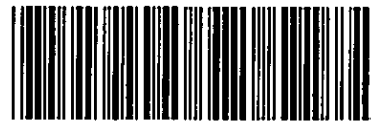


AL-KO KOBER HOLDINGS LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2011

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COMPANIES HOUSE

AL-KO KOBER HOLDINGS LIMITED

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AL-KO KOBER HOLDINGS LIMITED

COMPANY INFORMATION

Directors	H Kober R Kober
Company secretary	R Kober
Company number	01945608
Registered office	12 York Gate Regent's Park London NW1 4QS
Auditor	Blick Rothenberg Chartered Accountants & Statutory Auditor 12 York Gate Regent's Park London NW1 4QS

AL-KO KOBER HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and the financial statements of the group for the year ended 31 December 2011

Principal activity

The principal activity of the group continued to be that of the manufacture and distribution of vehicle components

Business review

The results for the year and the financial position at the year end were considered satisfactory by the directors in light of the current economic circumstances. The directors view the future with optimism.

Results and dividends

The profit for the year, after taxation, amounted to £847,624 (2010 - £1,728,056)

The directors have paid an interim dividend of £nil (2010 - £2,000,000)

Directors

The directors who served during the year were

H Kober
R Kober
B J Sharratt (resigned 1 December 2011)

Management control policy, business risks, principles and the use of key performance indicators

The UK group is managed on a basis which is in accordance with the principles of the AL-KO Kober Group. This is clearly identified within the UK group's mission statement, and the group objective to be market leaders in every market sector in which it operates. It also strives, through a rigorous management review of its key performance indicators, to increase and improve its capability and competence through constant innovation and continuous improvement.

The direction and management of the UK group is data driven through ongoing analysis of our key performance indicators. Review procedures, including but not restricted to, are as follows:

- Customer satisfaction
- Quality, delivery and competitive performance
- Health and safety
- Environmental improvement
- Sales growth and profitability
- Growth and improvement in people capability through continuous education and communication guided and approved by the principles of the Investors in People standard
- Strong financial and commercial management through sound contractual agreement review, and working in partnership with our customers and in the industries that we support

AL-KO KOBER HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

- Strict conformance to the AL-KO brand promise of "Quality Safety and performance"

In the light of the foregoing it is pleasing to note that turnover in value terms was maintained at the previous year's level during a period of economic stringency

Health and safety

AL-KO Kober is enthusiastic in seeking to provide a safe and healthy working environment in which all its employees can prosper and grow. It has an appointed senior manager with specific responsibility to work with the directors of the group, and the employees, in order to fulfil and exceed the expectations of the law, the Kober family, and our insurers. In line with the agreed group policy, the management and employees carry out risk assessments and regular reviews to ensure complete conformance with all measures designed to ensure a safe working environment.

Environmental policy

It is an AL-KO group policy that all companies must operate in such a way that maximum environmental protection is ensured. Everybody in the group can contribute towards creating an environment which increases the quality of life. Energy and other raw materials should not be wasted. Each of us will help to achieve this goal. AL-KO Kober Limited achieved the Environmental Standard ISO 14001 during 2011.

Customer satisfaction

AL-KO Kober Limited is totally customer driven. We believe that we must listen to our customers, meet their requests, and even strive to surpass them. In this way we will be able to secure the profit and growth necessary to secure our future, and be able to invest in market growth and new product development. The group values and maintains its business approvals to ISO 9000, IIP, and Q100. It is also enthusiastic in its support of the National Caravan Council, the Society of Motor Manufacturers and Traders, European Standards organisations and the European Caravan Federation.

The Kober family and its directors believe that the strength of our group lies in our principles. They are standards for our way of thinking, decisions and actions.

Foreign currency exchange rates

The company is exposed to foreign currency exchange fluctuations, due to its transactions with group members. The company manages its foreign exchange requirements and exposure on an ongoing basis and uses a range of financial instruments, such as currency accounts and forward contracts, to minimise risk and exposure.

Provision of information to auditor

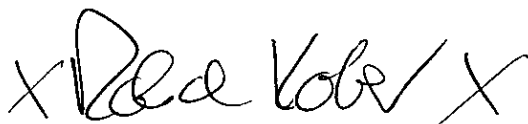
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

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

AL-KO KOBER HOLDINGS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011

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

R Kober
Director

X  X

Date 20th MARCH 2012

AL-KO KOBER HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AL-KO KOBER HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AL-KO KOBER
HOLDINGS LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2011

We have audited the financial statements of AL-KO Kober Holdings Limited for the year ended 31 December 2011, set out on pages 8 to 28. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2011 and of the group's 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

AL-KO KOBER HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AL-KO KOBER
HOLDINGS LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2011

Matters on which we are required to report by exception

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Andrew Sanford (Senior statutory auditor)

for and on behalf of
Blick Rothenberg

Chartered Accountants
Statutory Auditor

12 York Gate
Regent's Park
London
NW1 4QS

27 March 2012

AL-KO KOBER HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £
Turnover	1,2	28,599,250	28,488,306
Change in stocks of finished goods and work in progress		288,342	(81,037)
Other external charges		(22,128,520)	(21,057,422)
Staff costs		(2,774,092)	(2,735,283)
Depreciation and amortisation		(214,066)	(188,012)
Other operating charges		(2,538,250)	(1,969,580)
Operating profit	3	1,232,664	2,456,972
Interest receivable and similar income	6	12,322	22,176
Interest payable and similar charges	7	(35,000)	(67,000)
Profit on ordinary activities before taxation		1,209,986	2,412,148
Tax on profit on ordinary activities	8	(362,362)	(684,092)
Profit for the financial year		847,624	1,728,056

All amounts relate to continuing operations

The notes on pages 12 to 28 form part of these financial statements

AL-KO KOBER HOLDINGS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 £	2010 £
Profit for the financial year	847,624	1,728,056
Actuarial gain/(loss) relating to pension liability	<u>(354,460)</u>	<u>93,600</u>
Total recognised gains and losses relating to the year	<u>493,164</u>	<u>1,821,656</u>

The notes on pages 12 to 28 form part of these financial statements

AL-KO KOBER HOLDINGS LIMITED

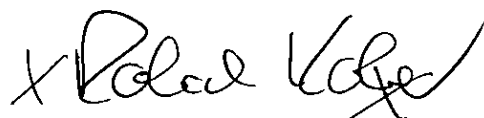
REGISTERED NUMBER 01945608

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2011**

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	11		3,817,437		3,829,187
Current assets					
Stocks	13	2,092,625		1,804,283	
Debtors	14	6,418,926		6,693,680	
Cash at bank		1,947,407		3,751,640	
		<u>10,458,958</u>		<u>12,249,603</u>	
Creditors amounts falling due within one year	15	(2,839,160)		(5,394,939)	
Net current assets			<u>7,619,798</u>		<u>6,854,664</u>
Total assets less current liabilities			<u>11,437,235</u>		<u>10,683,851</u>
Provisions for liabilities					
Other provisions	18		<u>(301,506)</u>		<u>(317,886)</u>
Net assets excluding pension scheme assets/(liabilities)			<u>11,135,729</u>		<u>10,365,965</u>
Defined benefit pension scheme liability	17		<u>(990,120)</u>		<u>(713,520)</u>
Net assets including pension scheme assets/(liabilities)			<u><u>10,145,609</u></u>		<u><u>9,652,445</u></u>
Capital and reserves					
Called up share capital	21		2,300,000		2,300,000
Share premium account	22		327,103		327,103
Profit and loss account	22		<u>7,518,506</u>		<u>7,025,342</u>
Shareholders' funds	23		<u><u>10,145,609</u></u>		<u><u>9,652,445</u></u>

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

R Kober
Director



Date 20th MARCH 2012

AL-KO KOBER HOLDINGS LIMITED

REGISTERED NUMBER 01945608

**COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2011**

	Note	2011 £	2010 £
Fixed assets			
Investments	12	1,027,103	1,027,103
Total assets less current liabilities		<u>1,027,103</u>	<u>1,027,103</u>
Capital and Reserves			
Called up share capital	21	2,300,000	2,300,000
Share premium account	22	327,103	327,103
Profit and loss account	22	(1,600,000)	(1,600,000)
Shareholders' funds	23	<u>1,027,103</u>	<u>1,027,103</u>

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

R Kober
Director

X  X

Date

20th March 2012

AL-KO KOBER HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Basis of consolidation

The financial statements consolidate the accounts of AL-KO Kober Holdings Limited and its subsidiary undertaking AL-KO Kober Limited

As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group accounts by virtue of section 408 of the Companies Act 2006

1.3 Going Concern

The group has adequate financial resources and, as a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making inquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

1.4 Cash flow statement

The directors have taken advantage of the exemption in the Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the group is wholly owned and its parent publishes a consolidated cash flow

1.5 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	2% straight line
Plant & machinery	-	10%-25% straight line
Motor vehicles	-	25% straight line

Freehold land is not depreciated

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

AL-KO KOBER HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1. Accounting policies (continued)

1.8 Stocks and work in progress

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. The cost of finished goods comprises materials, direct labour and attributable production overheads. Net realisable value is based on estimated selling price less any further costs that are expected to be incurred to completion and disposal.

Work in progress comprises materials, direct labour and attributable production overheads. No element of profit is included in the valuation of work in progress.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated using the tax rates enacted or substantively enacted by the balance sheet date and which are expected to apply in the periods in which the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. All differences are taken to the profit and loss account.

AL-KO KOBER HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1. Accounting policies (continued)

1 11 Pensions

The group operates two defined benefit pension schemes. The assets of the schemes are held in separate trustee administered funds.

Regular valuations are prepared by independent professionally qualified actuaries. These determine the level of contributions required to fund the benefits set out in the rules of the scheme and allow for the periodic increase of pensions in payment. The regular service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service is charged to the operating profit in the year.

A credit representing the expected return on the assets of the retirement benefit schemes during the year is included within other finance income. This is based on the market value of the assets of the schemes at the start of the financial year.

A charge within other finance charges represents the expected increase in the liabilities of the retirement benefit scheme during the year. This arises from the liabilities of the scheme being one year closer to payment.

The difference between the market value of assets and the present value of accrued pension liabilities is shown as an asset or liability in the balance sheet net of deferred tax.

Differences between actual and expected returns on assets during the year are recognised in the statement of total recognised gains and losses in the year, together with differences arising from changes in assumptions.

The group also operates a defined contribution pension scheme. Contributions to the defined contribution scheme are charged to the profit and loss account as they become payable.

1 12 Provisions for liabilities and charges

Provisions for the expected costs of maintenance under guarantees are charged against profits when products have been invoiced. The effect of the time value of money is not material and therefore the provisions are not discounted.

1 13 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 14 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

AL-KO KOBER HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

2. Turnover

A geographical analysis of turnover is as follows

	2011 £	2010 £
United Kingdom	27,579,181	27,914,325
Rest of European Union	931,278	559,374
Rest of World	88,791	14,607
	<u>28,599,250</u>	<u>28,488,306</u>

3. Operating profit

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the group	217,166	198,004
Auditors' remuneration		
- audit services	39,000	38,500
- other taxation and pension services	4,373	6,763
Operating lease rentals		
- other operating leases	49,489	43,055
Foreign exchange gains	(31,524)	(16,826)
(Profit)/loss on disposal of fixed assets	(3,100)	(9,992)
	<u></u>	<u></u>

AL-KO KOBER HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

4. Staff costs

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	2,302,603	2,248,390
Social security costs	232,915	225,892
Contributions to defined contributions pension schemes	238,574	261,001
	<u>2,774,092</u>	<u>2,735,283</u>

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

	2011 No.	2010 No.
Production	38	38
Administration	23	21
Selling and distribution	19	17
	<u>80</u>	<u>76</u>

5. Directors' remuneration

The directors' aggregate emoluments in respect of qualifying services were

	2011 £	2010 £
Emoluments receivable	-	-
Pension costs	-	-
	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>

During the year retirement benefits were accruing to no directors (2010 - NIL) in respect of defined contribution pension schemes

AL-KO KOBER HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

6. Interest receivable

	2011 £	2010 £
Group interest receivable	5,569	19,249
Other interest receivable	6,753	2,927
	<u>12,322</u>	<u>22,176</u>

7 Interest payable

	2011 £	2010 £
Other financial charges	<u>35,000</u>	<u>67,000</u>

8 Taxation

	2011 £	2010 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	271,922	646,659
Deferred tax		
Origination and reversal of timing differences	36,300	21,753
Deferred tax debit in relation to pension costs	54,140	15,680
Total deferred tax (see note 16)	<u>90,440</u>	<u>37,433</u>
Tax on profit on ordinary activities	<u>362,362</u>	<u>684,092</u>

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 26.25% (2010 - 28%)

Factors that may affect future tax charges

During the year, as a result of reductions in the UK main corporation tax rate to 26% with effect from 1 April 2011 and to 25% with effect from 1 April 2012, that were substantively enacted by the balance sheet date, the relevant deferred tax balances have been re-measured. The effect of the change in the corporation tax rate was to reduce the opening deferred tax asset by £4,300 to £54,400.

Further reductions to the UK corporation tax rate were announced in the March 2011 Budget. The changes, which are expected to be enacted separately each year, propose to reduce the rate by 1% per annum to 23% by 1 April 2014. Since these changes had not been substantively enacted at the balance sheet date they are not recognised in these financial statements.

AL-KO KOBER HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

9 Profit attributable to members of the parent company

The company has taken advantage of section 408 of the Companies Act 2006 not to present its own profit and loss account

The company made profit of £nil (2010 £2,000,000) during the year

10. Dividends

	2011 £	2010 £
Dividends paid on equity capital	-	2,000,000

11. Tangible fixed assets

Group	Freehold property £	Plant & machinery and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2011	4,359,724	1,982,852	397,723	6,740,299
Additions	9,660	180,832	20,990	211,482
Disposals	-	(134,088)	(28,015)	(162,103)
At 31 December 2011	4,369,384	2,029,596	390,698	6,789,678
Depreciation				
At 1 January 2011	811,453	1,811,259	288,400	2,911,112
Charge for the year	66,386	99,744	51,036	217,166
On disposals	-	(132,272)	(23,765)	(156,037)
At 31 December 2011	877,839	1,778,731	315,671	2,972,241
Net book value				
At 31 December 2011	3,491,545	250,865	75,027	3,817,437
At 31 December 2010	3,548,271	171,593	109,323	3,829,187

AL-KO KOBER HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

12 Fixed asset investments

	Investments in subsidiary company £
Company	
Cost	
At 1 January 2011 and 31 December 2011	1,027,103
Net book value	
At 31 December 2011	1,027,103
At 31 December 2010	1,027,103

The company has a 100% ordinary shareholding in its subsidiary Al-Ko Kober Limited. Al-Ko Kober Limited manufacture and distribute vehicle components. The company was incorporated in England and Wales.

13. Stocks

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Raw materials	482,853	374,051	-	-
Work in progress	64,095	50,861	-	-
Finished goods and goods for resale	1,545,677	1,379,371	-	-
	<u>2,092,625</u>	<u>1,804,283</u>	<u>-</u>	<u>-</u>

14. Debtors

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	5,976,228	5,446,991	-	-
Amounts owed by group undertakings	261,415	1,020,753	-	-
Other debtors	9,161	7,700	-	-
Prepayments and accrued income	149,722	159,536	-	-
Deferred tax asset (see note 16)	22,400	58,700	-	-
	<u>6,418,926</u>	<u>6,693,680</u>	<u>-</u>	<u>-</u>

AL-KO KOBER HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

15. Creditors: Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	-	1,497	-	-
Trade creditors	539,120	508,662	-	-
Amounts owed to group undertakings	1,132,490	3,161,266	-	-
Corporation tax	228,841	519,622	-	-
Social security and other taxes	724,999	856,520	-	-
Accruals and deferred income	213,710	347,372	-	-
	2,839,160	5,394,939	-	-

16. Deferred taxation

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
At beginning of year	58,700	80,453	-	-
Charged for the year	(36,300)	(21,753)	-	-
At end of year	22,400	58,700	-	-

The deferred taxation balance is made up as follows

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	14,700	33,400	-	-
Other short term differences	7,700	25,300	-	-
	22,400	58,700	-	-

AL-KO KOBER HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

17. Pension commitments

The group operates two defined benefit pension schemes, the contributions payable to which are determined by a qualified actuary

The liability position is as follows

	2011 £	2010 £
Al-Ko Kober Limited Pension and Assurance scheme	932	650
Al-Ko Kober Limited Retirement and Death Benefit Plan For Hourly Paid Employees	58	64
Total liability	<u>990</u>	<u>714</u>

Al-Ko Kober Limited Pension and Assurance Scheme

The group operates a defined benefit pension scheme with assets held in a separately administered fund. The scheme provides retirement benefits on the basis of members' final salary.

The disclosures set out below are based on calculations carried out as at 31 December 2011 by a qualified independent actuary using the projected unit basis. The major assumptions used by the actuary were

	2011 %	2010 %
Rate of increase in salaries	4.00	4.45
Rate of increase in pension payments	3.00	3.45
Discount rate	5.10	5.45
Rate of inflation	3.00	3.45
Rate of increase of pension deferment	2.25	3.45
Expected return on plan assets	4.78	6.05

The mortality assumptions used the actuarial table SAPS YOB Medium Cohort

The assets in the scheme and the expected rates of return were

	31 December 2011 %	Value as at 31 December 2011 £'000	31 December 2010 %	Value as at 31 December 2010 £'000
Equities	58	2,141	63	2,170
Gilts	31	1,167	26	895
Bonds	11	426	11	370
Cash	-	-	-	3
Total	<u>100</u>	<u>3,734</u>	<u>100</u>	<u>3,438</u>

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	Value as at 31 December 2011 £	Value as at 31 December 2010 £
Total market value of assets	3,734	3,438
Present value of scheme liabilities	<u>(4,994)</u>	<u>(4,340)</u>
Deficit in scheme	(1,260)	(902)
Related deferred tax asset	328	252
Net liability	<u><u>(932)</u></u>	<u><u>(650)</u></u>

The equity investments, gilts and bonds which are held in plan assets are valued at the current bid price

Reconciliation of present value of scheme liabilities

	2011 £'000	2010 £'000
1 January	4,340	4,143
Current service cost	118	113
Contribution by employees	32	29
Interest cost	237	232
Benefits paid	(150)	(152)
Actuarial loss/(gain)	417	(25)
31 December	<u><u>4,994</u></u>	<u><u>4,340</u></u>

Reconciliation of fair value of scheme assets

	2011 £	2010 £
1 January	3,438	2,943
Expected return on scheme assets	212	188
Actuarial (loss)/gain	(58)	218
Benefits paid	(150)	(152)
Contributions paid by employer	260	212
Contributions paid by employee	32	29
31 December	<u><u>3,734</u></u>	<u><u>3,438</u></u>

Scheme assets do not include any of the group's own financial instruments, or any property occupied by the group

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

The actual return on scheme assets in the year was £154,000 (2010: £406,000)

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Analysis of the amount charged to the profit or loss are as follows.

	2011 £'000	2010 £'000
Current service cost	118	113
Expected return on pension scheme assets	(212)	(188)
Interest on pension scheme liabilities	237	232
Total	<u>143</u>	<u>157</u>

Actuarial gains and losses

The cumulative amount of actuarial losses recognised in the statement of recognised gains and losses is £1,875,000 (2009 £1,400,000)

Actuarial calculation

The actuarial calculation at 31 December 2011 showed an increase in the deficit from £902,000 to £1,260,000. The group's contributions expected to be made in the year commencing 1 January 2012 are £212,000.

Amounts for current and previous four years	2011 £	2010 £	2009 £	2008 £	2007 £
Defined benefit obligation	(4,994)	(4,340)	(4,143)	(3,517)	(3,501)
Plan assets	3,734	3,438	2,943	2,235	2,331
Deficit	(1,260)	(902)	(1,200)	(1,282)	(1,170)
Experience adjustments on plan assets	(58)	218	262	(473)	(20)
Experience adjustments on plan liabilities	(296)	-	257	(12)	(99)
Changes in the assumptions underlying the present value of scheme liabilities	(121)	25	(546)	234	367

Al-Ko Kober Limited Retirement and Death Benefit Plan for Hourly Paid Employees

The group operates a defined benefit pension scheme with assets held in a separately administered fund. The scheme provides retirement benefit on the basis of members' final salary.

The disclosures set out below are based on calculations carried out as at 31 December 2011 by a qualified independent actuary using the projected unit basis.

The major assumptions used by the actuary were

	2011 %	2010 %
Expected return on plan assets	3.50	3.95
Discount rate	4.60	5.45
Rate of inflation	3.00	3.45
Rate of increase of pension deferment	2.25	3.45

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The assets in the scheme were as follows

	31 December 2011 %	Value at 31 December 2011 £'000	31 December 2010 %	Value at 31 December 2010 £'000
Cash	100	374	100	430

	Value at 31 December 2011 £'000	Value at 31 December 2010 £'000
Total market value of assets	374	430
Present value of scheme liabilities	(452)	(519)
Surplus in scheme	(78)	(89)
Related deferred tax asset	20	25
Net deficiency	(58)	(64)

Reconciliation of present value of scheme liabilities

	2011 £'000	2010 £'000
1 January	519	404
Interest cost	26	25
Benefits paid	(81)	(28)
Actuarial (gain)/loss	(12)	118
31 December	452	519

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Reconciliation of fair value of scheme assets

	2011 £'000	2010 £'000
1 January	430	427
Expected return on scheme assets	16	2
Actuarial (loss)/gain	(16)	4
Benefits paid	(81)	(28)
Contributions paid by employer	25	24
	<u>374</u>	<u>429</u>
31 December	<u>374</u>	<u>429</u>

Scheme assets do not include any of the group's own financial instruments, or any property occupied by the group

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy

The actual return on scheme assets in the year was £nil (2010 £7,000)

Analysis of the amount charged to profit or loss are as follows:

	2011 £'000	2010 £'000
Expected return on pension scheme assets	(16)	(2)
Interest on pension scheme liabilities	26	25
	<u>10</u>	<u>23</u>
Total	<u>10</u>	<u>23</u>

Actuarial gains and losses

The cumulative amount of actuarial gain recognised in the statement of recognised gains and losses is £117,000 (2010 £113,000)

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Actuarial calculation

The actuary's calculation as at 31 December 2011 showed a deficit of £78,000 (2010 £89,000). The company's contributions expected to be made in the year commencing 1 January 2012 are £21,400 (plus insurance premiums and administrative expenses)

Amounts for current and previous four years:	2011 £'000	2010 £'000	2009 £'000	2008 £'000	2007 £'000
Defined benefit obligation	(452)	(519)	(404)	(351)	(476)
Plan assets	374	430	427	413	448
(Deficit)/surplus	(78)	(89)	23	62	(28)
Experience on adjustments on plan assets	(16)	4	7	(20)	2
Experience on adjustments on plan liabilities	-	(69)	11	(3)	64
Changes on the assumptions underlying the present value of plan liabilities	12	(49)	(61)	96	19

18. Provisions

	Group 2011 £
Warranty provision.	
At 1 January 2011	317,886
Movement for year	(16,380)
At 31 December 2011	<u>301,506</u>

A provision has been recognised for expected claims against product guarantees. It is expected that most of this expenditure will be incurred in the next two financial years. The provision has not been discounted since the effect of discounting is not material.

The Company has no provisions.

19. Operating lease commitments

At 31 December 2011 the Group had annual commitments under non-cancellable operating leases as follows:

Group	2011 £	2010 £
Expiry date		
Within 1 year	3,120	-
Between 2 and 5 years	14,232	18,912
Total	<u>17,352</u>	<u>18,912</u>

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20. Related party transactions and controlling party

The directors regard Alois Kober GmbH as being the immediate controlling party. The directors regard the Kober family as the ultimate controlling party.

The group and company have taken advantage of the exemption afforded by Financial Reporting Standard 8 from disclosing transactions with related parties which are part of the group AL-KO Kober AG, a company incorporated in Germany. Copies of the group financial statements are available as disclosed in note 24.

21. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
2,300,000 Ordinary shares of £1 each	<u>2,300,000</u>	<u>2,300,000</u>

22. Reserves

	Share premium account £	Profit and loss account £
Group		
At 1 January 2011	327,103	7,025,342
Profit for the year		847,624
Actuarial loss relation to pension liability		(354,460)
	<u>327,103</u>	<u>7,518,506</u>
At 31 December 2011		
	<u>327,103</u>	<u>7,518,506</u>
Company		
At 1 January 2011 and 31 December 2011	<u>327,103</u>	<u>(1,600,000)</u>

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23. Reconciliation of movement in shareholders' funds

Group	2011 £	2010 £
Opening shareholders' funds	9,652,445	9,830,789
Profit for the year	847,624	1,728,056
Dividends (Note 10)	-	(2,000,000)
Actuarial (loss)/gain relating to pension scheme liability	(354,460)	93,600
Closing shareholders' funds	<u>10,145,609</u>	<u>9,652,445</u>

Company	2011 £	2010 £
Opening shareholders' funds	1,027,103	1,027,103
Profit for the year	-	2,000,000
Dividends (Note 10)	-	(2,000,000)
Closing shareholders' funds	<u>1,027,103</u>	<u>1,027,103</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account

24. Ultimate parent undertaking

The immediate parent undertaking is Alois Kober GmbH, a company incorporated in Germany

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is AL-KO Kober AG, a company incorporated in Germany. The directors regard this company as being the ultimate holding company. Copies of these group financial statements are available to the public from Handelsgericht Ref B19438940 Memmingen, Germany