

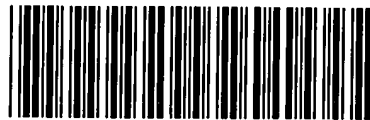
Registered number 202224

# Stedall (Vehicle Fittings) Limited

## Report and Financial Statements

31 December 2021

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COMPANIES HOUSE

## Stedall (Vehicle Fittings) Limited

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### Company Information

#### Directors

B R Horth  
D M Pearce

#### Secretary

D M Pearce

#### Auditors

Ernst & Young LLP  
The Paragon, Counterslip  
Bristol BS1 6BX  
United Kingdom

#### Bankers

The Royal Bank of Scotland plc  
Abbey Gardens  
4 Abbey Street  
Reading  
Berkshire RG1 3BA  
United Kingdom

#### Registered Office

Unit 1A  
Badminton Road Trading Estate  
Yate  
Bristol BS37 5JS  
United Kingdom

## Stedall (Vehicle Fittings) Limited

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Registered No. 202224

### **Directors' report**

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

#### **Results and dividends**

The profit for the year after taxation amounted to £1,103,000 (2020 – profit of £1,094,000). During the year no dividends were declared or paid (2020 – Nil).

#### **Going concern**

The company's business activities and financial position are described in the strategic report.

In assessing the going concern of the company for the period ended 31 December 2021 the directors have considered the company's cashflows, liquidity and business activities through to December 2023.

The directors have adopted the going concern basis in preparing the company's financial statements based on their assessment of the company's plan (authorised annually by the Board) and an 18-month rolling forecast to December 2023. This assessment has taken into account actual business performance achieved to June 2022 and forecasts from June 2021 onwards. The company has not needed to utilise external funding facilities or rely on the ultimate parent company, Citadel Enterprises B.V ('parent company') for funding support for at least the last 10 years. The 18-month assessment prepared to December 2023 indicates that the company can continue to operate without requiring external funding, or the support of its parent company, through this 18-month assessment period.

In arriving at their going concern assessment, the directors have also modelled the impact of more severe trading conditions and considered downside scenarios in respect of unanticipated reductions in business activity and volumes to stress test the resilience of the company including zero sales while paying all the fixed costs. The financial impact of the more severe trading scenario indicates that the Company would continue to operate without requiring funding through to September 2023.

#### **Directors**

The directors who served the company during the year and up to the date of this report were as follows:

D M Pearce  
B R Horth

#### **Directors' liabilities**

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

## Directors' report (continued)

### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 11/08/2022 and signed on its behalf

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*D. Pearce*

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D M Pearce

Director

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*Bram Horth*

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B R Horth

Director

## Stedall (Vehicle Fittings) Limited

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### Strategic Report

#### Principal activity and review of the business

The company's principal activity is the sale of commercial vehicle body fittings and associated products in the United Kingdom, Europe and other overseas markets.

The company's key performance indicators during the year were as follows:

	<i>2021</i>	<i>2020</i>	<i>Change</i>
	<i>£000</i>	<i>£000</i>	<i>%</i>
Turnover	7,471	7,102	5.2%
Operating profit	1,269	1,249	1.6%
Profit after tax excluding other comprehensive income	1,103	1,094	0.8%
Shareholders' funds	7,865	6,219	26.5%
Current ratio	577%	504%	73.0%

Turnover increased against 2020 as customers continued to recover from the effects of the Covid-19 pandemic and subsequent national lockdowns. The current ratio has increased as no dividends were paid in 2021.

#### Future developments

The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year. The company has continued, and adapted its long-term strategies, which are:

- To maintain high levels of service to key customers and in doing so strengthen the Company Brand.
- To implement procedures to increase workforce resilience and ensure adequate protection for all employees.
- To strengthen relationships with key Suppliers.

The Directors believe that these ongoing strategies have strengthened the company's ability to withstand the economic downturn, that will inevitably follow resolution of the pandemic, and to take advantage of the recovery that will eventually follow.

#### Principal risks and uncertainties

The directors continually review and evaluate the risks that the company is facing.

**Stedall (Vehicle Fittings) Limited**

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**Strategic Report (continued)**

**Competitive risks**

Due to the nature of the market in Europe and the rest of the world, the company has faced competition throughout the years. The company puts strong emphasis on its excellent service levels, quality of its products and competitive pricing to its customer base to maintain its position within the market.

**Financial instruments risks**

The company has established a risk and financial management framework whose primary objectives are to protect the company from events that hinder the achievement of the company's performance objectives. The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a business unit level.

**Exposure to price, credit, liquidity and cash flow risk**


Price risk arises on inventory purchases, but the company aims to minimise risk through effective management of inventory levels, monitoring stock turn and reviewing prices regularly.

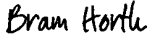
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that material deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the company's debtors are shown in note 11 to the financial statements. The company limits individual trade debtor exposures and these limits are reviewed on a continual basis.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by managing cash generated by its operation and applying cash collection targets. The company is focussed on reducing debtor and inventory days.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability. The company manages this risk by the use of short-term loan facilities.

This report was approved by the board on 11/08/2022 and signed on its behalf

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D M Pearce  
Director

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B R Horth  
Director

## Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEDALL (VEHICLE FITTINGS) LIMITED**

### **Opinion**

We have audited the financial statements of Stedall (Vehicle Fittings) Limited for the year ended 31 December 2021 which comprise the Profit and Loss Account, the Statement of comprehensive income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period from when the financial statements are authorised for issue through until December 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEDALL (VEHICLE FITTINGS)  
LIMITED (continued)**

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEDALL (VEHICLE FITTINGS)  
LIMITED (continued)**

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

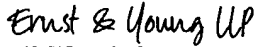
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and compliance with the relevant direct and indirect tax regulation in the United Kingdom. In addition, the company has to comply with laws and regulations relating to its operations, including health and safety and GDPR.
- We understood how Stedall (Vehicle Fittings) Limited is complying with those frameworks by making inquiries of management and those charged with governance to understand how the company maintains and communicates its policies and procedures in these areas. We understood any controls put in place by management to reduce the opportunities for fraudulent transactions. We performed procedures, including reading minutes of the board meetings and making enquiries with the management for any correspondence of non-compliance with the tax authorities, and noted no significant issues. We performed journal entry testing to ensure that there are no unusual legal or penalty expenses incurred during the year and to ensure that the management is in compliance with the applicable framework.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur through internal team conversations and inquiry of management and those charged with governance. Through these procedures we determined there to be a fraud risk of management override associated with revenue recognition, and in particular the manual revenue journals around the year end. In relation to management override we used data analytics to sample from the entire population of journals, including manual journals to revenue, identifying specific transactions which did not meet our expectations based on specific criteria, to investigate, gain an understanding and agree to source documentation. We selected a sample of revenue transactions recorded before the year end and obtained documentation to verify the revenue recognition criteria had been met, we reviewed credit notes issued after the year end, including those relating to rebates, and obtained documentation to verify that revenue adjustments had been recorded in the appropriate period.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiry of management and those charged with governance with the no indication of non-compliance identified.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEDALL (VEHICLE FITTINGS)  
LIMITED (continued)**

**Use of our report**

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

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Jane Barwell (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Bristol  
11 August 2022

## Stedall (Vehicle Fittings) Limited

**Profit and loss account**

for the year ended 31 December 2021

	<i>Notes</i>	<i>2021</i> £000	<i>2020</i> £000
<b>Turnover</b>	3	7,471	7,102
Cost of sales		<u>(3,914)</u>	<u>(3,759)</u>
<b>Gross profit</b>		3,557	3,343
Distribution costs		(659)	(584)
Administrative expenses		<u>(1,629)</u>	<u>(1,510)</u>
<b>Operating profit</b>	4	1,269	1,249
Interest receivable and similar income	7	89	82
Interest payable and similar charges	7	<u>(11)</u>	<u>(2)</u>
<b>Profit on ordinary activities before taxation</b>		1,347	1,329
Tax	8	<u>(244)</u>	<u>(235)</u>
<b>Profit for the financial year</b>		<u>1,103</u>	<u>1,094</u>

All amounts relate to continuing activities.

## Stedall (Vehicle Fittings) Limited

**Statement of comprehensive income**

for the year ended 31 December 2021

	<i>Notes</i>	<i>2021</i> £000	<i>2020</i> £000
<b><i>Profit for the financial year</i></b>		<u>1,103</u>	<u>1,094</u>
Remeasurement on defined benefit scheme loss	14	686	(1,504)
Movement on deferred tax relating to pension loss	8	(143)	278
<b><i>Other comprehensive gain/(loss) for the year</i></b>		<u>543</u>	<u>(1,226)</u>
<b><i>Total comprehensive gain/(loss) for the year</i></b>		<u>1,646</u>	<u>(132)</u>

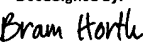
## Stedall (Vehicle Fittings) Limited

### Balance sheet

at 31 December 2021

	Notes	2021 £000	2020 £000
<b>Fixed assets</b>			
Tangible assets	9	59	48
		<u>59</u>	<u>48</u>
<b>Current assets</b>			
Stocks	10	1,426	1,421
Debtors:	11		
amounts falling due within one year		1,561	1,623
amounts falling due after one year		3,435	3,428
		<u>4,996</u>	<u>5,051</u>
Cash at bank and in hand		<u>2,299</u>	<u>1,922</u>
		8,721	8,394
<b>Creditors: amounts falling due within one year</b>	12	<u>(915)</u>	<u>(985)</u>
<b>Net current assets</b>		<u>7,806</u>	<u>7,409</u>
<b>Total assets less current liabilities</b>		7,865	7,457
Pension liability	14	-	(1,238)
<b>Net assets</b>		<u>7,865</u>	<u>6,219</u>
<b>Capital and reserves</b>			
Called up share capital	13	78	78
Share premium account		5	5
Profit and loss account	13	7,782	6,136
<b>Shareholders' funds</b>		<u>7,865</u>	<u>6,219</u>

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

DocuSigned by:  
  
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 B R Horth  
 Director  
 Date August 11, 2022

## Stedall (Vehicle Fittings) Limited

**Statement of changes in equity**

for the year ended 31 December 2021

	<i>Share capital</i> £000	<i>Share premium</i> £000	<i>Retained earnings</i> £000	<i>Total equity</i> £000
<b>At 1 January 2020</b>	78	5	6,268	6,351
Profit for the year	-	-	1,094	1,094
Other comprehensive loss for the year	-	-	(1,226)	(1,226)
Total comprehensive income for the year	-	-	(132)	(132)
Dividend paid in year	-	-	-	-
<b>At 1 January 2021</b>	78	5	6,136	6,219
Profit for the year	-	-	1,103	1,103
Other comprehensive income for the year	-	-	543	543
Total comprehensive income for the year	-	-	1,646	1,646
<b>At 31 December 2021</b>	78	5	7,782	7,865

## Stedall (Vehicle Fittings) Limited

# Notes to the financial statements

at 31 December 2021

### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

Stedall (Vehicle Fittings) Limited is a company incorporated by shares in England and Wales under the Companies Act. The address of the registered office is Unit 1A, Badminton Road Trading Estate, Yate, Bristol, BS37 5JS. The nature of the company's operations and its principal activities are set out in the strategic report on pages 4 to 5.

These financial statements were authorised for issue by the Board of Directors on 11/08/2022. The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The company's financial statements are presented in sterling and all values rounded to the nearest thousand pounds (£000) except when otherwise indicated.

#### *Exemptions for qualifying entities under FRS 102:*

FRS 102 allows a qualifying entity certain disclosure exemptions. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. Stedall (Vehicle Fittings) Limited is a qualifying entity as its results are consolidated into the financial statements of Citadel Enterprises B.V. a company incorporated in The Netherlands, registration number 32039365. The consolidated financial statements of Citadel Enterprises B.V are publicly available from their registered office; Soestdijkerstraatweg 62, 1213 XE, Hilversum, The Netherlands.

#### *As a qualifying entity, the Company has taken advantage of the following exemptions:*

- i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in the consolidated financial statements of Citadel Enterprises B.V includes the Company's cash flows (FRS 102 paragraph 1.12(b) )
- ii) not to disclose related party transactions with other group companies which meet the criteria that all subsidiary undertakings which are party to the transactions are wholly owned by the ultimate controlling party (FRS 102 paragraph 33.1(a))

#### 1.2 Going concern

The company's business activities and financial position are described in the strategic report.

In assessing the going concern of the company for the period ended 31 December 2021 the directors have considered the company's cashflows, liquidity and business activities through to December 2023.

The directors have adopted the going concern basis in preparing the company's financial statements based on their assessment of the company's plan (authorised annually by the Board) and an 18-month rolling forecast to December 2023. This assessment has taken into account actual business performance achieved to June 2022 and forecasts from June 2022 onwards. The company has not needed to utilise external funding facilities or rely on the ultimate parent company, Citadel Enterprises B.V ('parent company') for funding support for at least the last 10 years. The 18-month assessment prepared to December 2023 indicates that the company can continue to operate without requiring external funding, or the support of its parent company, through this 18-month assessment period.

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 1. Accounting policies (continued)

##### 1.2 Going concern (continued)

The company's financial modelling for the remainder of the year and into 2023 recognises performance to date and shows a recovery towards pre pandemic volumes, with turnover remaining in line with that achieved during Quarter 1 of 2022.

In arriving at their going concern assessment, the directors have also modelled the impact of more severe trading conditions and considered downside scenarios in respect of unanticipated reductions in business activity and volumes to stress test the resilience of the company including zero sales while paying all the fixed costs. The financial impact of the more severe trading scenario indicates that the Company would continue to operate without requiring funding through to September 2023.

##### 1.3 Turnover

Turnover which is stated net of value added tax, represents the invoiced amount of goods sold and services provided in the ordinary course of business in respect of continuing activities. The majority of revenue arose in the United Kingdom. The following criteria must also be met before revenue is recognised:

##### **Sale of goods**

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### 1.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of assets evenly over their expected useful lives, as follows:

Plant, machinery and equipment	–	10%-33% per annum
Fixtures and fittings	–	10% per annum

## Stedall (Vehicle Fittings) Limited

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### Notes to the financial statements (continued)

at 31 December 2021

#### 1. Accounting policies (continued)

##### 1.4 Tangible fixed assets (continued)

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the profit and loss account.

##### 1.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

##### 1.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 1.7 Cash and cash equivalents

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash that are subject to a significant risk of changes in value.

##### 1.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, and loans to/from related parties.

Debt instruments that are payable within one year, typically trade payables or receivable, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

##### 1.9 Creditors

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

##### 1.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Stedall (Vehicle Fittings) Limited**

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**Notes to the financial statements (continued)**

at 31 December 2021

**1. Accounting policies (continued)****1.11 Foreign currency translation**

Amounts denominated in foreign currency are included in the financial statements at rates ruling at the date of the transactions. At the balance sheet date assets and liabilities are stated at the rates ruling at that date. Any gain or loss on translation is taken to the profit and loss account for the year.

**1.12 Operating leases**

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

**1.13 Pensions****Defined benefit pension plan**

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan. The plan is closed to new members since 2001 and to future service accrual since 31 December 2014.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense', within interest payable & similar charges.

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 2. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgments and estimates have had the most significant effect on amounts recognised in the financial statements.

##### *Pension and other post-employment benefits*

The cost of defined benefit pension plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. The Company engages suitably qualified actuaries to compile this information and engages investment managers to manage the assets of the scheme in the most effective manner.

##### *Deferred tax asset*

Management judgment is required to determine the amount of deferred tax assets that may be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

Deferred tax has been recognised as it is anticipated that the Company will have sufficient remeasurement losses on the account which these assets will reverse.

#### 3. Turnover

Turnover is attributable to one continuing activity, as stated in the directors' report.

An analysis of turnover by geographical market is given below:

	2021	2020
	£000	£000
United Kingdom	6,474	6,029
Europe	933	936
Rest of the world	64	137
	7,471	7,102

#### 4. Operating profit

This is stated after charging

	2021	2020
	£000	£000
Auditors' remuneration – audit services	39	35
– non audit services	13	12
Depreciation – owned assets	30	26
Operating lease payments – land and buildings	130	199
– plant and machinery	22	30
Foreign exchanges differences	(2)	(19)

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 5. Directors' remuneration

	2021 £000	2020 £000
Aggregate remuneration in respect of qualifying services	337	222

There are no Retirement Benefits accruing to Directors under a defined benefit scheme (2020 – £nil).

Remuneration of the highest paid director is as follows:

	2021 £000	2020 £000
Aggregate remuneration excluding pension contributions	174	107
Pension contributions to defined benefit pension scheme	11	11
	<u>185</u>	<u>118</u>

#### **Key management personnel**

The parent company consider the directors of the company to be the key management personnel who have authority and responsibility for planning, directing and controlling the activities of the company.

#### 6. Staff costs

	2021 £000	2020 £000
Wages and salaries	1,009	869
Social security costs	113	102
Pension costs	320	238
	<u>1,442</u>	<u>1,209</u>

The monthly average number of employees during the year was 22 (2020 – 23).

#### 7. Interest receivable and interest payable

	2021 £000	2020 £000
Interest from group undertakings	89	82
<b>Interest receivable and similar income</b>	<u>89</u>	<u>82</u>
Other interest payable	11	2
<b>Interest payable and similar charges</b>	<u>11</u>	<u>2</u>

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 8. Tax

##### (a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2021	2020
	£000	£000
<b>Current tax:</b>		
UK corporation tax on the profit for the year at 19% (2020: 19%)	152	254
Adjustment in respect of previous period	3	-
	<u>155</u>	<u>254</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	106	(3)
Effect of changes in tax rate	(17)	(16)
Total deferred tax (note 8(d))	89	(19)
<b>Total taxation on profit on ordinary activities</b>	<u>244</u>	<u>235</u>

##### (b) Tax included in statement of other comprehensive income

	2021	2020
	£000	£000
Deferred tax credit in respect of pension scheme (note 8 (d))	143	(151)
Current tax credit in respect of pension scheme	-	(127)
<b>Total tax expense</b>	<u>143</u>	<u>(278)</u>

##### (c) Factors affecting tax charge for the year

The tax charge for the year is lower (2019: lower) than the standard rate of corporation tax in the UK of 19% (2019– 19%). The differences are explained below:

	2021	2020
	£000	£000
Profit on ordinary activities before tax	<u>1,347</u>	<u>1,329</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 – 19%)	257	250
<i>Effects of:</i>		
Disallowed expenses	1	1
Adjustment from previous periods	3	-
Tax rate changes	(17)	(16)
<b>Total tax charge for the year (note 8(a))</b>	<u>244</u>	<u>235</u>

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 8. Tax (continued)

##### (d) Deferred tax

*The deferred tax asset is made up as follows*

	2021 £000	2020 £000
Fixed asset timing differences	(5)	(1)
Retirement benefit obligations	-	235
Other timing differences	20	13
	<u>15</u>	<u>247</u>

The company expects deferred tax assets of £19,000 to reverse in 2022.

	£000
At 1 January 2021	247
Current year charge to the profit and loss account	(89)
Deferred tax credit to other comprehensive income	(143)
At 31 December 2021 (note 11)	<u>15</u>

##### (e) Factors that may affect future tax charges

The UK Budget 2021 announcements on March 3rd 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were not substantively enacted at the balance sheet date and hence have not been reflected in the measurement of deferred tax balances at the period end. It is not anticipated that these changes will have a material impact on the company's deferred tax balances.

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 9. Tangible fixed assets

	<i>Plant, machinery and equipment</i>	<i>Fixtures and fittings</i>	<i>Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
Cost:			
At 1 January 2021	411	100	511
Additions	41	-	41
At 31 December 2021	<u>452</u>	<u>100</u>	<u>552</u>
Depreciation:			
At 1 January 2021	387	76	463
Charge for year	24	6	30
At 31 December 2021	<u>411</u>	<u>82</u>	<u>493</u>
Net book value:			
At 31 December 2021	<u>41</u>	<u>18</u>	<u>59</u>
At 1 January 2021	<u>24</u>	<u>24</u>	<u>48</u>

#### 10. Stocks

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Finished goods and goods for resale	<u>1,426</u>	<u>1,421</u>

In the directors opinion there were no significant differences between replacement cost and the amount at which goods for resale were stated in the financial statements. Stock recognised in cost of sales during the period as an expense was £3,784,000 (2020 £3,667,000)

#### 11. Debtors

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Trade debtors	1,488	1,322
Amounts owed by group undertakings	3,435	3,428
Prepayments	58	54
Deferred tax asset (note 8 (d))	15	247
	<u>4,996</u>	<u>5,051</u>

The amounts owed by group undertakings comprises a loan which is repayable in one instalment and is subject to an agreement that provides for interest at an arm's length variable rate, currently 2.66% pa. Interest income earned on this balance during the year was £89,000 (2020: £82,000). On 2 January 2020, the terms of the loan agreement were renegotiated between the company and its parent, Citadel Enterprises B.V, the loan is now repayable after more than one year, on 31 December 2025.

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 12. Creditors: amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	546	581
Corporation tax	77	59
Other taxes and social security costs	130	187
Accruals	162	158
	<u>915</u>	<u>985</u>

#### 13. Capital and Reserves

##### Issued share capital

	2021		2020	
	No.	£	No.	£
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	78,150	<u>78,150</u>	78,150	<u>78,150</u>

##### Profit and loss account

Profit and loss account represents the cumulative profit and loss attributable to the Company to the end of the year.

#### 14. Pension commitments

The Company operates a defined benefit pension scheme.

Throughout the year certain employees of the Company were members of the Stokvis Pension and Life Assurance Scheme, a defined benefit scheme. This is a group scheme in which other group companies also participate. Approximately half of the scheme's membership consists of the Company's past or present employees. Under adoption of FRS 102, effective 1 January 2014, the deficit and ongoing costs and actuarial gains/losses have been split equally between the two participating employers and charged to reserves. There is no contractual agreement to the allocation of actuarial gains/losses between the employers other than a consensus based on the membership numbers and consistent with prior years treatment of service costs and recovery plan payments. The directors have provided details below of the assets, liabilities, main assumptions and movements in the total scheme during the year, under FRS 102, for the purposes of providing information for shareholders. In the event of either employer leaving the scheme they are obliged to secure the accrued benefits for their members on a buyout basis. If this is not possible, responsibility for the total liabilities of the scheme will rest with the remaining employer.

Contributions to the scheme were determined using the actuarial valuation as at 1 January 2019 performed by independent actuaries using the attained age method. Contributions are based on pension costs across the group of companies participating in the scheme. The principal actuarial assumptions adopted were a rate of return on investments of 3.85% per annum prior to retirement and 2.15% per annum after retirement, salary increases no longer apply and retail price inflation of 3.2% per annum.

A valuation of the scheme in accordance with FRS102 as at 31 December 2021 showed a total market value of assets of £26.3 million (2020 – £28.9 million) and a surplus of £3,438,000 (2020 – a deficit of £2,476,000). This surplus has not been recognised as there is no binding obligation for the trustees to repay this.

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 14. Pension commitments (continued)

The scheme was closed to future service accrual as at 31 December 2014. As the scheme is closed to new members and future accrual, under the projected unit method the current service cost will increase as the scheme members approach retirement.

##### **FRS 102 information on the total defined benefit scheme**

The valuation used for FRS 102 disclosures has been based on an approximate adjustment to the results of the actuarial valuation as at 1 January 2019 and updated by the actuary to take account of the requirements of FRS 102 in order to assess the liabilities of the scheme at 31 December 2021. Scheme assets are stated at their market value as at 31 December 2021.

##### **Reconciliation of the company's share of the present value of plan liabilities**

	2021	2020
	£000	£000
At the beginning of the year	15,427	13,984
Interest cost	176	264
Past service cost	185	22
Actuarial gains	(2,012)	2,058
Benefits paid	(329)	(901)
Liabilities settled – ETV exercise	(2,000)	-
<b>At the end of the year</b>	<b>11,447</b>	<b>15,427</b>

##### **Reconciliation of the company's share of the present value of plan assets**

	2021	2020
	£000	£000
At the beginning of the year	14,189	13,575
Interest income	165	263
Actuarial losses	393	554
Contributions	785	698
Benefits paid	(329)	(901)
Settlements – ETV exercise	(2,038)	-
<b>At the end of the year</b>	<b>13,165</b>	<b>14,189</b>

	2021	2020
	£000	£000
Fair value of plan assets	13,165	14,189
Present value of plan liabilities	(11,447)	(15,427)
<b>Company's share of the net pension scheme surplus</b>	<b>1,718</b>	<b>(1,238)</b>

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 14. Pension commitments (continued)

The amounts recognised in profit or loss are as follows:

	2021	2020
	£000	£000
Interest on net defined pension liability	(11)	(2)
Past service costs	(185)	(22)
<b>Total</b>	<b>(196)</b>	<b>(24)</b>

The amounts recognised in other comprehensive income are as follows:

	2021	2020
	£000	£000
Actual return on scheme assets	558	817
Less: amounts included in net interest on the net defined benefit liability	(165)	(263)
Remeasurement gain – return on plan assets excluding interest	393	554
Remeasurement loss – actuarial loss	2,013	(2,058)
Effect of limit of recoverable plan surplus	(1,720)	-
<b>Remeasurement gain recognised in other comprehensive income</b>	<b>686</b>	<b>(1,504)</b>

The Company expects to contribute £496,000 to its Defined benefit pension scheme in 2022.

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 14. Pensions (continued)

	2021	2020
	%	%
Rate of increase to pensions in payments accrued pre 31 December 2004	5.00	5.00
Rate of increase to pensions in payments accrued post 31 December 2004	3.40	3.12
Rate of increase to pensions in payments accrued post 31 March 2008	2.25	2.16
Discount rate	1.84	1.23
Inflation assumption	3.57	3.23
Revaluation of pensions in deferment (CPI)	2.77	2.33
Post retirement mortality (in years)	in years	in years
Current pensioners at 65 - male	22.1	22.3
Current pensioners at 65 - female	24.5	24.6
Future pensioners at 65 - male	23.3	23.6
Future pensioners at 65 - female	25.9	26.0

The post-mortality mortality assumptions allow for expected increases in longevity. The 'current' disclosure above relate to assumptions based on longevity (in years) following retirements at the balance sheet date, with 'future' being that relating to an employee retiring in 2035.

The assets and liabilities of the scheme and the expected rate of return at 31 December 2021 are:

	2021	2020
	£000	£000
Equities, Bonds & Gilts	4,476	4,707
Annuities	2,475	2,724
Liability Driven Investments	4,292	5,111
Diversified Growth Fund	14,981	15,670
Cash	105	165
Total market value of assets	26,329	28,377
Present value of scheme liabilities	(22,891)	(30,853)
Effect of limit of recoverable plan surplus	(3,438)	-
Net pension deficit	-	(2,476)

The company's share of the above mentioned asset and liability amounts is 50%.

## Stedall (Vehicle Fittings) Limited

### Notes to the financial statements (continued)

at 31 December 2021

#### 15. Other financial commitments

At 31 December 2021 the company had future minimum lease payments due under non-cancellable operating leases as set out below:

	2021		2020	
	<i>Land and buildings</i>	<i>Other</i>	<i>Land and buildings</i>	<i>Other</i>
	£000	£000	£000	£000
Lease payments due:				
Within one year	141	19	117	18
In two to five years	454	34	494	18
Over five years	-	-	-	-
	<u>595</u>	<u>53</u>	<u>611</u>	<u>36</u>

#### 16. Ultimate parent undertaking and controlling party

In the opinion of the directors, Kroymans Holding B.V., a company incorporated in The Netherlands, is the ultimate parent undertaking and controlling party.

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is Kroymans Holding B.V., and the parent undertaking of the smallest such group is Defiance Tools., a company incorporated in The United Kingdom. Copies of group financial statements can be obtained from Kroymans Holding B.V., Soestdijkerstraatweg 66A, 1213 XE, Hilversum, The Netherlands.