

Company Number: 125533

McDonnell Commercials (Monaghan) Limited
Annual Report and Financial Statements
for the financial year ended 28 February 2025

McDonnell Commercials (Monaghan) Limited

CONTENTS

	Page
Directors and Other Information	3
Directors' Report	4 - 5
Directors' Responsibilities Statement	6
Independent Auditor's Report	7 - 8
Appendix to the Independent Auditor's Report	9
Profit and Loss Account	10
Balance Sheet	11
Reconciliation of Shareholders' Funds	12
Cash Flow Statement	13
Notes to the Financial Statements	14 - 25

McDonnell Commercials (Monaghan) Limited

DIRECTORS AND OTHER INFORMATION

Directors	Bernice McDonnell Dee McDonnell-Boudra Louise McDonnell Brian McDonnell (Resigned 29 November 2024)
Company Secretary	Dee McDonnell-Boudra (Appointed 29 November 2024) Brian McDonnell (Resigned 29 November 2024)
Company Number	125533
Registered Office	Urblekirk Dunraymond Co Monaghan
Business Address	Urblekirk Dunraymond Co. Monaghan
Auditors	Hugh Lennon & Associates Chartered Accountants and Statutory Audit Firm Unit 8 & 10 Church View Cavan
Bankers	Bank of Ireland Church Square Monaghan H18 YR71 Ulster Bank 7 Upper English Street Armagh Co Armagh
Solicitors	George V. Maloney & Co 6 Farnham Street Cavan

McDonnell Commercials (Monaghan) Limited

DIRECTORS' REPORT

for the financial year ended 28 February 2025

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

Principal Activity and Review of the Business

The principal activity of the company in the year continued to be the sale of new and used vehicles. The company is a main Volvo dealer who together with selling new and used vehicles also provides vehicle servicing, repairs and sale of spare parts for Volvo vehicles.

There has been no significant change in these activities during the financial year ended 28 February 2025. The company has continued to maintain financial performance in the current year. Turnover and gross profit are in line with the sales mix and reflect a strong performance.

The directors consider both the results for the year and the trading prospects satisfactory. The balance sheet reflects a strong financial position.

Principal Risks and Uncertainties

The company is in a strong financial position and does not foresee any cash flow problems in the near future. The directors are of the opinion that the company will be in a position to pay future liabilities as they fall due.

The company directors do not foresee any risks associated with the potential tariff trade with with the USA. However they will monitor the situation as it evolves.

Results and Dividends

The profit for the financial year after providing for depreciation and taxation amounted to €726,569 (2024 - €891,213).

The directors do not recommend payment of a dividend.

At the end of the financial year, the company has assets of €12,859,818 (2024 - €11,770,430) and liabilities of €3,020,166 (2024 - €2,657,346). The net assets of the company have increased by €726,568.

Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Bernice McDonnell
Dee McDonnell-Boudra
Louise McDonnell
Brian McDonnell (Resigned 29 November 2024)

The secretaries who served during the financial year were:

Dee McDonnell-Boudra (Appointed 29 November 2024)
Brian McDonnell (Resigned 29 November 2024)

The directors' and the secretary's interests in the shares of the company are as follows:

Name	Class of Shares	Number Held At 28/02/25	Number Held At 01/03/24
Bernice McDonnell	Ordinary Share Class €0.423246 per share	100	100
Dee McDonnell-Boudra	Ordinary Share Class €0.423246 per share	100	100
Louise McDonnell	Ordinary Share Class €0.423246 per share	100	100
Brian McDonnell	Special Share 'B' Ordinary €1.00	- 1	1 1
		<u>301</u>	<u>302</u>

There were no changes in shareholdings between 28 February 2025 and the date of signing the financial statements.

Future Developments

The directors are not expecting to make any significant changes in the nature of the business in the near future.

McDonnell Commercials (Monaghan) Limited

DIRECTORS' REPORT

for the financial year ended 28 February 2025

Post Balance Sheet Events

The company has considered government policy changes and does not believe they will have any impact on the future performance of the company.

Auditors

The auditors, Hugh Lennon & Associates, (Chartered Accountants), continue in office in accordance with section 383(2) of the Companies Act 2014.

Taxation Status

The company is a close company within the meaning of the Taxes Consolidation Act, 1997.

Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Accounting Records

The Directors acknowledge their responsibilities under Section 281 to Section 285 of the Companies Act 2014 to keep adequate accounting records for the company. In order to ensure compliance with the requirements of the act, a full time financial officer supported by other accounting personnel is employed by the company. The books of account are located at the company's office at Urblekirk, Dunraymond, Co Monaghan.

Signed on behalf of the board

Bernice McDonnell
Director

30 July 2025

Dee McDonnell-Boudra
Director

30 July 2025

McDonnell Commercials (Monaghan) Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 28 February 2025

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish 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 the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. 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 assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record 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, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. 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.

INDEPENDENT AUDITOR'S REPORT

to the Members of McDonnell Commercials (Monaghan) Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of McDonnell Commercials (Monaghan) Limited ('the company') for the financial year ended 28 February 2025 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Shareholders' Funds, the Cash Flow Statement and the related notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 28 February 2025 and of its profit for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below 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 financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

- 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.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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 and the financial statements are in agreement with the accounting records.

INDEPENDENT AUDITOR'S REPORT

to the Members of McDonnell Commercials (Monaghan) Limited

Matters on which we are required to report by exception

Based on the 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.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and 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, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has 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 (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.

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page 9, which is to be read as an integral part of our report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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 any 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.

Hugh Lennon

for and on behalf of

HUGH LENNON & ASSOCIATES

Chartered Accountants and Statutory Audit Firm

Unit 8 & 10

Church View

Cavan

30 July 2025

McDonnell Commercials (Monaghan) Limited

APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude 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 the 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 Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

McDonnell Commercials (Monaghan) Limited
PROFIT AND LOSS ACCOUNT

for the financial year ended 28 February 2025

	Notes	2025 €	2024 €
Turnover	4	28,449,202	26,059,497
Cost of sales		(25,543,756)	(23,194,184)
Gross profit		2,905,446	2,865,313
Distribution costs		(267,118)	(191,004)
Administrative expenses		(1,782,025)	(1,648,696)
Other operating income		14,000	3,293
Operating profit	5	870,303	1,028,906
Interest receivable and similar income	6	900	6,813
Profit before taxation		871,203	1,035,719
Tax on profit	8	(144,634)	(144,506)
Profit for the financial year		726,569	891,213
Total comprehensive income		726,569	891,213

McDonnell Commercials (Monaghan) Limited

BALANCE SHEET

as at 28 February 2025

	Notes	2025 €	2024 €
Fixed Assets			
Tangible assets	9	1,296,504	1,175,448
Investment properties	10	300,000	300,000
Fixed Assets		1,596,504	1,475,448
Current Assets			
Stocks	11	5,468,838	7,057,926
Debtors	12	2,057,503	2,332,253
Cash and cash equivalents		3,736,973	904,803
		11,263,314	10,294,982
Creditors: amounts falling due within one year	14	(3,003,469)	(2,636,344)
Net Current Assets		8,259,845	7,658,638
Total Assets less Current Liabilities		9,856,349	9,134,086
Provisions for liabilities	16	(16,697)	(21,002)
Net Assets		9,839,652	9,113,084
Capital and Reserves			
Called up share capital presented as equity	18	128	129
Retained earnings		9,839,524	9,112,955
Equity attributable to owners of the company		9,839,652	9,113,084

Approved by the board on 30 July 2025 and signed on its behalf by:

Bernice McDonnell
Director

Dee McDonnell-Boudra
Director

McDonnell Commercials (Monaghan) Limited
RECONCILIATION OF SHAREHOLDERS' FUNDS

as at 28 February 2025

	Called up share capital €	Retained earnings €	Total €
At 1 March 2023	129	8,221,742	8,221,871
Profit for the financial year	-	891,213	891,213
At 29 February 2024	129	9,112,955	9,113,084
Profit for the financial year	-	726,569	726,569
Redemption of equity shares	(1)	-	(1)
At 28 February 2025	128	9,839,524	9,839,652

McDonnell Commercials (Monaghan) Limited**CASH FLOW STATEMENT**

for the financial year ended 28 February 2025

	Notes	2025 €	2024 €
Cash flows from operating activities			
Profit for the financial year		726,569	891,213
Adjustments for:			
Interest receivable and similar income		(900)	(6,813)
Tax on profit on ordinary activities		144,634	144,506
Depreciation		212,811	157,958
Profit/loss on disposal of tangible assets		(813)	-
		<u>1,082,301</u>	<u>1,186,864</u>
Movements in working capital:			
Movement in stocks		1,589,088	(4,437,815)
Movement in debtors		249,048	1,283,421
Movement in creditors		339,427	696,868
		<u>3,259,864</u>	<u>(1,270,662)</u>
Cash generated from/(used in) operations			
Tax paid		(121,241)	(146,943)
Tax repaid		25,701	67,925
		<u>3,164,324</u>	<u>(1,349,680)</u>
Cash flows from investing activities			
Interest received		900	6,813
Payments to acquire tangible assets		(333,866)	(565,081)
Receipts from sales of tangible assets		813	177,192
		<u>(332,153)</u>	<u>(381,076)</u>
Cash flows from financing activities			
Redemption of shares		(1)	-
		<u>2,832,170</u>	<u>(1,730,756)</u>
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at beginning of financial year		<u>904,803</u>	<u>2,635,559</u>
Cash and cash equivalents at end of financial year	13	<u><u>3,736,973</u></u>	<u><u>904,803</u></u>

McDonnell Commercials (Monaghan) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

1. General Information

McDonnell Commercials (Monaghan) Limited is a company limited by shares incorporated and registered in Ireland. The registered number of the company is 125533. The registered office of the company is Urblekirk, Dunraymond, Co Monaghan. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the financial year ended 28 February 2025 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a medium company as defined by section 280F of the Companies Act 2014 in respect of the financial year.

Turnover

Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Turnover comprises the fair value of consideration received and receivable exclusive of value added tax and after discounts and rebates.

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

Turnover from the provision of services is recognised in the accounting period in which the services are rendered and the outcome of the contract can be estimated reliably.

Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation and impairment losses.

COST:

Cost includes prime cost, overheads and interest incurred in financing the construction of tangible fixed assets. Capitalisation of interest ceases when the asset is brought into use.

Freehold premises are stated at cost less accumulated depreciation and accumulated impairment losses.

DEPRECIATION:

The charge to depreciation is calculated to write off the original cost of tangible assets, less their estimated residual value, over their expected useful lives as follows:

Freehold Building (2%) and Land (0%)	-	2% Straight Line
Plant and machinery	-	12.5% Straight Line
Fixtures, fittings and equipment	-	12.5% Straight Line
Motor vehicles	-	20% Straight Line /60% Second hand MV
Computer equipment	-	33% Straight Line

The company's policy is to review the remaining useful economic lives and residual values of Tangible fixed assets on an on-going basis and to adjust the depreciation charge to reflect the remaining estimated useful economic life and residual value. Land is not depreciated.

McDonnell Commercials (Monaghan) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

Fully depreciated tangible fixed assets cost and accumulated depreciation are retained on the balance sheet. In the case of disposals, assets and related depreciation are removed from the financial statements and the net amount, less proceeds from disposal, is charged or credited to the profit and loss account.

IMPAIRMENT:

Assets not carried at fair value are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reverses, 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 periods. A reversal of an impairment loss is recognised in the profit and loss account

Investment properties

Investment property is property held either to earn rental income, or for capital appreciation (including future re-development) or for both, but not for sale in the ordinary course of business.

Investment property is initially measured at cost, which includes the purchase cost and any directly attributable expenditure. Investment properties whose fair value can be measured reliably are measured at fair value. Changes in fair value are recognised in the profit and loss account.

Stocks

Stocks comprise consumable items and goods for resale. Stocks are valued at the lower of cost and net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

At the end of each reporting period stock is assessed for impairment. If an item of stock is impaired, the identified item is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

Trade and other debtors

Trade and other debtors are initially recognised at transaction price (including transaction costs) and thereafter stated at amortised cost less any provision for impairment.

A provision for impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the provision is the asset's carrying amount. All movements in the level of the provision required are recognised in the profit and loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

McDonnell Commercials (Monaghan) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

Provisions

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Trade and other creditors

Trade and other creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Related parties

The company discloses transactions with related parties which are not wholly owned with the same group.

For the purposes of these financial statements a party is considered to be related to the company if:

- the party has the ability, directly or indirectly, through one or more intermediaries to control the company or exercise significant influence over the company in making financial and operating policy decisions or has joint control over the company;
- the company and the party are subject to common control;
- the party is an associate of the company or forms part of a joint venture with the company;
- the party is a member of key management personnel of the company or the company's parent, or a close family member of such as an individual, or is an entity under the control, joint control or significant influence of such individuals;
- the party is a close family member of a party referred to above or is an entity under the control or significant influence of such individuals; or
- the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the company.

Employee benefits

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

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

DEFINED CONTRIBUTION PENSION PLAN - The company operates a defined contribution pension scheme. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate fund. Under defined contribution plans, the company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the company pays contributions to privately administered pension plans on a contractual basis or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Taxation and deferred taxation

Current tax is calculated on the profits of the period. Current tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred tax arises from timing differences that 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 periods different from those in which they are recognised in

McDonnell Commercials (Monaghan) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025
financial statements.

Deferred tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled. Deferred tax is recognised in the profit and loss account or other comprehensive income depending on where the revaluation was initially posted.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Current or deferred taxation assets and liabilities are not discounted.

Government grants

Government grants are recognised at their fair value in profit or loss where there is a reasonable assurance that the grant will be received and the Company has complied with all attached conditions.

The entity recognises grants using the accruals model.

Accruals model

Capital Grants received where the Company has yet to comply with all attached conditions are recognised as a liability (and included in deferred income within Creditors and accruals) and released to income when all attached conditions have been complied with.

Revenue Grants are credited to income so as to match them with the expenditure to which they relate. Government grants received are included in 'other income' in profit or loss.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

3. Critical Accounting Judgements and Estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. 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 discussed below.

The directors consider the accounting estimates and assumptions below to be its critical accounting judgements and estimates:

Establishing useful economic lives for depreciation purposes of tangible fixed assets

Long-lived assets, consisting primarily of Tangible fixed assets, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic

McDonnell Commercials (Monaghan) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

Inventory provisioning

The company is involved in sale of second hand truck that it often takes as trade in's when selling new trucks. The company also holds a inventory of stock in relation to truck parts for use in the garage. As a result it is necessary to consider the recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers the age of the vehicles not sold as well as the last time an item of stock was used in the garage. The level of provision required is reviewed on an on-going basis and has been disclosed in the note relating to stock.

Providing for doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis and has been disclosed in the note relating to debtors.

Valuation of investment properties

The company revalue its investment property to fair value based on advice from independent experts valuers.

4. Turnover

The turnover for the financial year is analysed as follows:

	2025 €	2024 €
Republic of Ireland	26,046,152	24,245,560
Europe	2,403,050	1,813,937
	<u>28,449,202</u>	<u>26,059,497</u>

Turnover attributable to geographical markets outside the Republic of Ireland amounted to 8% for the financial year.

5. Operating profit

	2025 €	2024 €
Operating profit is stated after charging/(crediting):		
Depreciation of tangible assets	212,811	157,958
(Profit) on disposal of tangible assets	(813)	-
Profit on foreign currencies	(1,216)	(2,485)
Government grants received	(14,000)	(3,293)
	<u> </u>	<u> </u>

6. Interest receivable and similar income

	2025 €	2024 €
Bank interest	900	1,613
Other interest	-	5,200
	<u>900</u>	<u>6,813</u>

McDonnell Commercials (Monaghan) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

7. Employees and remuneration

Number of employees

The average number of persons employed (including executive directors) during the financial year was as follows:

	2025	2024
	Number	Number
Administration	9	9
Sales	3	3
Workshop	24	25
	<u>36</u>	<u>37</u>

The staff costs (inclusive of directors' salaries) comprise:

	2025	2024
	€	€
Wages and salaries	2,115,719	1,948,233
Social welfare costs	183,615	164,326
Pension costs	38,938	36,657
	<u>2,338,272</u>	<u>2,149,216</u>

McDonnell Commercials (Monaghan) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

8. Tax on profit

	2025 €	2024 €
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 12.50% (2024 - 12.50%)	148,939	121,242
Under/over provision in prior year	-	9,025
Total current tax	<u>148,939</u>	<u>130,267</u>
Deferred tax:		
Origination and reversal of timing differences	(4,305)	14,239
Total deferred tax	<u>(4,305)</u>	<u>14,239</u>
Tax on profit (Note 8 (b))	<u>144,634</u>	<u>144,506</u>

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year differs from the standard rate of corporation tax in Republic of Ireland 12.50% (2024 - 12.50%). The differences are explained below:

	2025 €	2024 €
Profit taxable at 12.50%	870,303	1,028,906
Profit taxable at 25%	900	6,813
Profit before tax	<u>871,203</u>	<u>1,035,719</u>
Profit before tax multiplied by the standard rate of corporation tax in Republic of Ireland at 12.50% (2024 - 12.50%)	108,788	128,613
Profit before tax multiplied by 25%	225	1,703
	<u>109,013</u>	<u>130,316</u>
Effects of:		
Expenses not deductible for tax purposes	24,351	-
Depreciation in excess of capital allowances for period	14,630	(9,075)
Close company surcharge	945	9,026
Deferred tax	(4,305)	14,239
Total tax charge for the financial year (Note 8 (a))	<u>144,634</u>	<u>144,506</u>

McDonnell Commercials (Monaghan) Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

9. Tangible assets

	Freehold Building (2%) and Land (0%)	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Computer equipment	Total
	€	€	€	€	€	€
Cost or Valuation						
At 1 March 2024	1,029,784	262,753	124,558	1,129,649	102,136	2,648,880
Additions	-	-	-	327,511	6,355	333,866
Disposals	-	-	-	(252,206)	-	(252,206)
At 28 February 2025	<u>1,029,784</u>	<u>262,753</u>	<u>124,558</u>	<u>1,204,954</u>	<u>108,491</u>	<u>2,730,540</u>
Depreciation						
At 1 March 2024	503,266	241,669	77,722	554,030	96,745	1,473,432
Charge for the financial year	16,950	4,597	6,854	179,351	5,058	212,810
On disposals	-	-	-	(252,206)	-	(252,206)
At 28 February 2025	<u>520,216</u>	<u>246,266</u>	<u>84,576</u>	<u>481,175</u>	<u>101,803</u>	<u>1,434,036</u>
Net book value						
At 28 February 2025	<u>509,568</u>	<u>16,487</u>	<u>39,982</u>	<u>723,779</u>	<u>6,688</u>	<u>1,296,504</u>
At 29 February 2024	<u><u>526,518</u></u>	<u><u>21,084</u></u>	<u><u>46,836</u></u>	<u><u>575,619</u></u>	<u><u>5,391</u></u>	<u><u>1,175,448</u></u>

McDonnell Commercials (Monaghan) Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

10. Investment Properties

	Investment properties
	€
Cost	
At 28 February 2025	300,000
Net book value	
At 28 February 2025	<u>300,000</u>
At 29 February 2024	<u>300,000</u>

11. Stocks

	2025 €	2024 €
Finished goods and goods for resale	<u>5,468,838</u>	<u>7,057,926</u>

Stock is stated after a specific provision of €200,083 for slow moving and obsolete items of parts. (2024: €202,674).

12. Debtors

	2025 €	2024 €
Trade debtors	1,485,964	1,464,412
Other debtors	1,800	3,200
Taxation (Note 15)	-	25,702
Prepayments	54,332	58,525
Accrued income	515,407	780,414
	<u>2,057,503</u>	<u>2,332,253</u>

Trade debtors are stated after provision for bad debts of €41,135 (2024: €48,925).

13. Cash and cash equivalents

	2025 €	2024 €
Cash and bank balances	<u>3,736,973</u>	<u>904,803</u>

14. Creditors

Amounts falling due within one year	2025 €	2024 €
Trade creditors	1,058,702	1,571,166
Amounts owed to connected parties (Note 21)	254,364	412,050
Taxation (Note 15)	981,111	134,521
Accruals	709,292	518,607
	<u>3,003,469</u>	<u>2,636,344</u>

Trade and other creditors are payable at various dates in the next 12 months in accordance with the usual suppliers usual and customary terms.

Tax and social securities are payable at various dates over the coming months in line with tax authority guidelines.

McDonnell Commercials (Monaghan) Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

15. Taxation	2025	2024
	€	€
Debtors:		
Corporation tax	-	25,702
Creditors:		
VAT	897,695	67,661
Corporation tax	27,698	-
PAYE	55,718	66,860
	981,111	134,521

16. Provisions for liabilities

Deferred tax

	Capital allowances	Other differences	Total	Total
	€	€	2025	2024
			€	€
At financial year start	(3,006)	24,008	21,002	6,763
Charged to profit and loss	(4,305)	-	(4,305)	14,239
At financial year end	(7,311)	24,008	16,697	21,002

The deductible and taxable temporary differences at the year end dates in respect of which deferred tax has been recognised are analysed above.

Other differences heading - relates solely to revaluation on investment property.

17. Pension costs - defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs amounted to €38,938 (2024 - €36,657).

McDonnell Commercials (Monaghan) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

18. Share capital			2025	2024
			€	€
Description	Number of shares	Value of units		
Authorised				
Ordinary Share Class €0.423246 per share	3,000,000	€0.423246 each	1,269,738	1,269,738
'B' Ordinary €1.00	1	€1.00 each	1	1
Special Share	-	€1.00 each	-	1
			1,269,739	1,269,740
Allotted, called up and fully paid				
Ordinary Share Class €0.423246 per share	300	€0.423246 each	127	127
'B' Ordinary €1.00	1	€1.00 each	1	1
Special Share	-	€1.00 each	-	1
			128	129

The rights attaching to the Shares are as follows:

The Ordinary Shareholders shall be entitled to vote at the AGM and are entitled to dividends.

The B Ordinary Shareholders are entitled to dividends only. No other rights are attaching to this share class.

The Special Share has control over the composition of the board - this share was redeemed and cancelled on 12th December 2024.

19. Capital commitments

There were no capital commitments at the year ended 28th February 2025.

20. Directors' remuneration			2025	2024
			€	€
Remuneration			371,293	422,671

21. Related party transactions

The following amounts are due to other connected parties:

			2025	2024
			€	€
Thistleglade Limited			254,364	412,050

Thistleglade Limited

Thistleglade Limited is considered to be a connected party as it has common directors and shareholders (Brian, Louise, Bernice and Dee McDonnell). Thistleglade Limited is a trading and investment company. At the 28th February 2025 McDonnell Commercials (Monaghan) Limited owed Thistleglade Limited €254,364 (2024: €412,050).

Gross sales to Thistleglade Limited during the year ended 28th February 2025 amount to €901,977 and gross purchases from Thistleglade Limited amounted to €2,043,418.

In the opinion of the directors these amounts arise in the ordinary course of business and the terms of the amounts due are in accordance with the terms ordinarily offered by the company.

Key management compensation - the company directors are the key management, there are no other key management of the company. See note 20 on the financial statements.

22. Post-Balance Sheet Events

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

McDonnell Commercials (Monaghan) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 28 February 2025

23. Government grants

The company received the Increased Cost of Business grant during the year. The scheme is administered by local authorities funded through the Department of Enterprise, Trade and Employment in order to provide vital supports to small/medium businesses with increasing costs. The company met all conditions necessary in order to receive the grant.

In Feb 2024 the company claimed the Temporary Business Energy Support Scheme which was administered by the Revenue Commissioners in order to alleviate the pressures faced by businesses experiencing unprecedented increases in their electricity/gas costs. The company met all of the qualifying conditions in order to be eligible to make a successful claim.

The following amounts were received by the company:

	2025 €	2024 €
Increased Cost of Business	14,000	-
Temporary Business Support Scheme	-	3,293
	<u>14,000</u>	<u>3,293</u>

24. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 30 July 2025.