

KEARY MOTORS LIMITED

**Annual Report
Financial Year Ended 28 February 2025**

CONTENTS

	Page
DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 to 6
INDEPENDENT AUDITORS' REPORT	7 to 9
PROFIT AND LOSS ACCOUNT	10
BALANCE SHEET	11
STATEMENT OF CHANGES IN EQUITY	12
NOTES TO THE FINANCIAL STATEMENTS	13 to 29

DIRECTORS AND OTHER INFORMATION

Board of Directors at 11 December 2025

Brendan Keary
William Keary

Solicitors

James Lucey & Sons
Kanturk
Co Cork

Secretary and Registered Office

William Keary
Keary Motors Limited
Kinsale Road Roundabout
Cork

Registered Number: 478411

Bankers

Bank of Ireland
Douglas
Cork

RCI Banque Branch Ireland
Block 4
Dundrum Town Centre
Sandyford Road
Dundrum
Dublin 16

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Albert Quay
Albert Quay
Cork

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the financial year ended 28 February 2025.

The financial statements relate to the financial year from 1 March 2024 to 28 February 2025. The comparative financial statements relate to the financial year from 1 March 2023 to 29 February 2024.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with Irish law.

Under that law the directors have prepared the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and Irish law).

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the company for the financial year.

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 the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to 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:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors 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.

Principal activities and review of the business

The company operates a franchise for the sale of new Renault, Dacia and Hyundai motor vehicles. The company's activities also includes the sale of used vehicles, supply of parts, servicing and leasing of motor vehicles.

The directors are pleased with the results for the financial year. Turnover increased reflecting increase demand. The directors will continue to explore opportunities for expansion of activity into the future.

Results for the year

Turnover decreased to €101,123,948 in the 2025 financial year (2024: €105,445,803). Gross profit for the year amounted to €5,007,375 (2024: €5,860,767) and operating profit was €992,944 (2024: €2,184,558), reflecting increased costs and lower operating margins. Profit before taxation for the financial year amounted to €725,009 (2024: €2,013,018). The directors recommend that the profit for the financial year of €585,626 (2024: €1,745,018) be included in the profit and loss account.

DIRECTORS' REPORT - continued

Results for the year - continued

The following EBITDA ("earnings before interest, tax, depreciation and amortisation") was generated from operating activities during the financial year:

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Profit before taxation	725,009	2,013,018
Interest (note 7)	267,935	171,540
Depreciation (note 9)	1,544,419	1,429,411
EBITDA	<u>2,537,363</u>	<u>3,613,969</u>

Dividends

The directors do not recommend the payment of a dividend in respect of the financial year ended 28 February 2025 (2024: €Nil).

Accounting records

The measures taken by the directors to secure compliance with the company's obligation to keep proper accounting records are the use of appropriate systems, procedures and employment of competent persons. The accounting records are kept at Kinsale Road Roundabout, Cork.

Going concern

After making all necessary enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis. The directors' assessment of the company's going concern position is set out in note 3(b).

Financial risk management

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The company has budgetary and financial reporting procedures, supported by key performance indicators, to manage credit, liquidity and other financial risk.

Cash flow risk

The company's activities do not expose it to the financial risks of changes in foreign currency exchange rates. The group has no material foreign exchange risk and thus any price risk relating to foreign exchange is seen as being minimal.

The company has a clear focus on the controlling of overheads, together with the effective management of working capital and cash flow. Working with the group's banks, the directors believe that they will maintain the necessary existing facilities at a level to provide adequate funding of working capital for 2025/2026.

Credit risk

The company's principal financial assets are bank balances and trade & other debtors.

The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. Any credit risk is minimised by appropriate credit checks on potential customers being made prior to sales.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the group uses a mixture of long-term and short-term debt finance. Liquidity risk is minimised by maintaining a strong level of bank balances offset by a mix of short term and long term debt. Cash is controlled by actively managing stock and debtor levels in order to minimise any cash flow risk.

DIRECTORS' REPORT - continued

Principal risks and uncertainties

The directors consider that the following are the principal risks and uncertainties that could materially affect the company's future operating profit or financial position.

- Geopolitical and economic risks: The performance of the motor industry in Ireland is exposed to the Irish economic environment and consumer sentiment. The market could decline due to lower consumer spend caused by external economic factors such as geopolitical risks, interest rates, inflation, etc. These factors could impact supply chains or lead to a more challenging business environment for the company, with a potential reduction in consumer spending.
- Climate related risks and related consumer behaviours: The changing pattern of weather conditions represents a challenge for the global economy as a whole. The automotive industry is responding as governments seek to encourage consumers to move towards more environmentally friendly vehicles.
- Competitor risk: The directors of the company manage competition through close attention to market research, benchmarking with competitors and recruitment of highly skilled professional staff.
- Financial risk: The company has budgetary and financial reporting procedures in place, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risks.
- Used vehicles risk: The stability of used car values is important for the company. The company uses its management information systems and reporting procedures to monitor used car values.
- Cyber risk: Operations at the company's facilities could be interrupted due to the threat from cyber-attacks. We continue to invest in our IT systems to minimise the threat from cyber-attacks.

Political donations

The Electoral (Amendment) (Political Funding) Act 2012 requires companies to disclose all political donations over €200 in aggregate made during the financial year. The directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the company.

Events since end of the financial year

There have been no significant events affecting the company since the financial year end requiring disclosure in the financial statements.

Directors and secretary

The names of the persons who are currently and were directors for the financial year ended 28 February 2025 and up to the date of this report are set out below. Except where indicated, they served for the entire year.

Brendan Keary
William Keary (director and secretary)

Disclosure of information to auditors

The directors in office at the date of this report have each confirmed that:

- As far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- They have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' and secretary's interests in shares

The disclosable beneficial interests, including family interests, of the directors and secretary of Keary Motors Limited in office at 28 February 2025 in the shares of Keary Motors Limited and other group undertakings of MRBP Motors Unlimited Company at 1 March 2024 and 28 February 2025 were:

	28 February 2025	1 March 2024
	Number of shares	Number of shares
<i>MRBP Motors Unlimited Company</i>		
Ordinary shares of €0.01 each		
Brendan Keary	38,335	38,335
'B' ordinary shares of €0.01 each		
Brendan Keary	<u>1,415</u>	<u>1,415</u>

The directors and secretary had no other interests in the shares or debentures of the company or any other group company at 1 March 2024 and 28 February 2025.

DIRECTORS' REPORT - continued

Audit Committee

The directors have considered the requirement by Companies Act 2014, section 167, for large companies to establish an audit committee or decide not to establish such a committee.

The directors have decided not to establish an audit committee. We have considered the requirements of the relevant legislation and the directors are satisfied that the existing governance arrangements are adequate and appropriate for the company. The directors plan to reassess this matter on an annual basis.

Directors' compliance statement

The Directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations.

The Directors confirm that:

- 1) A compliance policy statement setting out the Company's policies, that in our opinion are appropriate to the Company, respecting compliance by the Company with its relevant obligations has been drawn up.
- 2) Appropriate arrangements or structures that are designed to secure material compliance with the Company's relevant obligations have been put in place.
- 3) A review of the arrangements and structures referred to at 2 above has been conducted during the financial year ended 28 February 2025.

On behalf of the board

Brendan Keary



William Keary



11 December 2025



Independent auditors' report to the members of Keary Motors Limited

Report on the audit of the financial statements

Opinion

In our opinion, Keary Motors Limited's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 28 February 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

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

- the balance sheet as at 28 February 2025;
- the profit and loss account 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 accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) 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 Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

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 Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 28 February 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the 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 3, 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 (Ireland) 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

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 section 391 of the Companies Act 2014 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.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
 - In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
 - The financial statements are in agreement with the accounting records.
-

Other exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Declan Maunsell

Declan Maunsell
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Cork
12 December 2025

PROFIT AND LOSS ACCOUNT
For the financial year ended 28 February 2025

	Notes	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Turnover	5	101,123,948	105,445,803
Cost of sales		<u>(96,116,573)</u>	<u>(99,585,036)</u>
Gross profit		5,007,375	5,860,767
Administration expenses		(3,349,217)	(3,221,426)
Distribution expenses		(666,620)	(456,189)
Other operating income		<u>1,406</u>	<u>1,406</u>
Operating profit	6	992,944	2,184,558
Interest payable and similar expenses	7	<u>(267,935)</u>	<u>(171,540)</u>
Profit before taxation		725,009	2,013,018
Taxation on profit	8	<u>(139,383)</u>	<u>(268,000)</u>
Profit for the financial year		<u>585,626</u>	<u>1,745,018</u>

There was no other income apart from those dealt with in the profit and loss account and therefore no separate statement of comprehensive income has been presented.

The notes on pages 13 to 29 form an integral part of these financial statements.

BALANCE SHEET
As at 28 February 2025

	Notes	28 February 2025 €	29 February 2024 €
Fixed assets			
Tangible assets	9	9,427,603	4,920,707
Financial assets	10	1,717,690	1,717,690
		<u>11,145,293</u>	<u>6,638,397</u>
Current assets			
Stocks	11	21,984,588	20,714,990
Debtors	12	14,943,837	12,318,406
Cash at bank and in hand		1,002,624	2,459,245
		<u>37,931,049</u>	<u>35,492,641</u>
Creditors - Amounts falling due within one year	13	(30,319,657)	(26,392,664)
Net current assets		<u>7,611,392</u>	<u>9,099,977</u>
Total assets less current liabilities		<u>18,756,685</u>	<u>15,738,374</u>
Creditors - Amounts falling due after more than one year	14	(4,529,865)	(2,097,180)
Net assets		<u>14,226,820</u>	<u>13,641,194</u>
Capital and reserves			
Called up share capital presented as equity	17	120,000	120,000
Profit and loss account	18	14,106,820	13,521,194
Total equity		<u>14,226,820</u>	<u>13,641,194</u>

The notes on pages 13 to 29 form an integral part of these financial statements.

On behalf of the board

Brendan Keary

William Keary

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 28 February 2025

	Called-up share capital presented as equity €	Profit and loss account €	Total €
Balance as at 1 March 2023	120,000	11,776,176	11,896,176
Profit for the financial year	-	<u>1,745,018</u>	<u>1,745,018</u>
Total comprehensive income for the financial year	-	<u>1,745,018</u>	<u>1,745,018</u>
Balance as at 29 February 2024	<u>120,000</u>	<u>13,521,194</u>	<u>13,641,194</u>
Balance as at 1 March 2024	120,000	13,521,194	13,641,194
Profit for the financial year	-	<u>585,626</u>	<u>585,626</u>
Total comprehensive income for the financial year	-	<u>585,626</u>	<u>585,626</u>
Balance as at 28 February 2025	<u>120,000</u>	<u>14,106,820</u>	<u>14,226,820</u>

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Keary Motors Limited is a company incorporated in Ireland under the Companies Act 2014. The company operates a franchise for the sale of new Renault, Dacia and Hyundai motor vehicles. The company's activities also includes the sale of used vehicles, supply of parts and the servicing of motor vehicles. The address of its registered office is Kinsale Road Roundabout, Cork.

The company's registered number is 478411.

The company's parent company is MRBP Motors Unlimited Company, a company incorporated in the Republic of Ireland. MRBP Motors Unlimited Company prepares group financial statements and is both the smallest and largest group for which group financial statements are drawn up and of which Keary Motors Limited is a member. The company's financial statements reflect the effects of such group membership. Copies of the MRBP Motors Unlimited Company group financial statements are available from the Company Secretary at its registered office Kinsale Road Roundabout, Cork.

These financial statements are the company's separate financial statements for the financial year beginning 1 March 2024 and ending 28 February 2025. The comparative financial statements relate to the financial year from 1 March 2023 to 29 February 2024.

The company has subsidiaries, as set out in note 10. As the company is included in consolidated accounts of MRBP Motors Unlimited Company it is exempt, by virtue of Section 299 of the Companies Act 2014, from the requirement to prepare group financial statements.

2 Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK and the Companies Act 2014). The entity financial statements comply with Financial Reporting Standard 102, *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (FRS 102) and the Companies Act 2014.

3 Summary of significant accounting policies

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

(a) Basis of preparation

The entity financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors 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's balance sheet as at 28 February 2025 shows net current assets of €7,611,392 and net assets of €14,226,820. The company meets its day-to-day working capital requirements through net cash inflows from operations and cash resources.

In assessing whether the going concern assumption is appropriate, the directors have taken into account all available information for at least 12 months following the approval of these financial statements. In arriving at its conclusion, the directors have taken account of the level of cash resources which the company maintains to enable it to meet its working capital requirements. After making all necessary enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, these 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 for the purposes of FRS 102. Note 1 gives details of the company's parent and from where the consolidated financial statements may be obtained.

As a qualifying entity the company has availed of a number of exemptions from the disclosure requirements of FRS 102 in the preparation of the entity financial statements. The company has notified its shareholders in writing about, and they do not object to, the disclosure exemptions availed of by the company in the entity financial statements.

(i) *Cash flow statement*

The entity has taken advantage of the exemption, under FRS 102, paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, MRBP Motors Unlimited Company, includes the entity's cash flows in its own consolidated financial statements.

(ii) *Key management compensation*

The entity has taken advantage of the exemption, under FRS 102, paragraph 33.7, from disclosing key management compensation, on the basis that it is a qualifying entity.

(iii) *Financial instruments*

Disclosures required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29 have not been presented as the information is provided in the consolidated financial statements of MRBP Motors Unlimited Company.

(d) Foreign currency

(i) *Functional and presentation currency*

The company's functional and presentation currency is the Euro, 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 to Euro 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'.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(e) 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 trade discounts and value-added tax. For Keary Motors Limited, turnover comprises revenue arising from the sale of motor vehicles, the sale of parts, the sale of services and income from operating leases.

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

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

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.

(i) Motor vehicle sales

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Turnover includes amounts receivable generated for sale of services provided in the normal course of business, net of discounts, rebates, VAT and other sales-related taxes.

Revenue from the sale of motor vehicles is recognised once the risks and rewards of ownership have passed to the customer.

(ii) Part sales

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Turnover includes amounts receivable generated for sale of services provided in the normal course of business, net of discounts, rebates, VAT and other sales-related taxes.

Revenue from parts sales represents the total invoice value, excluding value added tax of sales made during the year.

(iii) Service sales

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Turnover includes amounts receivable generated for sale of services provided in the normal course of business, net of discounts, rebates, VAT and other sales-related taxes.

Turnover represents the invoiced value of services supplied by the company, exclusive of value added tax.

(iv) Operating lease income

See note 3(j) below.

(f) 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 tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(f) Income tax - continued

(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.

(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.

(g) Tangible assets

Tangible 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) Depreciation and residual values

Depreciation is calculated using the straight-line method to allocate the cost over the assets' useful lives. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least at each financial year-end. The key assumptions used in the depreciation of tangible assets are as follows:

- Vehicles held for lease: 5 years
- Freehold Buildings: 40 years
- Fixtures and fittings: 10 years
- Office fittings: 5 years
- Equipment: 5 years

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.

(ii) 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 inspection costs are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(g) Tangible assets - continued

(iii) 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.

(h) Investments

Investment in subsidiary undertaking

The company's investment in subsidiary is carried at historical cost less accumulated impairment losses.

(i) Leased assets – lessee accounting

(i) *Finance leases (motor vehicles, which are in turn used for leasing purposes)*

Finance leases transfer substantially all the risks and rewards incidental to ownership to the lessor.

At the commencement of the finance lease term the company recognises its right of use and obligation under a finance lease as an asset and a liability at the amount equal to the fair value of the leased asset, or if lower, at the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined the company's incremental borrowing rate is used. Incremental and directly attributable costs incurred in negotiating and arranging a finance lease are included in the cost of the asset.

Assets under finance leases are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at the end of each financial year.

The minimum lease payments are apportioned between the outstanding liability and finance charges, using the effective interest method, to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) *Operating leases (land and buildings)*

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) Leased assets – lessor accounting

(i) *Operating leases (motor vehicles)*

The company recognises lease income from operating leases in profit or loss on a straight-line basis over the lease term.

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for service components that is, the operation and maintenance of the vehicle by the company under the agreements. Revenue is recorded at the transaction price agreed under the contract, net of discounts, allowances and excludes VAT.

As lessor, the company presents assets subject to operating leases in its balance sheet according to the nature of the asset. Leasing assets under operating leases means that the lessor has retained the risk and rewards of ownership of the asset, and so continues to present the asset on its balance sheet according to its nature.

(k) Sale and leaseback accounting (resulting in finance leases (as a lessee))

The company engages in sale and leaseback transactions for motor vehicles. A sale and leaseback transaction involves the sale of an asset and the leasing back of the same asset. The lease payment and the sale price are usually interdependent because they are negotiated as a package. The company's sale and leaseback transactions result in finance leases. Under FRS 102, the seller-lessee shall not recognise immediately, as income, any excess of sales proceeds over the carrying amount. Instead, the seller-lessee shall defer such excess and amortise it over the lease term.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(l) Impairment of non-financial assets

At the end of each financial year non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash-generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash-generating unit) is estimated.

The recoverable amount of the asset (or cash-generating unit) is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal. In measuring value in use pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current risk-free market rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or cash-generating unit) is less than the carrying amount of the asset (or cash-generating unit) the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in profit or loss, unless the asset has been revalued. If the asset has been revalued the impairment loss is recognised in other comprehensive income to the extent of the revaluation gains accumulated in equity in respect of that asset. Thereafter any excess is recognised in profit or loss.

If an impairment loss reverses (the reasons for the impairment loss have ceased to apply), the carrying amount of the asset (or asset's cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior financial years. A reversal of an impairment loss is recognised in the profit and loss account, unless the asset is carried at a revalued amount.

(m) 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 normal levels of cost. Cost comprises the purchase price, including taxes and duties and transport and handling costs directly attributable to bringing the stock to its present location and condition.

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 profit or loss.

(m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and 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.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments

(n) Grants

Grant income is not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received. Grants of a revenue nature are credited to the profit and loss account and recognised on an accruals basis. They are subject to certain terms and conditions.

Grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(o) Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the year in which the service is received.

ii) Post-employment benefits

For defined contribution schemes the amounts charged to the profit and loss account in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

(p) 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, short-term deposits and investments in corporate bonds, 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, investments in corporate bonds 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(p) Financial instruments - continued

(ii) *Financial liabilities*

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares, 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, preference shares 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 year of the facility to which it relates.

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.

(iii) *Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements 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.

(q) Distributions 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 the dividends and other distributions are approved by the company's shareholders.

(r) Finance costs and income

Finance costs comprise interest expense on borrowings (including amortisation of deferred debt issue costs), impairment losses recognised on certain financial assets, borrowing extinguishment costs and are recognised in profit or loss. Finance costs are recognised in profit or loss using the effective interest method. Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense.

Finance income comprises interest income on certain foreign currency translation gains related to financing and are recognised in profit or loss. Interest income is recognised as it accrues using the effective interest method.

(s) Share capital presented as equity

Equity shares issued are recognised at the proceeds received. 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.

(t) Corresponding amounts

Certain corresponding amounts have been adjusted so they are directly comparable with the amounts shown in respect of the current financial year.

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Critical accounting judgements and estimation uncertainty

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

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 tangible assets

The carrying value of tangible assets is assessed for impairment based on the presence of impairment indicators – where events or changes in circumstances indicate that the carrying amount may not be recoverable. Where impairment indicators are present, management carry out impairment tests. This is done by comparing the asset's carrying value to the higher of its value in use and net realisable value (fair value less costs to sell). Any shortfall is recorded as an impairment charge. The asset's value-in-use is assessed based on estimates of future cash flows discounted appropriately. Net realisable value is estimated using a valuation process. See note 9 for the carrying amount of the tangible fixed assets.

(ii) Useful economic lives of tangible assets

The annual depreciation on tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible fixed assets, and note 3(g) for the useful economic lives for each class of tangible fixed assets.

(iii) Impairment of debtors

The directors make an assessment at the end of each financial year of whether there is objective evidence that a trade or other debtor is impaired. When assessing impairment of trade and other debtors, the directors consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and trading activity, and historical experience of cash collections from the debtor. See note 12 for the net carrying amount of the debtors at the end of the financial year.

(iv) Carrying value of stock

Stock represents new cars, used cars and parts and is measured at the lower of cost and net realisable value. As a result it is necessary to consider the recoverability of the carrying amount of stock at the end of each 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 saleability of finished goods and future usage of raw materials. Provision is made for obsolete, slow moving or defective items where appropriate based on publicly available market prices. See note 11 for the net carrying amount of the stocks and the impairment loss recognised in the financial year.

5 Turnover

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Turnover comprises the invoice value of goods supplied by the company in the Republic of Ireland, exclusive of trade discounts and value added tax.		
The amount of turnover by class of activity is as follows:		
Vehicles	89,423,605	95,632,658
Operating lease income	2,026,290	1,755,429
Parts	5,954,546	5,004,266
Service	3,719,507	3,053,450
	<u>101,123,948</u>	<u>105,445,803</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Operating profit	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Operating profit is stated after charging/(crediting):		
Depreciation (note 9)	1,544,419	1,429,411
Grant amortisation (note 16) (included in "Other operating income")	(1,406)	(1,406)
Intercompany management charge	404,488	221,323
Impairment of financial assets that are debt instruments measured at amortised cost	<u>981</u>	<u>13,178</u>

(i) Auditors' remuneration

Remuneration (including expenses) for the statutory audit and other services carried out for the company by the company's auditors is as follows:

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Audit of entity financial statements	17,153	16,800
Tax advisory services	30,561	23,919
Secretarial services	280	275
	<u>47,994</u>	<u>40,994</u>

(ii) Employees

Staff costs comprise:

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Wages and salaries	6,362,111	6,037,995
Social insurance costs	675,553	621,368
Retirement benefit costs	155,767	126,300
Expensed in the financial year	<u>7,193,431</u>	<u>6,785,663</u>

	Number	Number
Average monthly number of persons employed	<u>133</u>	<u>133</u>

Defined contribution pension costs for the year amounted to €155,767 (2024: €126,300), with an amount of €Nil (2024: €Nil) outstanding at the year end.

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
(iii) Directors		
Directors' costs during the financial year:		
Directors' remuneration	291,859	250,000
Social insurance costs	1,587	1,343
Benefit-in-kind	25,469	42,949
Retirement benefit costs	-	-
Total directors' remuneration in the financial year	<u>318,915</u>	<u>294,292</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Operating profit – continued

(iii) Directors - continued

The directors' remuneration relates to one director for services rendered to the MRBP Group. This director's services to this company and to a number of fellow subsidiaries is deemed to be wholly attributable to their services to this company, as it is not considered possible to make an accurate apportionment of remuneration in respect of each subsidiary.

The directors' remuneration for the other director is paid by Kearys Kinsale Road Roundabout Unlimited Company for services rendered to the MRBP Group. This director's services to this company and to a number of fellow subsidiaries is deemed to be wholly attributable to their services to the fellow subsidiary companies, as it is not considered possible to make an accurate apportionment of remuneration in respect of each subsidiary. Accordingly, the details above include no remuneration details in respect of this director. Total remuneration is included in the aggregate of directors' remuneration disclosed in the financial statements of Kearys Kinsale Road Roundabout Unlimited Company.

7 Interest payable and similar expenses

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Interest payable on finance leases and amounts owed to credit institutions	<u>267,935</u>	<u>171,540</u>

8 Taxation

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
(a) Tax charge included in profit or loss		
Current tax on profit for the financial year:		
- Irish corporation tax at 12.5%	100,000	268,000
- Adjustments in respect of prior year	<u>39,383</u>	<u>-</u>
Current tax charge for the financial year	<u>139,383</u>	<u>268,000</u>

Tax assessed for the financial year is higher (2024: higher) than the standard rate of corporation tax in the Republic of Ireland for the financial year ended 28 February 2025 of 12.5% (2024: 12.5%). The differences are explained below:

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
(b) Reconciliation of tax charge		
Profit before tax	<u>725,009</u>	<u>2,013,018</u>
Profit multiplied by the standard rate of corporation tax in Ireland for the year of 12.5% (2024: 12.5%)	90,626	251,627
Effects of:		
Adjustments in respect of prior year	39,383	-
Difference between depreciation and capital allowances	<u>9,374</u>	<u>16,373</u>
Total tax charge for the financial year	<u>139,383</u>	<u>268,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Tangible assets	Fixtures and fittings	Office fittings	Freehold buildings	Equipment	Vehicles held for lease	Total
	€	€	€	€	€	€
Cost						
At 1 March 2024	829,838	1,399,455	-	487,866	5,834,513	8,551,672
Additions	62,067	51,584	1,506,240	13,923	4,726,801	6,360,615
Disposals	-	-	-	-	(946,468)	(946,468)
At 28 February 2025	<u>891,905</u>	<u>1,451,039</u>	<u>1,506,240</u>	<u>501,789</u>	<u>9,614,846</u>	<u>13,965,819</u>
Accumulated depreciation						
At 1 March 2024	432,248	782,525	-	415,892	2,000,300	3,630,965
Charge for the year	75,543	130,872	-	35,057	1,302,947	1,544,419
Disposals	-	-	-	-	(637,168)	(637,168)
At 28 February 2025	<u>507,791</u>	<u>913,397</u>	<u>-</u>	<u>450,949</u>	<u>2,666,079</u>	<u>4,538,216</u>
Net book value						
At 1 March 2024	<u>397,590</u>	<u>616,930</u>	<u>-</u>	<u>71,974</u>	<u>3,834,213</u>	<u>4,920,707</u>
At 28 February 2025	<u>384,114</u>	<u>537,642</u>	<u>1,506,240</u>	<u>50,840</u>	<u>6,948,767</u>	<u>9,427,603</u>

Vehicles held for lease are leased to customers under operating leases. This balance includes vehicles held under finance leases (as a lessee) and vehicles owned by the company. The net carrying amount of motor vehicles held under finance leases is €6,572,999 (2024: €3,800,439). The net carrying amount of motor vehicles owned by the company is €375,768 (2024: €33,774).

Additions to vehicles held for lease includes assets purchased under sale and leaseback arrangements (resulting in finance leases, as lessee), assets held under finance leases and other purchases during the year.

NOTES TO THE FINANCIAL STATEMENTS - continued

10 Financial assets

Investment in subsidiary undertakings

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Cost

At 1 March 2024 and at 28 February 2025

1,717,690

The company holds an investment in Keary Garage Limited, a company registered in Ireland (being a 100% controlling interest). Its registered office is Kearys Belgard, Belgard Road, Tallaght, Dublin 24. This is a motor dealership company.

The company also holds an investment in Taylor Mountain Limited, a company registered in Ireland (being a 100% controlling interest). Its registered office is C/O Keary Motors, Kinsale Road Roundabout, Cork. This company is involved in the sale of motor vehicle protection products.

11 Stocks

	28 February 2025	29 February 2024
	€	€

Vehicles	21,403,660	20,157,888
Parts and fuel	580,928	557,102
	<u>21,984,588</u>	<u>20,714,990</u>

The replacement cost of stocks did not differ significantly from the figures shown.

Stocks are stated after provisions for impairment of €373,615 (2024: €353,747).

12 Debtors

	28 February 2025	29 February 2024
	€	€

Trade debtors	6,406,105	4,666,967
Amounts owed by parent undertaking and fellow subsidiary undertakings	2,339,157	1,987,541
Amount owed from leasing activities	174,011	104,554
Directors' loan (note 19)	-	414,666
Amounts owed by related party of director (note 19)	71,560	71,560
Amounts owed by other related parties (note 19)	5,240,904	4,545,090
Prepayments and accrued income	683,154	459,398
Corporation tax receivable	28,946	68,329
VAT receivable	-	301
	<u>14,943,837</u>	<u>12,318,406</u>

All amounts included above fall due within one year.

There was no impairment of trade debtors during the year or reversal of write offs.

Trade debtors are after a provision for impairment of €115,715 (2024: €114,734).

NOTES TO THE FINANCIAL STATEMENTS - continued

13 Creditors – Amounts falling due within one year	28 February 2025 €	29 February 2024 €
Trade creditors	15,024,561	13,956,914
Amounts due to banks in respect of stocking facilities	9,491,350	9,167,208
Accruals	1,274,342	1,020,130
Amounts owed to fellow subsidiary undertakings	1,079,650	61,176
Amounts owed to related parties (note 18)	964,193	80,185
Obligations under finance leases (note 15)	1,860,428	1,532,164
Other creditors including tax and social insurance comprise:		
- VAT	111,310	-
- PAYE	105,922	92,042
- Social Insurance	104,976	97,262
- Vehicle registration tax	302,925	385,583
	<u>30,319,657</u>	<u>26,392,664</u>

Amounts due to banks in respect of stocking facilities relate to the purchase of certain fleet and other vehicles is funded by way of a number of stocking facilities with financial institutions. The financial institutions concerned have the contractual right to call for repayment on demand of all amounts drawn on these facilities. While over time, the directors consider that the facilities have operated with alternative repayment terms so that certain drawn amounts can fall due for repayment after more than one year, the directors have classified the total liability as current, reflecting the contractual repayment terms.

Trade and other creditors are payable at various dates in the three months after the end of the financial year in accordance with the suppliers' usual and customary credit terms. Certain trade creditors are secured by means of a reservation of title clause in their contracts.

Creditors for tax and social insurance are payable in the time frame set down in the legislation.

Amounts due to fellow subsidiary undertakings are unsecured, interest free and are repayable on demand.

14 Creditors – Amounts falling due after more than one year	28 February 2025 €	29 February 2024 €
Grants (note 16)	4,099	5,505
Obligations under finance leases (note 15)	4,525,766	2,091,675
	<u>4,529,865</u>	<u>2,097,180</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Finance leases

The company has the following future minimum lease payments under non-cancellable finance leases at the end of the financial year:

	28 February 2025 €	29 February 2024 €
Not later than one year	2,136,602	1,705,419
Later than one year and not later than five years	4,893,674	2,249,406
Total gross payments	<u>7,030,276</u>	<u>3,954,825</u>
Less: finance charges	(644,082)	(330,986)
Carrying amount of liability	<u>6,386,194</u>	<u>3,623,839</u>

16 Grants

Grants received

At 1 March 2024 and 28 February 2025	<u>14,055</u>
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Amortisation

At 1 March 2024	(8,550)
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Credit to profit and loss account	<u>(1,406)</u>
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At 28 February 2025	<u>(9,956)</u>
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Net balance at 1 March 2024	<u>5,505</u>
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Net balance at 28 February 2025	<u>4,099</u>
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17 Called up share capital presented as equity

	28 February 2025 €	29 February 2024 €
Authorised:		
950,000 (2024: 950,000) ordinary shares of €1 (2024: €1) each	950,000	950,000
50,000 (2024: 50,000) "B" ordinary shares of €1 (2024: €1) each	<u>50,000</u>	<u>50,000</u>
	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, issued and fully paid:		
115,005 (2024: 115,005) ordinary shares of €1 (2024: €1) each	115,005	115,005
4,995 (2024: 4,995) "B" ordinary shares of €1 (2024: €1) each	<u>4,995</u>	<u>4,995</u>
	<u>120,000</u>	<u>120,000</u>

The Ordinary Shareholders and the B Ordinary Shareholders rank pari passu with respect to attendance at meetings and voting at meetings.

Both Ordinary Shareholders and B Ordinary Shareholders are entitled to dividends.

The Directors may declare and pay a dividend on any class or classes of shares in the capital of the company without declaring or paying the same or any dividend on any other class or classes of shares in the capital of the company.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Called up share capital presented as equity - continued

Each Ordinary Shareholder is automatically entitled to act as a director.

Each B Ordinary Shareholder shall be entitled to act as a Director provided that the B Ordinary Shareholder is an employee of the company at the time of appointment. If the B Ordinary Shareholders leaves the company as an employee the right to be a director will cease automatically.

On liquidation, the assets of the company available for distribution among the members shall be applied first in repaying the holders of the Ordinary Shares a maximum amount of €3 million inclusive of dividends declared and paid on the Ordinary Shares from 26 February 2013 to the date of dissolution of the Company in priority to the B Ordinary Shareholders but shall not confer the right on the holders of the Ordinary Shares to any further participation in profits or assets available for distribution.

Following the payments to the Ordinary Shareholders, the B Ordinary Shareholders shall be entitled to the remaining profits and assets of the Company available for distribution on a winding up in proportion to the B Ordinary Shares held by them.

18 Reserves

Profit and loss

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

19 Related party transactions

Directors' remuneration and transactions

See note 6 for disclosure of directors' remuneration.

The directors' loan receivable, which is receivable from William Keary, director, amounted to €Nil (2024: €414,666) at year end and it is included in debtors – Amounts due within one year in note 12. The total advances made during the period amounted to €126,445. The maximum amount outstanding during the financial period was €541,111. A repayment was made during the year of €541,111. The loan is unsecured, interest free and repayable on demand.

An amount of €71,560 (2024: €71,560) is due from a related party at year-end. This balance relates to a long-standing arrangement with a close relative of a director. This person is a related party of the company and of one of the directors. Amounts due from this related party are unsecured, interest free and repayable on demand.

Non-wholly owned group companies

The company is exempt from disclosing related-party transactions with entities that are part of the MRBP Motors Unlimited Company group of companies under paragraph 33.1A of FRS 102. However, since Llew Point Limited and SK Cosmetics Limited are not wholly owned by MRBP Motors Unlimited Company, these companies cannot avail of this exemption. Amounts due from fellow subsidiary undertakings included in Debtors: Amounts due within one year includes €358,975 (2024: €358,975) receivable from Llew Point Limited and €124,443 (2024: €124,443) from SK Cosmetics Limited. Amounts due from these fellow subsidiary undertakings are unsecured, interest free and are repayable on demand.

Other related parties

Debtors - Amounts due within one year (note 12) includes Amounts owed by related parties of €5,240,904 (2024: €4,545,090). Creditors - Amounts falling due within one year (note 13) includes Amounts owed to related parties of €964,193 (2024: €80,185).

BM Mara Car Sales Limited is a related party of the Company because it is controlled by Directors of MRBP Motors Unlimited Company. During the year, sales to that related party amounted to €4,398,278 (2024: €4,545,317). Purchases of motor vehicles from the related party of €1,067,546 (2024: €1,629,749) were also recorded during the year. The amount owing by the related party at the year-end is €2,338,829 (2024: €1,507,567).

NOTES TO THE FINANCIAL STATEMENTS - continued

19 Related party transactions - continued

We Buy Cars Limited is a related party of the Company because it is controlled by Directors of MRBP Motors Unlimited Company. During the year, sales to that related party amounted to €2,331,812 (2024: €5,068,594). Purchases of motor vehicles from the related party of €1,235,624 (2024: €682,480) were also recorded during the year. The amount owing by the related party at the year-end is €2,902,075 (2024: €3,037,523).

Tiger Mountain Limited is a related party of the Company because it is controlled by Directors of MRBP Motors Unlimited Company. Purchases of services from the related party of €446,483 (2024: €267,287) were recorded during the year. The amount owing to the related party at the year-end related is €964,193 (2024: €80,185).

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

20 Events since end of the financial year

There have been no significant events affecting the company since the financial year end requiring disclosure in the financial statements.

21 Commitments

(i) Bank security

The company has provided the following security to Bank of Ireland:

- Floating debenture held over the assets and undertakings of Keary Motors Limited.

(ii) Personal contract plans

The company has sold motor vehicles to various financial institutions who, in turn, have entered into personal contract plans with customers. In the case of the number of these contract plans, the customer has the option to pay the residual balance remaining or return the vehicle at the end of the year. The company is committed to repurchasing these vehicles at agreed residual values should the customer choose the option. Due to the nature of the arrangements, the likelihood of buying back the full commitment remains uncertain at the year end. At year-end, 28 February 2025, the company has committed to buying back vehicles to a total value of €26,909,398 (2024: €23,834,384). The directors consider that, should this commitment arise, the value of the assets acquired will be in excess of the liability arising.

22 Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 11 December 2025 and were signed on its behalf on that date.