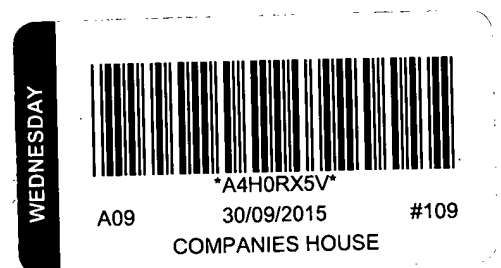


Larkflame Limited

**Directors' report and financial
statements**

**Registered number 02874197
31 December 2014**



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Directors' report

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

Principal activities

The principal activity of the company was the letting of property to other group companies. During 2010, the company sold its remaining property to a fellow group undertaking.

Business review

The results for the year are set out on page 5. The company's loss for the financial year was £112,230 (2013: £143,377 loss)

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

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

P Kane
A Ahmed
N Hardcastle (Née Saul)

Political and charitable contributions

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

Disclosure of information to auditor

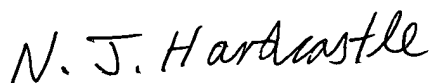
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make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

The directors' report has been prepared taking advantage of the small companies' exemption under Section 415A of the Companies Act 2006.

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 Directors' Report and the financial statements

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 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.



KPMG LLP

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

Independent auditor's report to the members of Larkflame Limited

We have audited the financial statements of Larkflame Limited for the year ended 31 December 2014 set out on pages 5 to 11. 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 2, 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 loss 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 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 Larkflame 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; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



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 £	2013 £
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administration expenses		-	(1,794)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	<i>2-3</i>	-	(1,794)
Tax on loss on ordinary activities	<i>4</i>	(112,230)	(141,583)
		<hr/>	<hr/>
Loss for the financial year	<i>8</i>	(112,230)	(143,377)
		<hr/> <hr/>	<hr/> <hr/>

All of the results above derive from discontinued operations.

The company has no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance Sheet
at 31 December 2014

	<i>Note</i>	2014 £	2013 £
Current assets			
Debtors	5	17,290,968	17,417,875
Creditors: amounts falling due within one year	6	(9,506,115)	(9,520,792)
Net assets		7,784,853	7,897,083
Capital and reserves			
Called up share capital	7	8,500,000	8,500,000
Profit and loss account	8	(715,147)	(602,917)
Shareholders' funds		7,784,853	7,897,083

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: 02874197

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

	2014 £	2013 £
Loss for the financial year	(112,230)	(143,377)
Net reduction in shareholders' funds	(112,230)	(143,377)
Opening shareholders' funds	7,897,083	8,040,460
Closing shareholders' funds	7,784,853	7,897,083

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

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

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 10.

Going concern

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 UK group meets its day to day working capital requirements through its bank overdraft facilities and loans from Nobia AB, the ultimate parent undertaking and controlling party. 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.

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.

Notes (continued)

1 Accounting policies (continued)

Classification of financial instruments issued by the company (continued)

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.

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 Notes to the profit and loss account

	2014 £	2013 £
<i>Loss on ordinary activities before taxation is stated after charging:</i>		
<i>Auditor's remuneration:</i>		
Audit of these financial statements	-	-
	<u> </u>	<u> </u>

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

Amounts receivable by the company's auditors and their associates in respect of services to the company and its associates, other than the audit of the company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the company's parent, Nobia Holdings UK Limited.

3 Remuneration of directors, staff numbers and costs

No remuneration was paid to the directors, in respect of their services to the company, during the year (2013: £nil). The company had no other employees during the current and the preceding financial year.

4 Taxation

Analysis of charge in period

	2014 £	2013 £
<i>UK corporation tax</i>		
Current tax on income for the period	112,230	141,583
Adjustments in respect of prior periods	-	-
	<u> </u>	<u> </u>
Tax on loss on ordinary activities	112,230	141,583
	<u> </u>	<u> </u>

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%).

Notes (continued)

4 Taxation (continued)

Factors affecting the tax charge for the current period

The current tax charge 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 £
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	-	(1,794)
	<hr/>	<hr/>
Current tax at 21.5% (2013: 23.25%)	-	(417)
<i>Effects of:</i>		
Imputed interest receivable on amounts due from group undertakings	112,230	142,000
Adjustments to tax charge in respect of previous periods	-	-
	<hr/>	<hr/>
Total current tax charge (see above)	<u>112,230</u>	<u>141,583</u>

Factors that may affect future current and total tax charges

There was no provided or unprovided deferred tax at the beginning and end of the financial year.

The main rate of UK corporation tax changed from 23% to 21% on 1 April 2014. A further reduction in the main rate of UK corporation tax, to 20% with effect from 1 April 2015, became substantively enacted in July 2013. The Chancellor has also proposed changes to further reduce the main rate of corporation tax by two percent to 18% by 2020. These changes had not been substantively enacted at the balance sheet date.

The above changes are not expected to have a significant effect on future tax charges.

5 Debtors

	2014 £	2013 £
Amounts owed by group undertakings	17,290,968	17,417,875
	<hr/>	<hr/>

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

6 Creditors: amounts falling due within one year

	2014 £	2013 £
Corporation tax payable	56,115	70,792
Amounts owed to group undertakings	9,450,000	9,450,000
	<hr/>	<hr/>
	<u>9,506,115</u>	<u>9,520,792</u>

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

Notes (continued)

7 Called up share capital

	2014 £	2013 £
<i>Allotted, called up and fully paid</i>		
8,500,000 Ordinary shares of £1 each	8,500,000	8,500,000
	<u> </u>	<u> </u>

8 Reserves

	Profit and loss account £
At beginning of year	(602,917)
Loss for the year	(112,230)
	<u> </u>
At end of year	(715,147)
	<u> </u>

9 Commitments

There were no capital or non-cancellable operating lease commitments at either the beginning or end of the financial year.

10 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.