

**Report of the Director and
Financial Statements
for the Year Ended 31 December 2021
for
STOKKE UK LIMITED**

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STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)

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for the Year Ended 31 December 2021**

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STOKKE UK LIMITED

Company Information for the Year Ended 31 December 2021

DIRECTOR:	C N Veibust
SECRETARY:	D J Owen
REGISTERED OFFICE:	The Old House Main Street Maids Moreton Buckinghamshire MK18 1QU
REGISTERED NUMBER:	03406887 (England and Wales)
AUDITORS:	Hill Wooldridge & Co. Limited Statutory Auditor & Chartered Accountants 107 Hindes Road Harrow Middlesex HA1 1RU
BANKERS:	DnB NOR Bank ASA 8th Floor The Walbrook Building 25 Walbrook London EC4N 8AF
SOLICITORS:	Chandler Ray 22 West Street Buckingham MK18 1HG

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)

Report of the Director for the Year Ended 31 December 2021

The director presents his report with the financial statements of the company for the year ended 31 December 2021.

REVIEW OF BUSINESS

The results for the year and the financial position at the year end were considered satisfactory by the director, who expects turnover growth in the foreseeable future.

Activities consist solely of the sale of the parent company's childrens furniture products and as such the company faces no specific risks or uncertainties other than those inherent in the general UK economy.

Future growth will be achieved by building on the success of the company's sales team in marketing to existing customers and finding new ones. Performance indicators for the sales team are all linked to unit sales levels.

DIVIDENDS

An interim dividend of £0.695 per share was paid on 17 February 2021. The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2021 will be £139,000.

FUTURE DEVELOPMENTS

The director is confident about the long term prospects of the company, which is well established and focused on delivering a good quality service with an intrinsic value.

DIRECTOR

C N Veibust held office during the whole of the period from 1 January 2021 to the date of this report.

The company is a wholly owned subsidiary and the director held no shares of the company at the start or end of the period. The director's interest in shares of the parent company are disclosed in the financial statements of that company.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)

**Report of the Director
for the Year Ended 31 December 2021**

AUDITORS

The auditors, Hill Wooldridge & Co. Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

.....
D J Owen - Secretary

Date:

11/03/22

Report of the Independent Auditors to the Members of Stokke UK Limited

Opinion

We have audited the financial statements of Stokke UK Limited (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 director's 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 when the financial statements are authorised for issue.

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

Other information

The director is responsible for the other information. The other information comprises the information in the Report of the Director, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify 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 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 2006

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

- the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director has 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 Report of the Director.

We have nothing to report in respect of the following matters where 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Report of the Independent Auditors to the Members of Stokke UK Limited

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the procedures and controls over the company's operations and discussed these with those charged with governance. No matters of fraud were brought to our attention during that discussion.
- During our discussions with management, they assessed these as being the normal risks required to be considered by us as auditors by the Auditing Standards (such as management override and revenue recognition) but confirmed that no irregularities here occurred. This was confirmed by our review of management meetings, auditing management override through journal testing, and other adjustments to consider appropriateness, review of the financial statements to ensure no unusual and / or inexplicable variances and general discussions with management during the course of the audit. We did not identify any significant business transactions outside the normal course of the business operations.
- Our senior statutory auditor has assessed that the audit team possessed the ability and competence to identify and recognise non-compliance with the relevant laws and regulations central to the operation of this company. We have not identified any additional laws and regulations which are central to the entity's operations and which we were not notified about, during the course of our audit fieldwork.

We believe that our audit was capable of detecting material irregularities, including fraud but note that it is inherently difficult to detect such irregularities. We also note that it is always possible that a fraud might exist, if undertaken in a sophisticated fashion and hidden from the auditor.

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

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 a Report of the Auditors 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.



Ian Park FCA (Senior Statutory Auditor)
for and on behalf of Hill Wooldridge & Co. Limited
Statutory Auditor & Chartered Accountants
107 Hindes Road
Harrow
Middlesex
HA1 1RU

Date: 18th March 2022

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)**Income Statement
for the Year Ended 31 December 2021**

	Notes	2021	2020
		£	£
TURNOVER	3	1,698,000	1,548,000
Cost of sales		-	1,613
GROSS PROFIT		1,698,000	1,546,387
Distribution costs		426,282	298,815
Administrative expenses		1,117,973	1,210,083
		1,544,255	1,508,898
		153,745	37,489
Other operating income		-	52,174
OPERATING PROFIT	5	153,745	89,663
Interest receivable and similar income		470	6,429
PROFIT BEFORE TAXATION		154,215	96,092
Tax on profit	6	28,780	18,921
PROFIT FOR THE FINANCIAL YEAR		125,435	77,171

The notes form part of these financial statements

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)**Other Comprehensive Income
for the Year Ended 31 December 2021**

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		125,435	77,171
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>125,435</u></u>	<u><u>77,171</u></u>

The notes form part of these financial statements

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)**Balance Sheet
31 December 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	8	113,031	83,463
CURRENT ASSETS			
Debtors	9	539,975	512,532
Cash at bank		95,195	106,876
		<u>635,170</u>	<u>619,408</u>
CREDITORS			
Amounts falling due within one year	10	<u>401,252</u>	<u>347,975</u>
NET CURRENT ASSETS		<u>233,918</u>	<u>271,433</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>346,949</u>	<u>354,896</u>
PROVISIONS FOR LIABILITIES	12	<u>21,476</u>	<u>15,858</u>
NET ASSETS		<u><u>325,473</u></u>	<u><u>339,038</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	200,000	200,000
Retained earnings	14	<u>125,473</u>	<u>139,038</u>
SHAREHOLDERS' FUNDS		<u><u>325,473</u></u>	<u><u>339,038</u></u>

The financial statements were approved by the director and authorised for issue on 18/03/21 and were signed by:

C. N. Veibust
C N Veibust - Director

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)**Statement of Changes in Equity
for the Year Ended 31 December 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	200,000	61,867	261,867
Changes in equity			
Total comprehensive income	-	77,171	77,171
Balance at 31 December 2020	200,000	139,038	339,038
Changes in equity			
Dividends	-	(139,000)	(139,000)
Total comprehensive income	-	125,435	125,435
Balance at 31 December 2021	200,000	125,473	325,473

The notes form part of these financial statements

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)**Cash Flow Statement
for the Year Ended 31 December 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(113,579)	(158,906)
Tax paid		<u>(8,306)</u>	<u>(11,584)</u>
Net cash from operating activities		<u>(121,885)</u>	<u>(170,490)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(75,308)	(73,194)
Loan repaid by parent company		324,042	319,053
Interest received		<u>470</u>	<u>6,429</u>
Net cash from investing activities		<u>249,204</u>	<u>252,288</u>
Cash flows from financing activities			
Equity dividends paid		<u>(139,000)</u>	<u>-</u>
Net cash from financing activities		<u>(139,000)</u>	<u>-</u>
(Decrease)/increase in cash and cash equivalents		<u>(11,681)</u>	<u>81,798</u>
Cash and cash equivalents at beginning of year	2	106,876	25,078
Cash and cash equivalents at end of year	2	<u><u>95,195</u></u>	<u><u>106,876</u></u>

The notes form part of these financial statements

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)

Notes to the Cash Flow Statement for the Year Ended 31 December 2021

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021 £	2020 £
Profit before taxation	154,215	96,092
Depreciation charges	45,740	19,840
Finance income	(470)	(6,429)
	<u>199,485</u>	<u>109,503</u>
Increase in trade and other debtors	(351,485)	(87,282)
Increase/(decrease) in trade and other creditors	<u>38,421</u>	<u>(181,127)</u>
Cash generated from operations	<u><u>(113,579)</u></u>	<u><u>(158,906)</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2021

	31.12.21 £	1.1.21 £
Cash and cash equivalents	<u>95,195</u>	<u>106,876</u>

Year ended 31 December 2020

	31.12.20 £	1.1.20 £
Cash and cash equivalents	<u>106,876</u>	<u>25,078</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank	106,876	(11,681)	95,195
	<u>106,876</u>	<u>(11,681)</u>	<u>95,195</u>
Total	<u><u>106,876</u></u>	<u><u>(11,681)</u></u>	<u><u>95,195</u></u>

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)

Notes to the Financial Statements for the Year Ended 31 December 2021

1. GENERAL INFORMATION

The principal activity of the company in the year under review was that of the sale of the parent company's childrens furniture products.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is The Old House, Main Street, Buckinghamshire, Maids Moreton, MK18 1QU.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 33% on cost
Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

The company's functional and presentation currency is the pound sterling. Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2021 £	2020 £
Commission - Norway	1,698,000	1,548,000
	<u>1,698,000</u>	<u>1,548,000</u>

4. EMPLOYEES AND DIRECTORS

	2021 £	2020 £
Wages and salaries	658,139	619,351
Social security costs	86,597	81,218
Other pension costs	7,762	7,294
	<u>752,498</u>	<u>707,863</u>

The average number of employees during the year was as follows:

	2021	2020
Directors	1	1
Sales	7	7
	<u>8</u>	<u>8</u>

	2021 £	2020 £
Director's remuneration	-	-

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2021 £	2020 £
Other operating leases - rent	7,173	162,755
Other operating leases - car leases	48,967	32,764
Depreciation - owned assets	45,740	19,840
Auditors' remuneration	7,078	6,922
Foreign exchange differences	1,087	5,701

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2021 £	2020 £
Current tax:		
UK corporation tax	23,895	9,039
Prior year adjustment	(733)	(255)
Total current tax	<u>23,162</u>	<u>8,784</u>
Deferred tax	<u>5,618</u>	<u>10,137</u>
Tax on profit	<u>28,780</u>	<u>18,921</u>

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
Profit before tax	154,215	96,092
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	29,301	18,257
Effects of:		
Expenses not deductible for tax purposes	212	919
Adjustments to tax charge in respect of previous periods standard rate of corporation	(733)	(255)
Total tax charge	28,780	18,921

7. DIVIDENDS

	2021 £	2020 £
Ordinary shares of £1 each Interim	139,000	-

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2021	3,657	143,277	7,065	153,999
Additions	-	75,308	-	75,308
At 31 December 2021	3,657	218,585	7,065	229,307
DEPRECIATION				
At 1 January 2021	2,712	62,184	5,640	70,536
Charge for year	632	44,112	996	45,740
At 31 December 2021	3,344	106,296	6,636	116,276
NET BOOK VALUE				
At 31 December 2021	313	112,289	429	113,031
At 31 December 2020	945	81,093	1,425	83,463

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	503,635	142,795
Amounts owed by group undertakings	-	324,042
Other debtors	-	4,518
VAT	17,093	22,572
Prepayments and accrued income	19,247	18,605
	539,975	512,532

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	83,524	63,429
Corporation tax	23,895	9,039
PAYE and NIC control	21,623	24,120
Other creditors	2,071	15,609
Accruals and deferred income	270,139	235,778
	<u>401,252</u>	<u>347,975</u>

11. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	34,632	10,218
Between one and five years	45,401	18,732
	<u>80,033</u>	<u>28,950</u>

12. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax	<u>21,476</u>	<u>15,858</u>

	Deferred tax
	£
Balance at 1 January 2021	15,858
Charge to Income Statement during year	5,618
Balance at 31 December 2021	<u>21,476</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2021	2020
Number:	Class:	Nominal value:	£	£
200,000	Ordinary	£1	<u>200,000</u>	<u>200,000</u>

14. RESERVES

	Retained earnings
	£
At 1 January 2021	139,038
Profit for the year	125,435
Dividends	(139,000)
At 31 December 2021	<u>125,473</u>

15. PARENT COMPANY

The parent company is Stokke AS, a company incorporated in Norway. Group accounts can be found at the registered office at Parkgata 6, 6003 Alesund, Norway

STOKKE UK LIMITED (REGISTERED NUMBER: 03406887)

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

16. RELATED PARTY DISCLOSURES

During the year the company purchased accountancy services totalling £20,105 (2020: £19,131) from Facts & Figures, a partnership jointly owned by D J Owen, the company secretary.

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

17. ULTIMATE CONTROLLING PARTY

The company is controlled by NXC Corporation , a company registered in South Korea.