

Diono UK Limited
Financial Statements
for the Year Ended 31 December 2021

Haines Watts Tamworth Limited
Chartered Accountants and Statutory Auditors
Sterling House
97 Lichfield Street
Tamworth
Staffordshire
B79 7QF

**Contents of the Financial Statements
for the Year Ended 31 December 2021**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

DIRECTOR:

T I Maule

REGISTERED OFFICE:

Windsor House
Cornwall Road
Harrogate
Yorkshire
HP1 2GW

REGISTERED NUMBER:

04252542 (England and Wales)

AUDITORS:

Haines Watts Tamworth Limited
Chartered Accountants and Statutory Auditors
Sterling House
97 Lichfield Street
Tamworth
Staffordshire
B79 7QF

Balance Sheet
31 December 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	4		50,000		60,000
Tangible assets	5		<u>56,529</u>		<u>109,108</u>
			106,529		169,108
CURRENT ASSETS					
Stocks		987,307		741,731	
Debtors	6	328,751		425,161	
Cash at bank and in hand		<u>146,905</u>		<u>319,727</u>	
		1,462,963		1,486,619	
CREDITORS					
Amounts falling due within one year	7	<u>1,450,214</u>		<u>1,525,796</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>12,749</u>		<u>(39,177)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			119,278		129,931
CREDITORS					
Amounts falling due after more than one year	8		<u>849,522</u>		<u>665,909</u>
NET LIABILITIES			<u>(730,244)</u>		<u>(535,978)</u>
CAPITAL AND RESERVES					
Called up share capital	10		100		100
Retained earnings			<u>(730,344)</u>		<u>(536,078)</u>
SHAREHOLDERS' FUNDS			<u>(730,244)</u>		<u>(535,978)</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 30 January 2023 and were signed by:

T I Maule - Director

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

1. STATUTORY INFORMATION

Diono UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue to operate for the foreseeable future.

Diono UK remains a wholly owned subsidiary of a US company Diono Investments LLC which is majority owned by Winona Capital Partners II.

Diono UK Ltd continues to have group responsibility for all product design, product engineering, product development, brand management and marketing services for all international markets. A service agreement for these activities was entered into between Diono UK Ltd and Diono LLC in 2018.

The directors believe that support afforded is sufficient upon which to adopt the going concern basis.

Turnover

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

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2017, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Other intangibles are being amortised evenly over their estimated useful life of ten years.

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 etc - 33% on cost, 20% on cost and 15% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

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

2. **ACCOUNTING POLICIES - continued**

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.

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 10 (2020 - 15).

4. **INTANGIBLE FIXED ASSETS**

	Goodwill £	Other intangible assets £	Totals £
COST			
At 1 January 2021 and 31 December 2021	32,500	67,500	100,000
AMORTISATION			
At 1 January 2021	13,000	27,000	40,000
Charge for year	3,250	6,750	10,000
At 31 December 2021	16,250	33,750	50,000
NET BOOK VALUE			
At 31 December 2021	16,250	33,750	50,000
At 31 December 2020	19,500	40,500	60,000

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

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 January 2021 and 31 December 2021	<u>118,879</u>	<u>158,148</u>	<u>277,027</u>
DEPRECIATION			
At 1 January 2021	51,513	116,406	167,919
Charge for year	<u>23,776</u>	<u>28,803</u>	<u>52,579</u>
At 31 December 2021	<u>75,289</u>	<u>145,209</u>	<u>220,498</u>
NET BOOK VALUE			
At 31 December 2021	<u>43,590</u>	<u>12,939</u>	<u>56,529</u>
At 31 December 2020	<u>67,366</u>	<u>41,742</u>	<u>109,108</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	2,903	135,864
Amounts owed by associates	80,634	56,095
Other debtors	<u>245,214</u>	<u>233,202</u>
	<u>328,751</u>	<u>425,161</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts	10,331	5,833
Trade creditors	180,903	244,892
Amounts owed to associates	1,247,355	1,243,462
Taxation and social security	-	19,691
Other creditors	<u>11,625</u>	<u>11,918</u>
	<u>1,450,214</u>	<u>1,525,796</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Bank loans	34,167	44,167
Amounts owed to group undertakings	<u>815,355</u>	<u>621,742</u>
	<u>849,522</u>	<u>665,909</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>4,167</u>

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

9. **LEASING AGREEMENTS**

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

	2021	2020
	£	£
Within one year	151,600	151,600
Between one and five years	75,800	227,400
	<u>227,400</u>	<u>379,000</u>

10. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
100	Ordinary	1	<u>100</u>	<u>100</u>

11. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

Qualified opinion

As a result of issues during the relocation of warehousing facilities there were complications in terms of the counting of physical inventories at the end of the year as well as with transfer values used for the transfer. We were unable to satisfy ourselves by alternative means concerning the inventory quantities and subsequent valuation held at 31 December 2021 by using other audit procedures. Consequently, we were unable to determine whether any adjustments to this amount were necessary.

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 qualified opinion.

We also draw attention to the going concern section of note 2 in the financial statements, which details the changes the Company has implemented. The Company has experienced trading and operational difficulties in prior financial years and the management have made steps to address these issues. However, a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Stephen Butler FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts Tamworth Limited

12. **ULTIMATE CONTROLLING PARTY**

The company is a wholly owned subsidiary of Diono Holdings LLC, a company incorporated in the United States of America. The ultimate controlling party is Diono Investments LLC, also incorporated in the United States of America. Group financial statements are prepared by the ultimate parent company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.