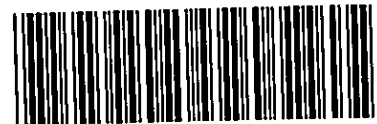


JOTUL (UK) LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

Ormerod Rutter Limited
Statutory Auditor
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

FRIDAY



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28/09/2012

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COMPANIES HOUSE

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FOR THE YEAR ENDED 31ST DECEMBER 2011**

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JOTUL (UK) LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2011

DIRECTORS:	Mr N S Sloane Mr G C Hjortaas R Christensen Mr A J Andresen
SECRETARY:	Gray's Inn Secretaries Limited
REGISTERED OFFICE:	Five Chancery Lane Cliffords Inn London EC4A 1BU
REGISTERED NUMBER:	03879828 (England and Wales)
AUDITORS:	Ormerod Rutter Limited Statutory Auditor The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY
BANKERS:	Nordea Bank Finland Plc City Place House 55 Basinghall St London EC2V 5NB

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2011**

The directors present their report with the financial statements of the company for the year ended 31st December 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the import and distribution of heating appliances

REVIEW OF BUSINESS

The directors consider the profit achieved on ordinary activities before taxation to be particularly satisfactory given the current economic climate

DIVIDENDS

No dividends will be distributed for the year ended 31st December 2011

FUTURE DEVELOPMENTS

The directors are looking forward to another profitable year in 2012

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2011 to the date of this report

Mr N S Sloane
Mr G C Hjortaas
R Christensen

Other changes in directors holding office are as follows

Mr E Moe - resigned 17th November 2011
Mr A J Andresen - appointed 1st November 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable 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 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2011**

AUDITORS

The auditors, Ormerod Rutter Limited, are deemed to be reappointed under section 487(2) of the companies act 2006

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'N S Sloane', written in a cursive style.

Mr N S Sloane - Director

Date

28/07/12

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOTUL (UK) LIMITED

We have audited the financial statements of Jotul (UK) Limited for the year ended 31st December 2011 on pages five to twelve. 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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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 financial statements 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 company's affairs as at 31st December 2011 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.

Opinion on other matter prescribed by the Companies Act 2006

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

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.



Mr G T Rutter FCA (Senior Statutory Auditor)
for and on behalf of Ormerod Rutter Limited
Statutory Auditor
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Date 28 / 2 / 12

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2011**

	Notes	31 12 11 £	31 12 10 £
TURNOVER	2	4,099,371	4,128,442
Cost of sales		<u>3,062,137</u>	<u>3,047,876</u>
GROSS PROFIT		1,037,234	1,080,566
Administrative expenses		<u>869,442</u>	<u>859,376</u>
OPERATING PROFIT	4	167,792	221,190
Interest receivable and similar income		<u>86</u>	<u>-</u>
		167,878	221,190
Interest payable and similar charges	5	<u>1,687</u>	<u>3,719</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		166,191	217,471
Tax on profit on ordinary activities	6	<u>47,487</u>	<u>71,229</u>
PROFIT FOR THE FINANCIAL YEAR		<u>118,704</u>	<u>146,242</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

BALANCE SHEET
31ST DECEMBER 2011

	Notes	31 12 11 £	£	31 12 10 £	£
FIXED ASSETS					
Intangible assets	7		38,525		28,198
Tangible assets	8		57,765		59,995
			<u>96,290</u>		<u>88,193</u>
CURRENT ASSETS					
Stocks	9	421,042		302,338	
Debtors	10	882,958		882,815	
Cash at bank and in hand		371,614		401,037	
		<u>1,675,614</u>		<u>1,586,190</u>	
CREDITORS					
Amounts falling due within one year	11	956,745		977,928	
NET CURRENT ASSETS			<u>718,869</u>		<u>608,262</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			815,159		696,455
PROVISIONS FOR LIABILITIES	13		<u>7,197</u>		<u>7,197</u>
NET ASSETS			<u><u>807,962</u></u>		<u><u>689,258</u></u>
CAPITAL AND RESERVES					
Called up share capital	14		200,000		200,000
Profit and loss account	15		607,962		489,258
SHAREHOLDERS' FUNDS	20		<u><u>807,962</u></u>		<u><u>689,258</u></u>

The financial statements were approved by the Board of Directors on its behalf by

28/02/12

and were signed on



Mr N S Sloane - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and applicable accounting standards. There were no material departures from those standards.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Improvements to property	- 20% on cost
Plant and machinery	- 10% on cost
Fixtures and fittings	- 20% on cost and 10% on cost
Exhibition costs	- 33% on cost

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs incurred in bringing it to its present location.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Research and development

Expenditure on research and development is capitalised where it is expected to generate future economic benefits. Amortisation is charged over its expected useful life once the project is completed.

Foreign exchange

Although the parent company is based in Norway, all transactions with the company for the year have been conducted in pounds sterling.

Other transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company, which is wholly within the UK.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2011

3 STAFF COSTS

	31 12 11	31 12 10
	£	£
Wages and salaries	382,264	378,760
Social security costs	42,229	47,816
Other pension costs	13,802	13,085
	<u>438,295</u>	<u>439,661</u>

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

	31 12 11	31 12 10
Administration	6	6
Works	4	4
	<u>10</u>	<u>10</u>

4 OPERATING PROFIT

The operating profit is stated after charging

	31 12 11	31 12 10
	£	£
Hire of plant and machinery	2,083	2,287
Depreciation - owned assets	18,514	26,628
Auditors' remuneration	3,800	5,000
Foreign exchange differences	1,268	1,167
	<u>121,800</u>	<u>116,004</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

5 INTEREST PAYABLE AND SIMILAR CHARGES

	31 12 11	31 12 10
	£	£
Bank interest	<u>1,687</u>	<u>3,719</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2011

6 TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	31 12 11	31 12 10
	£	£
Current tax		
UK corporation tax	49,858	60,892
(Over)/under provision	<u>(2,371)</u>	<u>10,337</u>
 Tax on profit on ordinary activities	 <u><u>47,487</u></u>	 <u><u>71,229</u></u>

UK corporation tax has been charged at 26 43% (2010 - 28%)

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	31 12 11	31 12 10
	£	£
Profit on ordinary activities before tax	<u>166,191</u>	<u>217,471</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26 500% (2010 - 28%)	44,041	60,892
Effects of Expenses not deductible for tax purposes	3,580	10,337
Marginal relief	<u>(134)</u>	<u>-</u>
Current tax charge	<u><u>47,487</u></u>	<u><u>71,229</u></u>

7 INTANGIBLE FIXED ASSETS

	Research and development £
COST	
At 1st January 2011	28,198
Additions	<u>10,327</u>
At 31st December 2011	<u>38,525</u>
 NET BOOK VALUE	
At 31st December 2011	<u><u>38,525</u></u>
At 31st December 2010	<u><u>28,198</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2011

8 TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Exhibition costs £	Totals £
COST					
At 1st January 2011	55,207	107,529	86,511	17,450	266,697
Additions	570	6,669	9,045	-	16,284
	<u>55,777</u>	<u>114,198</u>	<u>95,556</u>	<u>17,450</u>	<u>282,981</u>
DEPRECIATION					
At 1st January 2011	38,439	86,379	64,434	17,450	206,702
Charge for year	5,838	7,359	5,317	-	18,514
	<u>44,277</u>	<u>93,738</u>	<u>69,751</u>	<u>17,450</u>	<u>225,216</u>
NET BOOK VALUE					
At 31st December 2011	<u>11,500</u>	<u>20,460</u>	<u>25,805</u>	<u>-</u>	<u>57,765</u>
At 31st December 2010	<u>16,768</u>	<u>21,150</u>	<u>22,077</u>	<u>-</u>	<u>59,995</u>

9 STOCKS

	31 12 11 £	31 12 10 £
Stocks	<u>421,042</u>	<u>302,338</u>

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11 £	31 12 10 £
Trade debtors	841,501	812,897
Amounts owed by group undertakings	2,192	2,192
Other debtors	-	1,469
Prepayments and accrued income	39,265	66,257
	<u>882,958</u>	<u>882,815</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11 £	31 12 10 £
Trade creditors	695,649	626,820
Tax	47,487	71,234
Social security and other taxes	12,859	11,975
VAT	128,034	156,705
Accruals and deferred income	72,716	111,194
	<u>956,745</u>	<u>977,928</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2011

12 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	31 12 11	31 12 10	31 12 11	31 12 10
	£	£	£	£
Expiring				
Within one year	-	-	7,316	1,204
Between one and five years	44,400	44,400	4,303	13,329
	<u>44,400</u>	<u>44,400</u>	<u>11,619</u>	<u>14,533</u>

13 PROVISIONS FOR LIABILITIES

	31 12 11	31 12 10
	£	£
Deferred tax	<u>7,197</u>	<u>7,197</u>
		Deferred tax
		£
Balance at 1st January 2011		<u>7,197</u>
Balance at 31st December 2011		<u>7,197</u>

14 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			31 12 11	31 12 10
Number	Class	Nominal value	£	£
200,000	Ordinary	£1	<u>200,000</u>	<u>200,000</u>

15 RESERVES

	Profit and loss account £
At 1st January 2011	489,258
Profit for the year	<u>118,704</u>
At 31st December 2011	<u>607,962</u>

16 PENSION COMMITMENTS

The company operates a defined contribution pension scheme. Assets of the scheme are held in an independently administered fund. Pension costs of £13,802 (2010: £13,085) were charged to the profit and loss account in the year. At the year end there were £7,750 (2010: £6,250) of outstanding pension contributions.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2011

17 ULTIMATE PARENT COMPANY

The directors consider that the holding company is Jotul AS, a company registered in Norway

18 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 paragraph 3 (c) not to disclose related party transactions with other group companies

19 ULTIMATE CONTROLLING PARTY

The company's ultimate controlling company is Ratos AB, a company registered in Sweden and listed on the NASDAQ OMX stock market

Financial statements of Ratos AB are available from

Drottninggatan 2 Box 1661 SE-111 96 Stockholm, Sweden

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 12 11	31 12 10
	£	£
Profit for the financial year	118,704	146,242
Net addition to shareholders' funds	118,704	146,242
Opening shareholders' funds	689,258	543,016
Closing shareholders' funds	807,962	689,258