

Registered number: 07375515

**STILTZ LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**STILTZ LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	M A Blomfield G A Farruggio L A Faulkner P A Geobey M J F Loftus M R Lord
<b>Registered number</b>	07375515
<b>Registered office</b>	Building E Prime Point Dandy Bank Road Pensnett Estate Kingswinford DY6 7TD
<b>Independent auditor</b>	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

**STILTZ LIMITED**

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## **STILTZ LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **Introduction**

The directors present the strategic report for the year ended 31 December 2020.

#### **Business review**

The directors were extremely pleased with trading performance for the period given the challenges faced with Covid-19. Turnover grew by 26% against prior year with all channels contributing. Gross profit was 40%, against 38% prior year. Admin expenses were up by 16% as the business continued to invest in headcount and systems to support growth. Most of the increase in admin expenses was payroll related with headcount increasing from 105 to 135 during the year. Employees at all levels benefited from bonuses based upon very strong growth in profitability. The business made an operating profit of £1.8M against £0.3M in the prior period.

Stock days were very low at just 98 days (132 prior year) which includes product in transit. This level of stock is low and has continued to be so in early 2021 due to high order intake following conservative production during the early stages of pandemic. The Group continues to invest in its manufacturing facility to maintain a build rate to support the order intake. Trade debtors fell from 26 to 23 days mainly due to channel mix. Trade creditors have risen in line with growth.

The business has comfortably repaid all loan commitments in the year, reduced intercompany creditors and finished the period with over £2.3M of cash against £0.2M in the prior period. We are encouraged to end the financial year with a balance sheet value of £1.4M.

In July the company took occupation of a newly built head office facility that is considered large enough for the long term needs for both warehouse and office.

#### **Principal risks and uncertainties**

The principal risks and uncertainties surround economic and social trends that may affect sale, supply and installation of lifts. Products are ultimately fitted into consumer homes and the company is aware of the need for quick lead times, competitive pricing, reliability and after sales response. Supply is from a Group company and open to exchange movements. Currently exchange rate exposure is mostly offset with export sales.

#### **Covid19**

The directors have spent significant time managing the impact of Covid-19 on the business. Supply of lifts from our production facility in China was first impacted in February 2020 where a whole month of production was lost. With European lockdown in place during Q2 the company experienced an understandable reluctance from our end user customers to allow sales or installation teams into their homes, many of whom were shielding due to age or underlying medical condition. This did result in a reduction in order intake and invoiced sales. Q3 experienced a recovery in order intake and the main impact of Covid-19 has actually been a lack of stock following a decision to reduce production in the summer. UK order intake rose by 33% in 2020 and the order bank was 424 units higher at year end. It was only a lack of product that prevented a similar increase in invoiced sales. Q1 of 2021 has followed a similar trend with high order intake impacting stock availability. This has been compounded by shipping times rising mostly due to the affects of Covid-19. The directors are confident that

Covid-19 has not had a detrimental impact on demand for our products. The directors did take limited advantage of the Government furlough scheme. Advantage was taken of a 3 month PAYE payment holiday during Q2 but this was paid back in full during Q3 out of cash flow.

#### **Brexit**

On 24 December 2020, the UK entered into a Trade and Cooperation Agreement with the EU which governs the conduct of trade between the two parties, following the end of the transition agreement that existed until 31 December 2020. Operationally there has been minimal disruption from the change and we continue to operate business as usual. We have continued to supply to all of our International dealers throughout 2021 to date.

**STILTZ LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Financial key performance indicators**

The company's activities expose it to a number of financial risks including credit risk, cashflow risk and liquidity risk.

*Cash flow risk*

The company's activities expose its primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The company manages these risks by financing its operating through retained profits.

*Credit risk*

The company's principal financial assets are bank balance and cash, and trade and other receivables. The company's credit risk is primarily attributable to its trade receivable. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

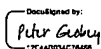
*Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

**Future developments**

The directors expect the rapid increase in sales to continue for 2021. Stiltz has a talented and experienced management team in place and are continuing to look ahead at systems and headcount required for the coming years. Significant investment has been made on Research and Development to enhance the product offering. The directors are excited by the future prospects for the business. We have ended the period with record order intake and a very strong order bank which will provide increased profitability in an ever growing market.

This report was approved by the board and signed on its behalf.

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**P A Geobey**  
Director

Date: 07 May 2021

## **STILTZ LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

#### **Directors' responsibilities statement**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements 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 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 to 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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £1,583,081 (2019: £375,025).

Dividends paid during the year amounted to £1,050,00 (2019: £600,000). Following the year end, the directors declared a further dividend of £550,000 (2019: £Nil).

#### **Directors' Indemnities**

The company has granted the directors with Qualifying Third Party Indemnity provisions within the meaning given to the term by Sections 234 and 235 of the Companies Act 2006. This is in respect of liabilities to which they may become liable in their capacity as director of the company and of any company within the group. Such indemnities were in force throughout the financial year and will remain in force.

#### **Directors**

The directors who served during the year are noted on the company information page.

#### **Strategic report**

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (strategic report and director's report) Regulations 2013 to set out in the company's strategic report information required by large and medium-sized companies and groups (accounts and reports) Regulations 2008 Schedule 7 to be contained in the directors' report.

**STILTZ LIMITED**

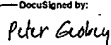
**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board and signed on its behalf.

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**P A Geobey**  
Director

Date: 07 May 2021

## **STILTZ LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STILTZ LIMITED**

#### **Opinion**

We have audited the financial statements of Stiltz Limited (the 'company') for the year ended 31 December 2020, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes, 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 2020 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 United Kingdom, including the Financial Reporting Council'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 of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

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

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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **STILTZ LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STILTZ LIMITED (CONTINUED)**

#### **Opinion 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 the 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 the 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 3, 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.

## STILTZ LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STILTZ 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.

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:

Our assessment focused on key laws and regulations the group has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of other clients in the same industry;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- reviewed and analysed discussion points within board meeting minutes.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias, in particular the director's assessment of recognising provisions;
- investigated the rationale behind significant or unusual transactions;
- reviewed management's basis for impairments against investments; and
- reviewed certain nominal codes for indication of any management override.

**STILTZ LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STILTZ LIMITED (CONTINUED)**

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and associated parties

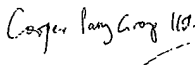
Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect any irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**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.



Paul Rowley (Senior Statutory Auditor)

for and on behalf of

**Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA

Date: 7 May 2021

## STILTZ LIMITED

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Turnover</b>	1.4,3	25,406,342	20,199,931
Cost of sales		(15,226,833)	(12,523,047)
<b>Gross profit</b>		10,179,509	7,676,884
Administrative expenses		(8,402,019)	(7,261,222)
Other operating income	4	147,848	-
<b>Operating profit</b>	5	1,925,338	415,662
Interest receivable and similar income		105	-
Interest payable and expenses	9	(117,644)	(75,853)
<b>Profit on ordinary activities before taxation</b>		1,807,799	339,809
Taxation on profit on ordinary activities	10	(224,718)	35,216
<b>Profit for the financial year</b>		1,583,081	375,025

There were no recognised gains and losses for 2020 or 2019 other than those included in the profit and loss account.

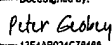
The notes on pages 12 to 31 form part of these financial statements.

**STILTZ LIMITED**  
**REGISTERED NUMBER:07375515**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	12	-	-
Tangible assets	13	1,557,524	1,116,652
Investments	14	360,726	360,726
		<u>1,918,250</u>	<u>1,477,378</u>
<b>Current assets</b>			
Stocks	15	1,773,923	1,940,222
Debtors	16	4,253,688	4,489,034
Cash at bank and in hand		2,345,385	184,953
		<u>8,372,996</u>	<u>6,614,209</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(6,493,937)</u>	<u>(6,036,574)</u>
<b>Net current assets</b>		<u>1,879,059</u>	<u>577,635</u>
<b>Total assets less current liabilities</b>		<u>3,797,309</u>	<u>2,055,013</u>
<b>Creditors: amounts falling due after more than one year</b>	18	(2,284,421)	(1,091,492)
<b>Provisions for liabilities</b>			
Deferred tax	21	(111,651)	(41,944)
Warranty provisions	22	-	(53,421)
<b>Net assets</b>		<u>1,401,237</u>	<u>868,156</u>
<b>Capital and reserves</b>			
Called up share capital	23	300	300
Share premium account	24	179,920	179,920
Profit and loss account	24	1,221,017	687,936
<b>Shareholders' funds</b>		<u>1,401,237</u>	<u>868,156</u>

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

DocuSigned by:  
  
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**P A Geobey**  
Director

Date: 07 May 2021

The notes on pages 12 to 31 form part of these financial statements.

**STILTZ LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2020	300	179,920	687,936	868,156
Profit for the year	-	-	1,583,081	1,583,081
Dividends (note 11)	-	-	(1,050,000)	(1,050,000)
<b>At 31 December 2020</b>	<b>300</b>	<b>179,920</b>	<b>1,221,017</b>	<b>1,401,237</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2019	300	179,920	740,872	921,092
Profit for the year	-	-	375,025	375,025
Dividends paid (note 11)	-	-	(600,000)	(600,000)
Credit to equity for equity settled share-based payments	-	-	172,039	172,039
<b>At 31 December 2019</b>	<b>300</b>	<b>179,920</b>	<b>687,936</b>	<b>868,156</b>

The notes on pages 12 to 31 form part of these financial statements.

## STILTZ LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

Stiltz Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is disclosed on the company information page.

The financial statements are prepared in Sterling (£), which is the functional currency of the company. The financial statements are for the year ended 31 December 2020 (2019: 31 December 2019).

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of finance statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following principal accounting policies have been applied:

##### 1.2 Disclosure exemptions

As permitted by FRS 102 section 1.12 the company has taken advantage of the disclosure exemptions available under the standard in relation to the presentation of a cash flow statement and the aggregate remuneration of key management personnel. Where required, equivalent disclosures are given in the group accounts of Stiltz Group Holdings Limited. The group accounts for Stiltz Group Holdings Limited are available to the public and can be obtained as set out in note 27.

##### 1.3 Going concern

The financial statements show the company had net current assets of £1,879,059 and net assets of £1,401,237 at the balance sheet date. The directors have considered the effect of the Coronavirus pandemic on the company with the information available to it, and do not believe it will affect the company's ability to continue to trade for the foreseeable future. Post year end trading results overall show a positive outlook for the company.

At the balance sheet date and signing date, the company had strong cash balances and net current assets. At the time of signing these accounts, the directors have considered the effect of the Coronavirus on the going concern position, and are satisfied that the company will continue to trade for a period of at least 12 months from the date of signing these accounts. The company has utilised government support where applicable.

Since the initial lockdown, trade has now resumed as the overall industry has returned back to work. With the prospect of lockdown restrictions being lifted in Summer 2021 following the initial success of the government vaccine programme, the company is looking forward for trade to return to pre Coronavirus levels.

The directors have revised their financial forecasts and they show that the company has sufficient cash available to it during the foreseeable future.

On that basis, the directors have prepared these financial statements on a going concern basis.

## STILTZ LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. Accounting policies (continued)

##### 1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover 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 turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Included within turnover is sale of services which is in respect of extended warranties which is recognised on a time apportioned basis over the period of the warranty term.

##### 1.5 Intangible assets

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Purchased trademarks are amortised to the profit and loss account on a straight line basis over the useful economic life. Amortisation charge is recognised in administrative expenses and is revised prospectively for any significant change in useful life or residual value.



## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 1. Accounting policies (continued)

## 1.6 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 the profit and loss account during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Leasehold improvements	-	20% straight line
Plant and machinery	-	25% straight line
Motor vehicles	-	20% straight line
Demo lifts	-	50% straight line
Office equipment	-	33% straight line
Computer equipment	-	33% straight line

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the profit and loss account.

At each balance sheet date, the directors review the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the directors estimate the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Any impairment loss is recognised as an expense immediately.

## 1.7 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.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit and loss account.

## STILTZ LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. Accounting policies (continued)

##### 1.8 Financial instruments

The company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and loans to and from related parties.

All basic financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

##### 1.9 Research and development

Research and development expenditure is written off in the year in which it is incurred.

##### 1.10 Leasing and hire purchase

Assets that are held by the company under leases which transfer substantially all the risks and rewards of ownership are classified as being held under hire purchase or finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the company are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such arrangements are included in creditors net of the finance charge allocated to future periods.

The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### 1.11 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

**STILTZ LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. Accounting policies (continued)**

**1.12 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure. Government grants relate to the receipt of Coronavirus Job Retention Scheme income which is included within other operating income in the profit and loss account.

**1.13 Pensions**

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 payment obligations.

The contributions are recognised as an expense in profit or 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

**1.14 Finance costs**

Finance costs are charged to profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**1.15 Current and deferred taxation**

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised 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 tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

## **STILTZ LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **1. Accounting policies (continued)**

##### **1.16 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

A warranty provision exists and the provision is measured based on the probability weighting of possible outcomes.

Provisions are charged as an expense to profit or loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

##### **1.17 Warranty provision**

When turnover is recognised for the sale of goods, a provision is made for the estimated cost of the warranty obligation. The provision is measured based on the probability weighting of all possible outcomes.

##### **1.18 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

##### **1.19 Share based payments**

Certain employees of the company have been granted options by the company over the shares in Stiltz Limited. Where the group grants options over its shares to employees in Stiltz Limited, it recognises this as a capital contribution equivalent to the share-based payment charge recognised in Stiltz Limited's profit and loss account and a corresponding entry directly in equity.

## **STILTZ LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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

The directors makes estimates and assumptions concerning the future. They are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### **Impairment of fixed assets**

The directors assess the impairment of tangible fixed assets subject to depreciation whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Factors considered important that could trigger an impairment review include the following:

- Significant underperformance relative to historical or projected future operating results;
- Significant changes in the manner of the use of the acquired assets or the strategy for the overall business; and
- Significant negative industry or economic trends.

##### **Depreciation and residual values**

The directors have reviewed the asset lives and associated residual values of all fixed asset classes and has concluded that asset lives and residual values are appropriate.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

##### **Carrying value of stocks**

The directors review the market value of and demand for the company's stocks on a periodic basis to ensure stock is recorded in the financial statements at the lower of cost and net realisable value. Any provision for impairment is recorded against the carrying value of stock. The directors use their knowledge of market conditions, historical experiences and estimates of future events to assess future demand for the company's products and achievable selling prices.

## **STILTZ LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **2. Judgements in applying accounting policies (continued)**

##### **Recoverability of trade and other debtors**

Trade and other debtors are recognised to the extent that they are judged recoverable. The directors reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

The directors make allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The directors specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

##### **Leases**

The directors determine whether leases entered into are an operating or a finance lease. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the company on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

##### **Provisions**

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

##### **Taxation**

There are many transactions and calculations for which the ultimate tax determination is uncertain. The company takes professional advice on its tax affairs and recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due.

The director's estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future planning strategies.

##### **Warranty provision**

A provision is recognised in respect of twelve month warranties granted on products. The amount provided represents the directors' best estimate of the future cash outflows in respect of those products still within the warranty period at the year end. It is based on past experience and costs incurred which are monitored on a regular basis. Any specific claims are included in full.

## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 3. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Sale of goods	25,001,357	19,723,239
Sale of services	404,985	476,692
	<u>25,406,342</u>	<u>20,199,931</u>

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	13,581,757	11,366,659
Rest of Europe	6,075,589	3,772,045
Rest of the world	5,748,996	5,061,227
	<u>25,406,342</u>	<u>20,199,931</u>

## 4. Other operating income

	2020 £	2019 £
Government grants receivable	147,848	-
	<u>147,848</u>	<u>-</u>

Government grants relate to income received under the Coronavirus Job Retention Scheme.

## 5. Operating profit

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

	2020 £	2019 £
Research and development costs	287,965	266,963
Foreign exchange differences	(48,272)	165,588
Other operating lease rentals	73,477	327,760
Share based payment	-	172,039
Depreciation of tangible fixed assets - owned by the company	179,028	97,410
Depreciation of tangible fixed assets - held under finance leases	11,768	27,498
Loss/(profit) on disposal of tangible fixed assets	10,408	(5,000)
	<u></u>	<u></u>

**STILTZ LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****6. Auditor's remuneration**

	<b>2020</b> £	<b>2019</b> £
Fees payable to the company's auditor for the audit of the company's annual financial statements	18,500	17,500

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>2020</b> £	<b>2019</b> £
Wages and salaries	5,778,560	4,083,630
Social security costs	568,240	416,594
Pension costs	171,109	125,204
	<u>6,517,909</u>	<u>4,625,428</u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2020</b> No.	<b>2019</b> No.
Production	68	51
Administration	67	54
	<u>135</u>	<u>105</u>

**8. Directors' remuneration**

	<b>2020</b> £	<b>2019</b> £
Directors' remuneration	647,201	494,120
Pension costs	20,610	24,531
	<u>667,811</u>	<u>518,651</u>

During the year retirement benefits were accruing to 4 directors (2019: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £154,736 (2019: £119,007).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £5,745 (2019: £10,831).



## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 9. Interest payable and similar expenses

	2020 £	2019 £
Bank interest payable	115,128	48,792
Other loan interest payable	104	19,456
Finance leases and hire purchase contracts	2,412	7,605
	<u>117,644</u>	<u>75,853</u>

## 10. Taxation

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	167,541	(47,817)
Adjustments in respect of previous periods	(12,530)	(5,425)
<b>Total current tax</b>	<u>155,011</u>	<u>(53,242)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	64,772	19,453
Effect of tax rate change on opening balance	4,935	-
Adjustments in respect of previous periods	-	(1,427)
<b>Total deferred tax</b>	<u>69,707</u>	<u>18,026</u>
<b>Taxation on profit on ordinary activities</b>	<u>224,718</u>	<u>(35,216)</u>

## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 10. Taxation (continued)

## Factors affecting tax charge for the year

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

	2020 £	2019 £
Profit on ordinary activities before tax	1,807,799	339,809
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	343,482	64,564
<b>Effects of:</b>		
Expenses not deductible for tax purposes	2,669	61,254
Fixed asset differences	23,590	-
Group relief claimed	(15)	-
Adjustments to tax charge in respect of prior periods	(12,530)	(6,852)
Additional deduction for research and development expenditure	(137,413)	(153,120)
Remeasurement of deferred tax for changes in tax rates	4,935	-
Other timing differences	-	(1,062)
<b>Total tax charge for the year</b>	<b>224,718</b>	<b>(35,216)</b>

## Factors that may affect future tax charges

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023.

## 11. Dividends

	2020 £	2019 £
Dividends paid	1,050,000	600,000
	1,050,000	600,000

## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 12. Intangible assets

	Trademarks £
<b>Cost</b>	
At 1 January 2020	4,220
At 31 December 2020	4,220
<b>Amortisation</b>	
At 1 January 2020	4,220
At 31 December 2020	4,220
<b>Net book value</b>	
At 31 December 2020	-
At 31 December 2019	-

## 13. Tangible fixed assets

	Freehold property £	Leasehold improvements £	Plant and machinery £	Motor vehicles £
<b>Cost</b>				
At 1 January 2020	847,132	111,732	67,867	145,896
Additions	168,509	307,948	25,336	800
Disposals	-	(83,735)	(16,999)	(44,461)
At 31 December 2020	1,015,641	335,945	76,204	102,235
<b>Depreciation</b>				
At 1 January 2020	2,824	69,304	45,890	104,705
Charge for the year	39,144	38,826	9,400	19,000
Disposals	-	(59,926)	(15,583)	(44,461)
At 31 December 2020	41,968	48,204	39,707	79,244
<b>Net book value</b>				
At 31 December 2020	973,673	287,741	36,497	22,991
At 31 December 2019	844,308	42,428	21,977	41,191

## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 13. Tangible fixed assets (continued)

	Office equipment £	Computer equipment £	Demo lifts £	Total £
<b>Cost</b>				
At 1 January 2020	36,618	249,784	24,928	1,483,957
Additions	74,596	67,639	12,065	656,893
Disposals	-	-	-	(145,195)
At 31 December 2020	<u>111,214</u>	<u>317,423</u>	<u>36,993</u>	<u>1,995,655</u>
<b>Depreciation</b>				
At 1 January 2020	21,106	98,548	24,928	367,305
Charge for the year	15,926	68,165	335	190,796
Disposals	-	-	-	(119,970)
At 31 December 2020	<u>37,032</u>	<u>166,713</u>	<u>25,263</u>	<u>438,131</u>
<b>Net book value</b>				
At 31 December 2020	<u>74,182</u>	<u>150,710</u>	<u>11,730</u>	<u>1,557,524</u>
At 31 December 2019	<u>15,512</u>	<u>151,236</u>	<u>-</u>	<u>1,116,652</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £	2019 £
Motor vehicles	-	6,134
Computer equipment	11,768	32,132
	<u>11,768</u>	<u>38,266</u>

## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 14. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 January 2020	360,726
At 31 December 2020	<u>360,726</u>

## Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
Stiltz Inc.	Sale of home lifts	Ordinary	100%
Stiltz (Kunshan) Co Limited	Lift manufacturer	Ordinary	100%

Stiltz Inc's registered office is 57 S Commerce Way, STE 300, Bethlehem, PA 18017-8964, USA.

Stiltz (Kunshan) Co Limited' registered office is No. 299 Hanpu Road, Chengbei, Yushan Town, Kunshan, 215300 Suzhou, China.

## 15. Stocks

	2020 £	2019 £
Raw materials	1,773,923	1,940,222
	<u>1,773,923</u>	<u>1,940,222</u>

Stock recognised in cost of sales during the year as an expense was £6,583,772 (2019: £5,329,140).

## 16. Debtors

	2020 £	2019 £
Trade debtors	1,630,492	1,426,282
Amounts owed by group undertakings	671,920	1,649,572
Other debtors	164,288	228,845
Prepayments and accrued income	1,786,988	1,184,335
	<u>4,253,688</u>	<u>4,489,034</u>

## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other loans	-	550,500
Bank loans	20,653	55,984
Trade creditors	1,019,988	884,429
Amounts owed to group undertakings	1,019,742	1,363,769
Corporation tax	107,194	-
Other taxation and social security	209,056	131,636
Obligations under finance lease and hire purchase contracts	30,692	23,203
Other creditors	24,174	194,152
Accruals and deferred income	4,062,438	2,832,901
	<u>6,493,937</u>	<u>6,036,574</u>

See note 19 and 20 for details on security. Included within other creditors is £Nil (2019: £174,000) which relates to dividends payable.

## 18. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	894,571	512,548
Bank loans	572,116	546,435
Net obligations under finance leases and hire purchase contracts	7,116	32,509
Accruals and deferred income	810,618	-
	<u>2,284,421</u>	<u>1,091,492</u>

See note 19 and 20 for details on security.

## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 19. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
<b>Amounts falling due within one year</b>		
Bank loans	20,653	55,984
Other loans	-	550,500
	<u>20,653</u>	<u>606,484</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	32,234	32,234
Other loans	-	12,548
	<u>32,234</u>	<u>44,782</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	539,882	514,201
Other loans	894,571	500,000
	<u>1,434,453</u>	<u>1,014,201</u>
	<u>1,487,340</u>	<u>1,665,467</u>

**Bank loans**

Included within bank loans is loans totalling £592,769 (2019: £602,419) which bears interest of 3.75% per annum. The loan is due for repayment in monthly installments till July 2024. The loan is secured by a fixed charge over the freehold property.

**Other loans**

Included within other loans is loans totalling £Nil (2019: £163,048) which bears interest of 5% per annum. The loan was repaid in full in the year. No security is held on this loan.

Included within other loads is loans totalling £Nil (2019: £900,000) which bears interest at 7% per annum. The loan was repaid in full in the year. The loan is secured by a fixed charge over certain tangible assets and a floating charge over all other assets.

Included within other loans is loans totalling £894,571 (2019: £Nil) which bears a fixed rate of interest of 5% per annum. The total value of £894,571 is due for repayment in 30 September 2030 however may be recalled by the lender providing sufficient notice is made. No security is held on this loan.

## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**20. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2020 £	2019 £
Within one year	30,692	23,203
Between 1-5 years	7,116	32,509
	<u>37,808</u>	<u>55,712</u>

**Hire purchase**

Obligations under finance leases and hire purchase contracts are secured on the asset to which they relate to.

**21. Deferred taxation**

	2020 £	2019 £
At the beginning of the year	41,944	23,918
Charged to the profit and loss account	69,707	18,026
<b>At the end of the year</b>	<u>111,651</u>	<u>41,944</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	115,901	51,240
Tax losses carried forward	-	(5,856)
Short term timing differences	(4,250)	(3,440)
	<u>111,651</u>	<u>41,944</u>



## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 22. Provisions

	Warranty provision £
At 1 January 2020	53,421
Released to the profit and loss account	(53,421)
<b>At 31 December 2020</b>	<b>-</b>

A provision has been recognised in respect warranty granted on products. The amount provided represents the directors' best estimate of the future cash outflows in respect of those products still within the warranty period at the year end. It is based on past experience and costs incurred which are monitored on a regular basis. Any specific claims are included in full. It is expected that the provision will be utilised in the short to medium term in line with the agreement terms.

## 23. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
27,000 A Ordinary shares of £0.01 each	270	270
3,000 B Ordinary shares of £0.01 each	30	30
	<u>300</u>	<u>300</u>

The A and B Ordinary shares rank pari passu in all respects, carry voting rights and the right to participate in profits and a return in capital.

## 24. Reserves

**Share premium account**

Consideration received for shares issued above their nominal value net of transaction costs.

**Profit and loss account**

The profit and loss reserve represents cumulative profit and losses for the company net of distributions to owners.

## STILTZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**25. Commitments under operating leases**

At 31 December 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	420,563	276,270
Later than 1 year and not later than 5 years	606,984	373,712
	<u>1,027,547</u>	<u>649,982</u>

**26. Related party transactions**

Transactions between the company and its related parties are disclosed below:

	2020 £	2019 £
Sales	3,597,089	1,960,746
Interest payable	3,913	18,251
Loan repaid	(163,048)	(371,686)
<b>Year end balances:</b>		
Amounts due to related party	-	(163,048)
Amounts due from related party	592,425	34,198
	<u>592,425</u>	<u>34,198</u>

During the year recharges totalling £Nil (2019: £22,875), were made to a company in which the director holds a controlling interest.

As at 31 December 2020, an amount of £894,572 (2019: £Nil) was owed by the company to related parties who have a interest in the share capital of Stiltz Group Holdings Limited. The balance incurs interest charge of 5% and interest of £3,729 (2019: £Nil) was charged in the year.

Related parties are companies in which directors hold a controlling interest.

Advantage has been taken of the exemption provided by FRS 102 Section 33.1A not to disclose transactions with fellow group companies as all subsidiary undertakings are wholly owned by the ultimate controlling entity of the group.

**27. Ultimate parent undertaking and controlling party**

The company's ultimate parent undertaking is Stiltz Group Holdings Limited, a company registered in England and Wales. This is the smallest and largest group for which consolidated accounts are drawn up. The consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The directors are of the opinion that there is no single ultimate controlling party.