

Magnet Limited

Annual report and financial statements

Registered number 2762625

31 December 2014



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Strategic report

The directors present their strategic report for the year ended 31 December 2014.

Principal activities

The principal activities of the company were the manufacture, merchanting and retailing of kitchens, joinery and related products.

During 2013, the company entered into an undisclosed agency agreement with Nobia Holdings UK Limited, the company's immediate parent undertaking. With effect from 1 January 2013 the company acts as an agent specialising in the manufacture, merchanting and retailing of kitchens, joinery and related products under the Magnet brand and Nobia Holdings UK Limited acts as the principal.

Business review

Performance

The results for the year are set out on page 7. The company's profit on ordinary activities before taxation was £600,000 (2013: £750,000) and relates to dividend income received from the company's subsidiary in the Isle of Man. As noted above, during 2013 the company entered into an undisclosed agency agreement with its immediate parent undertaking Nobia Holdings UK Limited. With effect from 1 January 2013, the results from manufacture and distribution of kitchen products under the Magnet brand are now included in the financial statements of Nobia Holdings UK Limited.

Revenue in 2013 represents the sale of remaining stock held by Magnet Limited at 1 January 2013, the effective date of the agency agreement. This stock was sold to Nobia Holdings UK Limited.

During 2013 the company also entered into a Deed of Substitution with Nobia Holdings UK Limited and the trustees of the Magnet Group Pension Scheme, pursuant to which Nobia Holdings UK Limited was substituted as the participating employer in relation to company's defined benefit pension scheme. The liabilities of the company to the pension scheme were apportioned to Nobia Holdings UK Limited. A net pension scheme liability of £49,423,000 was transferred to Nobia Holdings UK Limited which resulted in a corresponding gain recognised by the company in reserves during 2013.

The balance sheet as at 31 December 2014 demonstrates that the financial position of the company remains strong with net assets of £33,673,000 (2013: £32,961,000).

Measurement

As a result of the company entering into an agency agreement with Nobia Holdings UK Limited during the 2013 the company's operations are now managed on a group basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of the company.

Risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are now integrated with the principal risks of Nobia Holdings UK Limited, the company's immediate parent undertaking, and are not managed separately. Accordingly, the principal risks and uncertainties of Nobia Holdings UK Limited, which include those of the company, are discussed in the directors' report of Nobia Holdings UK Limited's financial statements.

Strategic report *(continued)*

Business review *(continued)*

Outlook

The directors remain confident that the Nobia Holdings UK Limited group is in a strong position in the market and anticipate that group profits will continue going forward.

By order of the board



N Hardcastle
Director

3 Allington Way
Yarm Road Business Park
Darlington
County Durham
DL1 4XT

24 September 2015

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2014.

Proposed dividend

The directors do not recommend the payment of a dividend.

Dividends paid during 2013 comprised an interim dividend of £33,800,000 in respect of the year ended 31 December 2013.

Directors

The directors who held office during the year were as follows:

P Kane
A Ahmed
B Norman
N Hardcastle (Née Saul)
D Carr

Political contributions

The company made no political donations or incurred any political expenditure during the year (2013: £nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



N Hardcastle
Director

3 Allington Way
Yarm Road Business Park
Darlington
County Durham
DL1 4XT

24 September 2015

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Independent auditor's report to the members of Magnet Limited

We have audited the financial statements of Magnet Limited for the year ended 31 December 2014 set out on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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

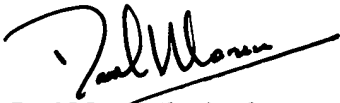
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Magnet Limited (*continued*)

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, 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.



Paul Moran (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

29 September 2015

Profit and Loss Account
for the year ended 31 December 2014

	<i>Note</i>	2014 £000	2013 £000
Turnover	2	-	39,714
Cost of sales		-	(39,714)
		<hr/>	<hr/>
Gross profit		-	-
Selling and distribution costs		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
Operating profit		-	-
Income from shares in group undertakings		600	750
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3-4	600	750
Tax on profit on ordinary activities	5	112	318
		<hr/>	<hr/>
Profit for the financial year	11	712	1,068
		<hr/> <hr/>	<hr/> <hr/>

Turnover and operating results above derive from discontinued activities.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

Balance Sheet
at 31 December 2014

	<i>Note</i>	2014	2013
		£000	£000
Fixed assets			
Investments	7	-	-
Current assets			
Debtors	8	88,330	84,115
Cash at bank and in hand		3,528	8,293
		91,858	92,408
Creditors: amounts falling due within one year	9	(58,185)	(59,447)
Net current assets		33,673	32,961
Total assets less current liabilities		33,673	32,961
Pension liabilities	13	-	-
Net assets		33,673	32,961
Capital and reserves			
Called up share capital	10	15,510	15,510
Share premium account	11	10,000	10,000
Other reserves	11	5,900	5,900
Capital contribution reserve	11	186	186
Profit and loss account	11	2,077	1,365
Shareholders' funds		33,673	32,961

These financial statements were approved by the board of directors on 24 September 2015 and were signed on its behalf by:

N. J. Hardcastle

N Hardcastle
Director

Company registered number: 2762625

Statement of Total Recognised Gains and Losses
for the year ended 31 December 2014

	2014 £000	2013 £000
Profit for the financial year	712	1,068
Gain on transfer of pension scheme deficit to immediate parent undertaking	-	64,186
Deferred tax arising on gains in the pension scheme	-	(14,763)
	<hr/>	<hr/>
Total recognised gains and losses relating to the financial year	712	50,491
	<hr/> <hr/>	<hr/> <hr/>

Reconciliation of Movements in Shareholders' Funds
for the year ended 31 December 2014

	2014 £000	2013 £000
Profit for the financial year	712	1,068
Dividends on shares classified in shareholders' funds	-	(33,800)
	<hr/>	<hr/>
Retained profit/(loss)	712	(32,732)
Net gains in respect of FRS 17	-	49,423
	<hr/>	<hr/>
Net additions to shareholders' funds	712	16,691
Opening shareholders' funds	32,961	16,270
	<hr/>	<hr/>
Closing shareholders' funds	33,673	32,961
	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

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

The company is exempt by virtue s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Nobia AB, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group. The consolidated financial statements of Nobia AB, within which this company is included, can be obtained from the address given in note 15.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The company's parent undertaking is Nobia Holdings UK Limited which is the parent undertaking of a group of companies engaged in the manufacture, merchanting and retailing of joinery, fitted kitchens, bedrooms, bathrooms and related products. The group meets its day to day working capital requirements through its positive cash balances, bank overdraft facilities and loans from Nobia AB, the ultimate parent undertaking and controlling party.

The current economic conditions create an element of uncertainty over demand for the group's products and services but the group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group is expected to have a sufficient level of financial resources available through current facilities and therefore the directors believe that the group is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to prepare the financial statements on a going concern basis.

Investments

Investments in subsidiary undertakings are stated at cost unless, in the opinion of the directors, there has been any impairment, in which case an appropriate adjustment is made.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes (continued)

1 Accounting policies (continued)

Post-retirement benefits

Until 1 January 2013 the company operated a pension scheme providing benefits based on final pensionable pay. The scheme has been closed to new members since 1 November 1999. The scheme also closed to future accrual with effect from 31 December 2009 and for active members of the scheme the link to salary was removed. The assets of the scheme are held separately from those of the company.

Pension scheme assets are measured using market values. For quoted securities the current bid price is taken as market value. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is split between operating charges, finance items and, in the statement of total recognised gains and losses, actuarial gains and losses.

The company also operates a defined contribution pension scheme for existing and new employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Classification of financial instruments issued by the company

Financial instruments issued by the company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Notes (continued)

1 Accounting policies (continued)

Turnover

Turnover represents the invoiced value of goods sold and services provided, excluding value added tax and trade discounts. The company recognises revenue at the point of despatch of goods and for services when they have been provided.

Share based payments

The share option programmes allow employees to acquire shares of the ultimate parent company, Nobia AB. The fair value of employee services received in exchange for grant of the options is recognised as an employee expense with a corresponding increase in capital and reserves. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

Dividends on shares presented within shareholders' funds

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Analysis of turnover

With effect from 1 January 2013 the company acts as an agent for Nobia Holdings UK limited under an undisclosed agency agreement. The results from manufacture and distribution of kitchen products under the Magnet brand are now included in the financial statements of Nobia Holdings UK Limited.

Revenue in 2013 represents the sale of remaining stock held by Magnet Limited at 1 January 2013, the effective date of the agency agreement. This stock was sold to Nobia Holdings UK Limited. All turnover in 2013 consisted entirely of sales within the United Kingdom.

3 Notes to the profit and loss account

Auditor's remuneration:

	2014	2013
	£000	£000
Audit of these financial statements	-	-

No auditor's remuneration has been charged to the profit and loss account as this is borne by the company's immediate parent undertaking. Auditor's remuneration, borne by the company's immediate parent undertaking, in respect of the audit of these financial statements amounted to £1,000 (2013: £5,000).

Notes (continued)

4 Remuneration of directors, Staff numbers and costs

None of the directors received any emoluments in respect of their services to the company during the year.

As the company acts as an agent for Nobia Holdings UK limited, staff numbers and costs are now included in the financial statements of Nobia Holdings UK Limited.

5 Taxation

Analysis of credit in period

	2014		2013
	£000	£000	£000
<i>UK corporation tax</i>			
Current tax on income for the period	(112)		(142)
Adjustments in respect of prior periods	-		(859)
	<hr/>		<hr/>
Total current tax		(112)	(1,001)
<i>Deferred tax</i>			
Origination of timing differences	-		-
Adjustment in respect of previous years	-		683
	<hr/>		<hr/>
Total deferred tax		-	683
		<hr/>	<hr/>
Tax on profit on ordinary activities		(112)	(318)
		<hr/>	<hr/>

For the year ended 31 December 2014, the company was subject to UK corporation tax at a rate of 23% during the 3 months to 31 March 2014 and 21% from 1 April 2014 to 31 December 2014, giving an average rate for the year of 21.5% (2013: 23.25%).

Factors affecting the tax credit for the current period

The current tax credit for the period is higher (2013: higher) than the standard rate of corporation tax in the UK, 21.5% (2013: 23.25%). The differences are explained below.

	2014	2013
	£000	£000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	600	750
	<hr/>	<hr/>
Current tax at 21.5% (2013: 23.25%)	129	174
<i>Effects of:</i>		
Imputed interest payable on amounts owed to group undertakings	(112)	(142)
Non taxable dividend income	(129)	(174)
Adjustments in respect of previous periods	-	(859)
	<hr/>	<hr/>
Total current tax credit (see above)	(112)	(1,001)
	<hr/>	<hr/>

Factors that may affect future current and total tax charges

The main rate of UK corporation tax changed from 23% to 21% on 1 April 2014. The Chancellor also proposed changes to further reduce the main rate of corporation tax by one per cent to 20% by 1 April 2015 and by a further two per cent to 18% by 2020.

Notes (continued)

6 Dividends

The aggregate amount of dividends comprises:

	2014 £000	2013 £000
Final dividends paid in respect of prior year but not recognised as liabilities in that year	-	-
Interim dividends paid in respect of the current year	-	33,800
	<hr/>	<hr/>
	-	33,800
	<hr/>	<hr/>

The aggregate amount of dividends proposed and not recognised as liabilities as at the year end is £nil (2013: £nil).

7 Fixed asset investments

	Shares in group undertakings £000
Cost	
At beginning and end of year	-
	<hr/>
Provisions	
At beginning and end of year	-
	<hr/>
Net book value	
At 31 December 2014	-
	<hr/>
At 31 December 2013	-
	<hr/>

The companies in which the company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Percentage of ordinary shares held
Subsidiary undertakings			
Aqua Ware Limited	England	Dormant	100%
Flint Properties Limited	England	Dormant	100%
Magnet (Isle of Man) Limited	Isle of Man	Retailing of fitted kitchens and related products	100%
Magnet Group Trustees Limited	England	Dormant	100%
The Penrith Joinery Company Limited	England	Dormant	100%

Notes (continued)

8 Debtors

	2014 £000	2013 £000
Amounts owed by group undertakings	82,439	75,779
Prepayments and accrued income	5,891	8,336
	<u>88,330</u>	<u>84,115</u>

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment.

9 Creditors: amounts falling due within one year

	2014 £000	2013 £000
Trade creditors	28,835	27,431
Amounts owed to group undertakings	17,291	17,416
Other taxation and social security	1,514	1,252
Accruals and deferred income	10,545	13,348
	<u>58,185</u>	<u>59,447</u>

Included in the above is £40,894,000 (2013; £42,031,000) incurred on behalf of Nobia Holdings UK Limited (the principal) under an undisclosed agency agreement.

Amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment.

10 Called up share capital

	2014 £000	2013 £000
<i>Allotted, called up and fully paid</i>		
15,510,301 Ordinary shares of £1 each	<u>15,510</u>	<u>15,510</u>

11 Share premium and reserves

	Share premium account £000	Other reserves £000	Capital contribution reserve £000	Profit and loss account £000
At beginning of year	10,000	5,900	186	1,365
Profit for the year	-	-	-	712
	<u>10,000</u>	<u>5,900</u>	<u>186</u>	<u>2,077</u>

The other reserve comprises negative goodwill arising on acquisitions made prior to 1 October 1999. In accordance with FRS 10, negative goodwill has not been reinstated onto the balance sheet.

Notes (continued)

12 Commitments

As a result of the company entering into an agency agreement with Nobia Holdings UK Limited during 2013, commitments which were previously reported by the company are now included in the financial statement of Nobia Holdings UK Limited.

13 Pension scheme

Defined benefit pension scheme

Until 31 December 2012 the company provided pension arrangements to employees through a defined benefit scheme, the Magnet Group Pension Scheme. During the 2013 the company entered into a Deed of Substitution with Nobia Holdings UK Limited and the trustees of the Magnet Group Pension Scheme, pursuant to which Nobia Holdings UK Limited was substituted as the participating employer in relation to company's defined benefit pension scheme. The liabilities of the company to the pension scheme were apportioned to Nobia Holdings UK Limited. A net pension scheme liability of £49,423,000 was transferred to Nobia Holdings UK Limited which resulted in a corresponding gain recognised by the company in reserves during 2013.

The information disclosed below is in respect of the Magnet Group Pension Scheme as a whole, applicable to the company, and has been based on calculations carried out by a qualified independent actuary to take account of the requirements of FRS 17 in order to assess the liabilities of the scheme. The scheme's assets are stated at their market values.

	2014 £000	2013 £000
Present value of funded defined benefit obligations	-	-
Fair value of plan assets	-	-
	<hr/>	<hr/>
	-	-
Present value of unfunded defined benefit obligations	-	-
	<hr/>	<hr/>
Deficit	-	-
Related deferred tax asset	-	-
	<hr/>	<hr/>
Net liability	-	-
	<hr/>	<hr/>

Movements in present value of defined benefit obligation

	2014 £000	2013 £000
At 1 January	-	(219,085)
Transfer to immediate parent undertaking	-	219,085
	<hr/>	<hr/>
At 31 December	-	-
	<hr/>	<hr/>

Notes (continued)

13 Pension scheme (continued)

Movements in fair value of plan assets

	2014 £000	2013 £000
At 1 January	-	154,899
Transfer to immediate parent undertaking	-	(154,899)
	<hr/>	<hr/>
At 31 December	-	-
	<hr/>	<hr/>

The expense recognised in the profit and loss account amounted to £nil (2013: £nil). The total amount recognised in the statement of total recognised gains and losses in respect of actuarial gains and losses during the year is £nil (2013: £nil).

Cumulative actuarial gains/losses reported in the statement of total recognised gains and losses for accounting periods ending on or after 22 June 2002 and subsequently included by prior year adjustment under paragraph 96 of FRS 17, are £27,210,000 gain (2013: £27,210,000 gain).

History of plans

The history of the plans for the current and prior periods is as follows:

Balance sheet

	2014 £000	2013 £000	2012 £000	2011 £000	2010 £000
Present value of scheme liabilities	-	-	(219,085)	(198,701)	(181,833)
Fair value of scheme assets	-	-	154,899	141,515	133,148
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Deficit	-	-	(64,186)	(57,186)	(48,685)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Experience adjustments

	2014 £000	2013 £000	2012 £000	2011 £000	2010 £000
Experience adjustments on scheme liabilities	-	-	1,889	(377)	2,221
Experience adjustments on scheme assets	-	-	8,689	2,493	6,016
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The company expects to contribute approximately £nil to its defined benefit plans in the next financial year.

Notes (continued)

14 Employee share schemes

Certain employees of the company have been awarded share options in the ultimate parent undertaking, Nobia AB. These share options are awarded directly by the ultimate parent undertaking.

As the company now acts as an agent for Nobia Holdings UK limited, details and costs relating to employee share schemes are now included in the financial statements of Nobia Holdings UK Limited.

Nobia AB employee share option scheme

In the current and the prior year the number and weighted average exercise prices of share options were as follows:

	2014 Weighted average exercise price £	2014 Number of options	2013 Weighted average exercise price £	2013 Number of options
Outstanding at the beginning of the period	-	-	5.07	240,000
Transferred to immediate parent undertaking	-	-	(5.07)	(240,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at the end of the period	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

The expense recognised in the profit and loss account in relation to this scheme for the period was £nil (2013: £nil).

Performance share plan

In the current and the prior year the number and weighted average exercise prices of share options were as follows:

	2014 Weighted average exercise price £	2014 Number of options	2013 Weighted average exercise price £	2013 Number of options
Outstanding at the beginning of the period	-	-	-	103,402
Transferred to immediate parent undertaking	-	-	-	(103,402)
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at the end of the period	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

The expense recognised in the profit and loss account in relation to this scheme for the period was £nil (2013: £nil).

The total expense recognised for the period arising from share based payments were as follows:

	2014 £000	2013 £000
Equity settled share based payments	-	-
	<hr/>	<hr/>
Capital contribution reserve as at 31 December	186	186
	<hr/>	<hr/>

As the share options have been granted by the ultimate parent undertaking these are treated as a capital contribution for balance sheet purposes.

15 Ultimate parent company and parent undertaking of larger group of which the company is a member

The immediate parent undertaking is Nobia Holdings UK Limited, which is incorporated in England and Wales.

The ultimate parent undertaking and controlling party is Nobia AB, which is the parent undertaking of the largest and smallest group to consolidate these financial statements. Copies of the consolidated financial statements of Nobia AB can be obtained from the secretary at Nobia Nordisk Bygginterior AB, Klarabergsviadukten 70, (C8) SE-10724 Stockholm, Sweden.