Other comprehensive income	-	-
Total comprehensive income for the year	1,266,532	1,394,207

BALANCE SHEET
As at 31 December 2019

	Notes	2019 £	2018 £
Fixed assets			
Tangible assets	9	116,107	114,569
Current assets			
Stock	10	1,876,768	1,925,398
Debtors	11	2,728,912	3,273,207
Cash at bank and in hand		1,889,996	4,205,574
		6,495,676	9,404,179
Creditors - amounts falling due within one year	12	(3,566,187)	(3,739,684)
Net current assets		2,929,489	5,664,495
Total assets less current liabilities		3,045,596	5,779,064
Provisions for liabilities	13	(8,888)	(8,888)
Net assets		3,036,708	5,770,176
Capital and reserves			
Called up share capital	14	100	100
Profit and loss account	14	3,036,608	5,770,076
Total equity		3,036,708	5,770,176

The notes on pages 12 to 23 are an integral part of these financial statements.

The financial statements on pages 9 to 23 were authorised for issue by the board of directors on 13 July 2020 and were signed on its behalf:

D Hurley
Director

Date: 13th July 2020

Wilker UK Limited
Registered Number: 02849024

STATEMENT OF CHANGES IN EQUITY
Financial Year Ended 31 December 2019

	Share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2018	100	4,375,869	4,375,969
Profit for the financial year	-	1,394,207	1,394,207
Other comprehensive income for the financial year	-	-	-
Total comprehensive income for the financial year	-	1,394,207	1,394,207
Balance at 31 December 2018	100	5,770,076	5,770,176
Balance at 1 January 2019	100	5,770,076	5,770,176
Profit for the financial year	-	1,266,532	1,266,532
Other comprehensive income for the financial year	-	-	-
Total comprehensive income for the financial year	-	1,266,532	1,266,532
Dividend paid	-	(4,000,000)	(4,000,000)
Total transactions recognised directly in equity	-	(4,000,000)	(4,000,000)
Balance at 31 December 2019	100	3,036,608	3,036,708

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Wilker UK Limited ('the company') manufactures components for certain motor vehicles including ambulances, buses and other similar vehicles.

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Units 1 and 2 Millbuck Park, Millbuck Way, Springvale Industrial Estate, Sandbach, Cheshire CW11 3HT, United Kingdom.

The company is a 100% subsidiary of Auto Conversions Limited, a company incorporated in the Republic of Ireland whose registered office is at Frederick Street, Clara, Co. Offaly. Wilker UK Limited's ultimate parent is Motor Mania Limited, a company incorporated in the Republic of Ireland. The ultimate controlling party is D Hurley, a director, by virtue of his shareholding in Motor Mania Limited. Motor Mania Limited prepares group financial statements and is both the smallest and largest group for which group financial statements are drawn up and of which Wilker UK Limited is a member. Copies of Motor Mania Limited group financial statements are available from the company secretary at 36 Cookstown Industrial Estate, Belgard Road, Tallaght, Dublin 24, Ireland.

The financial statements have been presented in Sterling (£) which is also the functional currency of the Company.

2 Statement of compliance

The individual financial statements of Wilker UK Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies used in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation
These financial statements have been prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

(b) Going concern
The company meets its day to day working capital requirements through its cash resources and bank facilities. The current economic conditions continue to create uncertainty over (a) the level of demand for the company's products; and (b) the availability of bank finance for the foreseeable future. The company's forecasts and projections, have been reviewed having considered the uncertainties surrounding Covid-19 as outlined in Note 18, and taking account of reasonably possible changes in trading performance. With known committed business for the remainder of 2020 the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements. Therefore these entity financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(c) Disclosure exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The company is a qualifying entity and has taken advantage of the following disclosure exemptions;

(i) Exemption from the requirements of Section 7 of FRS 102 and FRS 102 paragraph 3.17(d) to present a statement of cash flows.

(ii) The requirements of Section 11 Basic Financial Instruments and paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii),11.48(a)(iv), 11.48(b), 11.48(c), 12.26 (in relation to those cross-referenced paragraphs from which a disclosure exemption is available), 12.27, 12.29(a), 12.29(b), and 12.29A provided disclosures equivalent to those required by this FRS are included in the consolidated financial statements of the group in which the entity is consolidated.

(iii) Exemption from the requirement of FRS 102 paragraph 33.7 to disclose key management personnel compensation in total.

(iv) Exemption from the requirement of FRS 102 paragraph 4.12(a)(iv) to disclose a reconciliation of the number of shares outstanding at the beginning and end of the period.

(d) Foreign currency

(i) Functional and presentation currency

The company's functional and presentation currency is the pound sterling, denominated by the symbol "£".

(ii) Transactions and balances

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

At the end of each financial year 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'interest receivable and similar income' or 'interest payable and similar charges' as appropriate. All other foreign exchange gains and losses are presented in the profit and loss account within 'other expensing expenses'.

(e) Revenue recognition

(i) Turnover

Turnover is the amount of revenue derived from the provision of goods and services falling within the company's ordinary activities after deduction of value-added tax.

For Wilker UK Limited turnover comprises revenue arising from the sale of goods to customers and supply of services to customers.

Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied for services rendered, net of returns and value added taxes.

The company bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Where the consideration receivable in cash or cash equivalents is deferred and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the impacted rate of interest.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(e) Revenue recognition - continued

(i) Turnover - continued

The company recognises turnover when (a) the significant risks and rewards of ownership of the goods have been transferred to the buyer; (b) the company retains no continuing managerial involvement or effective control over the goods; (c) the amount of turnover and costs can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to the each of company's sales channels have been met, as described below.

Sale of goods - customers

The company manufactures components for certain motor vehicles including ambulances, buses and other similar vehicles. Sales of goods are recognised on delivery to the customer, when the customer has full discretion over the channel and price to sell the product and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the goods have been shipped to the location specified by the customer, the risks of obsolescence or loss have been transferred to the customer, the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the company has objective evidence that all criteria for acceptance have been satisfied.

Sales are measured at the prices specified in the sale contract.

Sales are normally made with a credit term of 30 days. The element of financing is deemed immaterial and is disregarded in the measurement of revenue.

(f) Employee benefits

The company provides a range of benefits to employees, including short term employee benefits such as annual bonus arrangements and paid holiday arrangements.

(i) Short term employee benefits

Short term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service. The company operates an annual bonus plan for certain employees. An expense is recognised in the profit and loss account when the company has a present legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

(g) Income tax

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (profit and loss account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the financial year or past financial years. Current tax is measured at the amount of current tax that is expected to be paid using tax rates and laws that have been enacted or substantively enacted by the end of the financial year.

The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. A current tax liability is recognised where appropriate and measured on the basis of amounts expected to be paid to the tax authorities.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(g) Income tax - continued

(ii) Deferred tax

Deferred tax is recognised in respect of timing differences, which are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in financial years different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the end of each financial year with certain exceptions. Unrelieved tax losses and other deferred tax assets are recognised only when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the end of each financial year end and that are expected to apply to the reversal of the timing difference.

(h) Tangible fixed assets

Tangible fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs and borrowing costs capitalised.

(i) Plant and machinery, fixture and fittings, office equipment and motor vehicles

Plant and machinery, fixtures fittings, office equipment and motor vehicles are carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Depreciation and residual values

Depreciation on assets is calculated, using the reducing balance/straight-line method over their estimated useful lives, as follows:

Motor vehicles	20% reducing balance
Plant and machinery	20% reducing balance
Fixtures and fittings	20% reducing balance
Office equipment	20% straight line

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

(iii) Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Repairs, maintenance and minor inspections are expenses as incurred.

(iv) Derecognition

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(i) Leased assets

Operating leases

Operating leases do not transfer substantially all the risks and rewards of ownership to the lessor. Payments under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease.

(j) Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Stocks are recognised as an expense in the financial year in which the related revenue is recognised.

Cost is determined using the first-in, first-out (FIFO) method. Cost comprises the purchase price, including taxes and duties and transport and handling directly attributable to bringing the stock to its present location and condition. The cost of manufactured finished goods and work in progress includes raw materials, direct labour and a systematic allocation of direct costs and production overheads (based on normal operating capacity of the production facility).

At the end of each financial year, stocks are assessed for impairment. If an item of stock is impaired, the identified stock is measured at its selling price less costs to complete and sell and the resulting impairment loss is recognised in profit or loss. Where a reversal of the impairment loss is recognised the impairment loss is reversed, up to the original impairment loss, and is recognised in the profit or loss.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

(l) Provisions and contingencies

(i) Provisions

Provisions are liabilities of uncertain timing or amount.

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

(ii) Contingencies

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the company will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(m) Share capital presented as equity

Equity shares issued are recognised at the proceeds received and presented as share capital and share premium. Incremental costs directly attributable to the issue of new equity shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(n) Financial instruments

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and cash equivalents and short-term deposits, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors, cash and cash equivalents and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, loans from fellow group companies and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is treated as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(n) Financial instruments - continued

(ii) Financial liabilities - continued

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(o) Related party transactions

The company discloses transactions with related parties which are not wholly-owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

(p) Distribution to equity shareholders

Dividends and other distributions to the company's equity shareholders are recognised as a liability in the financial statements in the financial year in which dividends and other distributions are approved by the company's shareholder.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgement in applying the entity's accounting policies

There are no critical judgements apart from those involving estimates made by the directors that have had significant effect on the amounts recognised in the financial statements.

(b) Critical accounting estimates and assumptions

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Impairment of stocks

The company manufactures components for certain motor vehicles including ambulances, buses and other similar vehicles. As a result it is necessary to consider the recoverability of the carrying amount of stock at the end of the financial year, when calculating any stock impairment, the directors consider the nature and condition of the stock, current estimated selling prices, as well as applying assumptions around anticipated sale ability of finished goods and future usage of raw materials.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Turnover

	2019	2018
	£	£
Analysis of turnover by geographical market:		
Ireland	371,844	75,729
United Kingdom	14,366,060	15,947,347
UAE	-	21,875
	14,737,904	16,044,951
Analysis of turnover by category:		
Sale of goods	14,737,904	16,044,951

6 Operating profit

	2019	2018
	£	£
Operating profit has been arrived at after charging:		
Depreciation	28,846	30,467
Operating lease expense	96,850	85,183
Impairment loss - stock	16,828	50,000
Auditor remuneration		
Audit of statutory financial statements	14,501	13,484
Tax advisory services	4,797	4,715
Other non - audit services	6,041	4,828
	25,339	23,027

7 Employees and directors

	2019	2018
	Number	Number
(i) Employees		
The average number of persons employed by the company during the financial year was:		
Selling and distribution	55	48
Administration	13	11
	68	59

	2019	2018
	£	£
Staff costs comprise:		
Wages and salaries	2,162,569	1,951,035
Social insurance costs	193,618	179,252
Pension costs	41,914	24,883
Staff costs	2,398,101	2,155,170

All of the staff costs above have been treated as an expense in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Employees and directors - continued

	2019	2018
	£	£
(ii) Directors		
Emoluments	-	-

8 Income tax

	2019	2018
	£	£
(a) Tax expense included in profit or loss		
Current tax:		
UK corporation tax on profits for the financial year	305,853	338,172
Adjustments in respect of prior financial years	(2,707)	(42)
Total current tax	303,146	338,130
Deferred tax:		
Origination and reversal of timing differences	-	(2,617)
Effect of changes in tax rate	-	275
Total deferred tax	-	(2,342)
Tax on profit	303,146	335,788

(b) Reconciliation of tax expense

Tax assessed for the financial year is higher (2018: higher) than the standard rate of corporation tax in the UK for the financial year ended 31 December 2019 of 19% (2018: 19%). The differences are explained below:

	2019	2018
	£	£
Profit before tax	1,569,678	1,729,995
Profit before tax multiplied by the standard rate of tax in the UK for the financial year ended 31 December 2019 of 19% (2018: 19%)	298,239	328,699
Effects of:		
Expenses not deductible for tax purposes	8,563	6,857
Difference between depreciation and capital allowances	(949)	-
Adjustments in respect of prior financial years	(2,707)	(42)
Tax rate charges	-	274
Tax charge for the year	303,146	335,788

(c) Tax rate changes

The tax rate for the current financial year is lower than the prior year due to changes in the UK corporation tax rate which decreased from 19.25% to 19% from 1 April 2018.

The rate has also been set for 1 April 2020 at 19%. The deferred tax assets and liabilities reflect these rates.

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Tangible assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2019	83,799	155,984	50,004	36,965	326,752
Additions	-	11,317	-	19,067	30,384
Disposals	-	-	-	(6,675)	(6,675)
At 31 December 2019	83,799	167,301	50,004	49,357	350,461
Depreciation					
At 1 January 2019	56,155	92,726	41,346	21,956	212,183
Charge for the year on owned assets	5,532	14,539	1,740	7,035	28,846
Disposals	-	-	-	(6,675)	(6,675)
At 31 December 2019	61,687	107,265	43,086	22,316	234,354
Net book value					
At 31 December 2019	22,112	60,036	6,918	27,041	116,107
At 31 December 2018	27,644	63,258	8,658	15,009	114,569

10 Stock

	2019 £	2018 £
Raw materials and consumables	1,597,150	1,523,669
Work in progress	279,618	401,729
	1,876,768	1,925,398

There is no significant difference between the replacement cost of raw materials and consumables and work in progress and their carrying amounts.

The write off in relation to old stock during the year ended 31 December 2019 was £Nil (2018: £66,828). The provision for impairment of stock was £25,000 (2018: £8,172).

11 Debtors

	2019 £	2018 £
Trade debtors	2,675,977	3,003,333
Prepayments	11,671	10,090
Amounts due from group undertakings	41,264	259,784
	2,728,912	3,273,207

Trade debtors are stated after provision for impairment of £nil (2018: £nil).

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Creditors - amounts falling due within one year

	2019 £	2018 £
Trade creditors	1,979,125	2,334,116
Amounts owed to group undertakings	1,042,341	479,462
Tax and social insurance	392,659	428,087
Accruals	99,426	391,029
Corporation tax	52,636	106,990
	3,566,187	3,739,684

Trade and other creditors are payable at various date in the three months after the end of the financial year in accordance with the creditors usual and customary credit terms.

Tax and social insurance are payable in the timeframe set down in the relevant legislation.

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

	2019 £	2018 £
Tax and social insurance comprise:		
PAYE	31,515	34,899
National insurance	45,186	44,671
VAT	315,958	348,517
	392,659	428,087

13 Provision for liabilities

	2019 £	2018 £
Deferred tax:		
Deferred tax liability at 1 January	8,888	11,230
Profit and loss account (note 8)	-	(2,342)
Deferred tax liability at 31 December	8,888	8,888

14 Share capital and reserves

	2019 £	2018 £
Equity shares of £1 each		
Authorised		
100,000 (2018: 100,000) ordinary shares of £1 each	100,000	100,000
Allotted and fully paid - presented as equity		
100 (2018: 100) ordinary shares of £1 each	100	100

A description of each reserve within equity is outlined below:

Profit and loss account
Profit and loss account represents accumulated comprehensive income for the financial year and prior financial years.

NOTES TO THE FINANCIAL STATEMENTS – continued

15 Capital and other commitments

	2019	2018
	£	£
The company had the following future minimum lease payments under non-cancellable operating leases at the end of the financial year:		
Payments due		
In one year or less	81,250	94,250
In more than one but not more than five years	159,271	213,021
In more than five years	83,334	115,209
	323,855	422,480

16 Related party transactions

During the year the company incurred expenses of £12,418 (2018: £7,515) which were recharged from its fellow subsidiary M&G Limited. As at 31 December 2019, amount owing to M&G Limited was £nil (2018: £nil).

During 2019, Wilker UK Limited made supplies to AJ Engineering Services Limited (a 51% subsidiary of Auto Conversions Limited, a fellow subsidiary) of £446,546 (2018: £1,287,831). As at 31 December 2019, an amount of £47,017 (2018: £259,784) was owing from AJ Engineering Services Limited to Wilker UK Limited.

During 2019, Wilker UK Limited received supplies totalling £4,710 (2018: £nil) from AJ Engineering Services Limited. As at 31 December 2018, an amount of £5,819 (2018: £168) was owing to AJ Engineering Services Limited from Wilker UK Limited.

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Motor Mania Limited Group.

17 Post-employment benefits

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 charge in respect of pension costs represents contributions payable by the company to the scheme amounted to £41,914 (2018: £24,883). The amount owing at the year end was £11,216 (2018: £11,658).

18 Events since the end of the financial year

The company is exposed to the impact of the recent outbreak of the Covid-19 virus pandemic. This crisis is unprecedented both in the United Kingdom and at a global level. As a result, there is no way of predicting how long the pandemic will last and what the longer-term impact of the pandemic will be on the economy. The company is continuing to actively monitor the situation in order to take the necessary steps to mitigate the impact of the pandemic on operations. To mitigate the impact, the company has implemented stringent cost control and cash management measures, in conjunction with availing of government employment and other supports. The longer term impact on revenues from social distancing measures, changes in behaviour and general economic activity have yet to be seen. Up to the date of approval of these financial statements, there was some slight interruption to operations for a short period due to absences of a number of staff. There were no major issues with supply chain and the company is now operating normally.

There have been no other significant events affecting the company since year end.

19 Approval of the financial statements

The financial statements were approved and authorised for issue by the board of directors on 13 July 2020 and were signed on its behalf on that day.