

Registered number: 03437274

SPICEBRIGHT LIMITED

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

THURSDAY



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SPICEBRIGHT LIMITED

COMPANY INFORMATION

Directors	M Beckett (resigned 16 August 2021) S E Johnston (appointed 6 August 2020, resigned 29 March 2022) J N Brown (appointed 29 March 2022, resigned 10 March 2023) L D Etzkorn (appointed 16 August 2021, resigned 24 September 2021) J C I Henriques (appointed 16 August 2021, resigned 10 March 2023) M D Putz (appointed 10 March 2023)
Registered number	03437274
Registered office	C/O Dac Beachcroft Llp Portwall Place Portwall Lane Bristol BS1 9HS
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 17th Floor 103 Colmore Row Birmingham B3 3AG
Solicitors	Simmon & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS

SPICEBRIGHT LIMITED

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SPICEBRIGHT LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

Results and dividends

The profit for the year, after taxation, amounted to £128,000 (2020: £32,490,000).

The directors did not recommend the payment of a dividend (2020: £Nil).

Directors

The directors who served during the year and up to the date of approval of these financial statements were:

M Beckett (resigned 16 August 2021)
S E Johnston (appointed 6 August 2020, resigned 29 March 2022)
J N Brown (appointed 29 March 2022, resigned 10 March 2023)
L D Etzkorn (appointed 16 August 2021, resigned 24 September 2021)
J C I Henriques (appointed 16 August 2021, resigned 10 March 2023)
M D Putz (appointed 10 March 2023)

Directors' responsibilities statement

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

SPICEBRIGHT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Going concern and liquidity

Spicebright Limited (the "Company") operates within the overall Dura/Shiloh Automotive group, which is headed by Megalodon Topco, LLC, a US entity.

As of 31 December 2021, the Company had net liabilities of £Nil (2020: £128,000).

On 4 August 2020, Firefish Topco, LLC, doing business as Dura Automotive Systems, acquired the overall Dura Automotive group. This transaction culminated in a significant reduction of debt on the Dura group's balance sheet, a substantial capital infusion to support investments in Dura group's future growth, and a new ownership structure and leadership team. On 17 December 2021, Firefish Topco, LLC (trading as "Dura") and Grouper Holdings, LLC (trading as "Shiloh"), an entity related through common ownership, entered into an agreement to contribute their shares to a new entity, Megalodon Midco LLC ("Midco"), a US entity, which is wholly-owned by Megalodon Topco, LLC. The two operating companies (Dura and Shiloh) are now consolidated under a single parent entity. This transaction has been accounted for as a transfer between entities under common control. Due to existing debt agreements, separate audited financial statements were prepared for Dura and Shiloh for the year ended 31 December 2021. Dura and Shiloh's separate third party credit facilities were consolidated under Midco in 13 April 2022 which will permit funding of Dura and Shiloh operations going forward subject to covenant compliance. Consolidated audited financial statement of Megalodon Topco, LLC ("Group") were prepared for the year ended 31 December 2022.

As the credit facilities of Dura are now under Midco, it is at the Group level that the going concern review covering a period of twelve months from date of signing is performed with reasonable sensitivities considered. Although, the Group has a history of recurring net operating losses, the Group has demonstrated the ability to have adequate liquidity sources through its lender arrangements and factoring agreements. The Group issued its 2022 audited financial statements on 1 May 2023 on a going concern basis. The Group has also announced a definitive agreement with Linamar Corporation to sell its Battery Tray operations which consists of 3 plants, each one located in US, Czech Republic and North Macedonia. The pending sale, along with improved operational performance, and ongoing commercial initiatives will result in an improved liquidity position to continue to meet its covenant requirements. The Blue Torch Term Loan Facility of \$106 million, one of the third party credit facilities consolidated under Midco, is due in April 2024. The Group expect to make a significant repayment of the credit facility with the Battery Tray Sale proceeds and refinance any outstanding amounts in the second half of 2023. The directors acknowledge that there is a risk that the Group is unable to obtain additional financing by April 2024 to repay the credit facility which represents a material uncertainty which may cast significant doubt upon the Group's ability to continue as a going concern. However, after making enquiries and considering the uncertainty described above, the directors still believe that the Group has the ability to obtain refinancing by April 2024 to repay the amounts outstanding under the credit agreement and have a reasonable expectation that the Group will continue in operational existence for the foreseeable future. The Directors have also obtained a letter of support from Midco, which confirms that the Company will be financially supported, as necessary, to enable liabilities to be met as they fall due for at least twelve months from the date of signing of the financial statements and that intercompany liabilities will not be recalled within that period.

Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Directors' indemnities

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

Post balance sheet events

No significant events occurred.

SPICEBRIGHT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Future developments

The company is expected to continue to operate as holding company for the foreseeable future.

Disclosure of information to auditor

The directors confirm that:

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

Independent auditors

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

Small companies note

In preparing this report, the director have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

Michael Putz

M D Putz
Director

Date: 13/6/2023



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPICEBRIGHT LIMITED

Opinion

We have audited the financial statements of Dura UK Limited (the 'company') for the year ended 31 December 2021, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 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.

Material uncertainty related to going concern

As described in note 2.2 of the financial statements, the company is funded through facilities entered into by its parent undertakings. One of the third party credit facilities is due in April 2024 and the parent undertaking expects to refinance any outstanding amounts in the second half of 2023. There is a risk that the parent undertaking is unable to obtain additional financing by April 2024 to repay the credit facility. As stated in note 2.2, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPICEBRIGHT LIMITED (CONTINUED)

Our responsibilities

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause company to cease to continue as a going concern.

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 Directors' Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Director's Report and Financial Statements. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Opinion on other matters prescribed under the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPICEBRIGHT LIMITED (CONTINUED)

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPICEBRIGHT LIMITED (CONTINUED)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and the industry in which it operates. We determined that the most significant are those that relate to the financial reporting framework, being FRS 102 and the Companies Act 2006, and the relevant tax compliance regulations in the UK. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements, being those laws and regulations relating to health and safety, employee matters, environmental, and bribery and corruption practices.
- We obtained an understanding of how the company is complying with relevant legal and regulatory frameworks by making enquiries of management. We corroborated the results of our enquiries through our review of the minutes of the company's board meetings, and inspection of legal and regulatory correspondence.
- We assessed the susceptibility of financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it is considered there was a susceptibility of fraud. We also considered performance targets and their propensity to influence efforts made by management to manage earnings. We considered the programs and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how senior management monitors those programs and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk.
- Our audit procedures involved journal entry testing, with a focus on journals indicating unusual transactions based on our understanding of the business and enquiries of management. In addition, we completed audit procedures to conclude on the compliance of disclosures in the Annual Report and Financial Statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation;
 - knowledge of the industry in which the company operates; and
 - understanding of the legal and regulatory requirements specific to the company.
- Relevant laws and regulations and potential fraud risks were communicated to all engagement team members. We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPICEBRIGHT LIMITED (CONTINUED)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Buckingham

Matthew Buckingham BSc ACA

Senior Statutory auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Birmingham

Date: 13/6/2023

SPICEBRIGHT LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
Other operating income		128	32,490
Operating profit	4	128	32,490
Tax on profit	6	-	-
Profit for the financial year		128	32,490

There was no other comprehensive income for 2021 (2020: £Nil).

All amounts relate to continuing operations.

The notes on pages 11 to 17 form part of these financial statements.

SPICEBRIGHT LIMITED
REGISTERED NUMBER:03437274

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Creditors: amounts falling due within one year	7	-	(128)
Total assets less current liabilities		<u>-</u>	<u>(128)</u>
Net liabilities		<u>-</u>	<u>(128)</u>
Capital and reserves			
Called up share capital	8	45,405	45,405
Share premium account	9	140,462	140,462
Other reserves	9	4,447	4,447
Profit and loss account	9	(190,314)	(190,442)
		<u>-</u>	<u>(128)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

Michael Putz

M D Putz
 Director

Date: 13/6/2023

The notes on pages 11 to 17 form part of these financial statements.

SPICEBRIGHT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Spicebright Limited is a private company limited by shares and incorporated in England and Wales. Registered number 03437274. Its registered head office is located at C/O Dac Beachcroft LLP, Portwall Place, Portwall Lane, Bristol, United Kingdom, BS1 9HS. The company has been non-trading during the period.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The Company's financial statements are presented in Sterling (£).

The following principal accounting policies have been applied:

2.2 Going concern and liquidity

Spicebright Limited (the "Company") operates within the overall Dura/Shiloh Automotive group, which is headed by Megalodon Topco, LLC, a US entity.

As of 31 December 2021, the Company had net liabilities of £Nil (2020: £128,000).

On 4 August 2020, Firefish Topco, LLC, doing business as Dura Automotive Systems, acquired the overall Dura Automotive group. This transaction culminated in a significant reduction of debt on the Dura group's balance sheet, a substantial capital infusion to support investments in Dura group's future growth, and a new ownership structure and leadership team. On 17 December 2021, Firefish Topco, LLC (trading as "Dura") and Grouper Holdings, LLC (trading as "Shiloh"), an entity related through common ownership, entered into an agreement to contribute their shares to a new entity, Megalodon Midco LLC ("Midco"), a US entity, which is wholly-owned by Megalodon Topco, LLC. The two operating companies (Dura and Shiloh) are now consolidated under a single parent entity. This transaction has been accounted for as a transfer between entities under common control. Due to existing debt agreements, separate audited financial statements were prepared for Dura and Shiloh for the year ended 31 December 2021. Dura and Shiloh's separate third party credit facilities were consolidated under Midco in 13 April 2022 which will permit funding of Dura and Shiloh operations going forward subject to covenant compliance. Consolidated audited financial statement of Megalodon Topco, LLC ("Group") were prepared for the year ended 31 December 2022.

SPICEBRIGHT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.2 Going concern and liquidity (continued)

As the credit facilities of Dura are now under Midco, it is at the Group level that the going concern review covering a period of twelve months from date of signing is performed with reasonable sensitivities considered. Although, the Group has a history of recurring net operating losses, the Group has demonstrated the ability to have adequate liquidity sources through its lender arrangements and factoring agreements. The Group issued its 2022 audited financial statements on 1 May 2023 on a going concern basis. The Group has also announced a definitive agreement with Linamar Corporation to sell its Battery Tray operations which consists of 3 plants, each one located in US, Czech Republic and North Macedonia. The pending sale, along with improved operational performance, and ongoing commercial initiatives will result in an improved liquidity position to continue to meet its covenant requirements. The Blue Torch Term Loan Facility of \$106 million, one of the third party credit facilities consolidated under Midco, is due in April 2024. The Group expect to make a significant repayment of the credit facility with the Battery Tray Sale proceeds and refinance any outstanding amounts in the second half of 2023. The directors acknowledge that there is a risk that the Group is unable to obtain additional financing by April 2024 to repay the credit facility which represents a material uncertainty which may cast significant doubt upon the Group's ability to continue as a going concern. However, after making enquiries and considering the uncertainty described above, the directors still believe that the Group has the ability to obtain refinancing by April 2024 to repay the amounts outstanding under the credit agreement and have a reasonable expectation that the Group will continue in operational existence for the foreseeable future. The Directors have also obtained a letter of support from Midco, which confirms that the Company will be financially supported, as necessary, to enable liabilities to be met as they fall due for at least twelve months from the date of signing of the financial statements and that intercompany liabilities will not be recalled within that period. Accordingly the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Financial instruments

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

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

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

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

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

SPICEBRIGHT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Financial instruments (continued)

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

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

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

2.4 Creditors

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

2.5 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

SPICEBRIGHT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

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

No material judgements were made in applying accounting policies and no material estimation uncertainties exist for the year under review.

4. Operating profit

The operating profit is stated after charging:

	2021	<i>2020</i>
	£000	<i>£000</i>
Other operating income	128	32,490

Other operating income relates to waiver during the year of intercompany loan of £128,000 (2020: £Nil) which was payable to Dura UK Limited, intercompany loan of £Nil (2020: £30,019,000) which was payable to Dura Holding Limited, and intercompany payable to Dura Holdings Limited of £Nil (2020: £2,471,000).

Fees payable to the company's auditors for the audit of the company's annual accounts are borne on the company's behalf by fellow group undertakings.

SPICEBRIGHT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Employees

The remuneration of the directors who served during the financial year and the prior financial year is paid by the group undertakings and no part of their remuneration is specifically attributable for their services to Spicebright Limited.

The average monthly number of employees, including directors, during the year was 0 (2020: 0).

6. Taxation

	2021 £000	2020 £000
Current tax on loss for the year	-	-
Total current tax	-	-
Total deferred tax		
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020: *lower than*) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £000	2020 £000
Profit on ordinary activities before tax	128	32,489
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	24	6,173
Effects of:		
Income not taxable	(24)	(6,172)
Group relief for nil payment		(1)
Total tax charge for the year	-	-

Factors that may affect future tax charges

In Autumn 2022, the Government announced that the corporation tax rate would remain at 19% until 31 March 2023. Following which, the rate of corporation tax will increase to 25% for profits over £250,000. This is not expected to have a material impact on these financial statements.

SPICEBRIGHT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Amounts owed to group undertakings	-	128

Amounts owed to group undertakings under one year are repayable on demand.

8. Share capital

	2021	2020
	£000	£000
Allotted, called up and fully paid		
21,905,633 Ordinary shares of £1.00 each	21,906	21,906
38,523,114 Ordinary shares of US at \$1 each shares of £0.61 each	23,499	23,499
	45,405	45,405

Share capital denominated in US dollars is converted to pounds sterling at the historical exchange rate at the date of issue and subsequently maintained at that rate.

9. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares is deducted from share premium.

Other reserves

The other reserve contains amounts of share premium previously cancelled under Court permission.

Profit & loss account

Includes all current and prior period retained profits and losses.

10. Related party transactions

In accordance with the exemption permitted by FRS 102 section 33, 'Related party disclosures', related party transactions between members of the group, headed by Firefish Topco, LLC, are not disclosed as 100% of the company's voting rights are controlled within the group and consolidated financial statements, which incorporate the results of the company, are prepared.

SPICEBRIGHT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Controlling party

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

Firefish Top Co, LLC (a subsidiary of Megalodon Topco LLC), is the parent company of the smallest and the largest group of which the company is a member and for which group financial statements are drawn up. Copies of its financial statements are available from 1780 Pond Run, Auburn Hills, MI 48326, USA.

The immediate parent company and immediate controlling party is Trident Automotive Limited, a company incorporated in the United Kingdom.