

## **Magnet Limited**

Annual report and financial statements  
for the year ended 31 December 2022

Registered number 02762625

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## **Strategic report**

for the year ended 31 December 2022

The directors present their strategic report on the company for the year ended 31 December 2022.

### **Principal activities**

The company has a disclosed agency agreement, under which it acts as an agent on behalf of Nobia Holdings UK Limited ('the principal'), specialising in the manufacture, merchanting, and retailing of kitchens, joinery and related products under the Magnet brand. Transactions with Nobia Holdings UK Limited are transacted at nil profit. Magnet Limited retains the rights to the Magnet Limited brand, under which the business trades.

### **Business review**

#### ***Performance and key performance indicators***

The results for the year are set out on page 6. The company's result for the financial year was £nil (2021: £1m). The company has net assets and no external liabilities. Net assets at 31 December 2022 were £37m (2021: £37m). The key performance indicators of the company are the result and net assets. Further details on the group performance are set out in the financial statements of Nobia Holdings UK Limited.

#### ***Measurement***

As a result of the company entering into an agency agreement with Nobia Holdings UK Limited 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.

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

The directors have carefully considered the principal risks and uncertainties facing the business of the Nobia Holdings UK Limited group. The group operates in a competitive marketplace where continuing growth is dependent on maintaining existing customer relationships and developing new business by offering high quality products and services. The key to success is to leverage the group's position through the premium which its service offering demands. Competition within the markets is a continuing risk to the group, which could result in it losing sales to its key competitors. The group mitigates this risk by providing value added services to its customers, having fast response times not only in supplying products but in handling all customer queries and by maintaining strong relationships with customers.

#### ***Future developments***

The markets in which the Company operates remain highly competitive and the impact of price inflation and labour shortages are still impacting the UK economy. However, the directors are confident that the Company is in a strong position in the market and particularly with significant planned strategic investment it is well placed to prosper in future years.

#### ***Post balance sheet events***

Due to continued difficult market conditions, primarily in the project business, the business carried out a further cost reduction programme which resulted in a number of redundancies and announcement of closure of the Dewsbury factory in the first half of 2023.

### **Section 172(1) statement**

The board of directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its parent company and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the company are appropriately informed by s172 factors.

**Strategic report (continued)**  
for the year ended 31 December 2022

**Section 172(1) statement (continued)**

The Company maintains a reputation for high standards in products, services and compliance.

Through an open and transparent dialogue with our key stakeholders, we have been able to develop a clear understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition and culture.

As part of the board's decision-making process, the board and its management teams consider the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Company's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term.

Details of our key stakeholders and how we engage with them are set out below.

**Colleagues**

Our people are key to our success and we want them to be successful individually and as a team. The Company strives to build a culture of inclusion, integrity and safety, creating a work environment in which both our colleagues and our operations can develop.

We invest to develop organisational and colleague capability for now and the future, identifying and closing skills gaps is a focus. Areas of focus in 2022 have been around investment in our store colleagues, with particular focus on the recruitment and training of our kitchen designers.

Colleague surveys are conducted regularly to monitor issues concerning employee commitment, management and team efficiency. The surveys form the basis for creating local action plans. We work closely with our colleagues' work councils to discuss colleagues' concerns and raise issues to the leadership team.

We monitor closely People metrics that inform the board on engagement and retention matters. The leadership team also includes a people and culture professional to inform and debate the relevant people issues in the short and medium term. Managers are encouraged to focus on colleagues wellbeing by checking in with their teams and peers regularly and support was provided by the people and culture business partners.

Discrimination issues are also an important focus area in our Code of Conduct training. Equality and diversity are an integral part of our recruitment process, succession planning and leadership development. We aim to work on creating an inclusive business culture in all parts of our operations, where people can make use of their full potential.

**Government and regulators**

We engage with the government and regulators through a range of industry consultations, forums and meetings. Key areas of focus are compliance with laws and regulations, health and safety and product safety. Senior management with expertise in each area ensure that the Board is updated on legal and regulatory developments at UK board meetings. The Board takes these updates into account when considering future actions.

Approved by the board and signed on its behalf by



**G Doyle**  
Director  
20 February 2024

## **Directors' report**

for the year ended 31 December 2022

The directors present their report and the financial statements of the company for the year ended 31 December 2022.

### **Dividends**

A dividend of £nil was paid in the year (2021: £1m).

### **Financial risk management**

In the opinion of the directors the most significant financial risks which might impact the company, relate to foreign currencies, credit risk and liquidity. As the company is a non-trading entity these risks are not deemed material to the company.

### **Directors**

The directors who held office during the year and up to the signing of these financial statements were as follows:

N J Hardcastle	(resigned 31.05.2022)
D A E Carr	(resigned 17.01.2023)
K Ljungfelt	
C Smith	(resigned 22.09.2022)
G Doyle	(appointed 17.01.2023)
L Fawcus	(appointed 01.03.2023)

### **Qualifying third-party indemnity provisions**

All the Directors benefited from qualifying third-party indemnity provisions in place during the year at the date of the Directors' report.

### **Strategic report**

In accordance with section 414C(11) of the Companies Act 2006, the company has set out in the company's Strategic Report information required by Schedule 7 to the Accounting Regulations to be contained in the Directors' Report. This is with respect to the likely future developments in the company and post balance sheet events.

### **Employees**

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

### **Employee engagement statement**

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the Company as a whole. Improving and investing in employee communication is a focus, with a new dedicated communication team ensuring our communication methods evolve. Activities include the Company's Intranet, quarterly townhall meetings, listening groups, notice boards, newsletters, team briefings and sharing of financial information.

### **Statement of engagement with others in a business relationship with the company**

Further information relating to our engagement with others in a business relationship with the company can be found in the Section 172(1) statement contained within the Strategic report.

**Directors' report (continued)**  
for the year ended 31 December 2022

**Corporate Governance**

Magnet Limited considers the Wates Corporate Governance Principles in setting its standards of corporate governance and considers its standards to be at a high level. Its parent company Nobia AB applies the Swedish *Corporate Governance Code* to which there were no reported breaches.

The Company also monitors developments in the area of corporate governance and continuously adapts its corporate governance principles to create value for its owners and other stakeholders. All subsidiary entities are also governed by these principles.

An Audit Committee has been set up at parent company level and holds at least four meetings per year. The Company's results are scrutinised by that committee and the Board of Directors are required to comment on any audit matters.

A Remuneration Committee has been set up at parent company level and is responsible for determining remuneration to senior executives and agreeing variable remuneration schemes.

The UK Board of Directors meet at least quarterly, and the CEO of the UK Group is required to attend Nobia Group Board meetings six times per year. Results are also reported monthly and are scrutinised by both the UK and Nobia Boards.

Strategy, operating practices, and risk management are agreed at group level and policies and internal controls are set to enforce the agreed practices. The Corporate Strategy is cascaded throughout the business by way of briefings, meetings, e-learning and the Company intranet to ensure that all colleagues understand the Company culture and how they contribute to the success of the Company.

Further information about the corporate governance principles by which the Group operates can be found at [www.Nobia.com](http://www.Nobia.com)

**Going concern**

After making enquiries and taking account of the principal risks and uncertainties set out within the Strategic Report, the directors considered that at the time of approving the financial statements, there is a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future.

The directors of the UK parent company Nobia Holdings UK Limited have also prepared a cash flow forecast which extends at least 12 months from the date of signing the financial statements. The Group has no external debt other than a UK cash pooling arrangement and group overdraft facility in place with its bank, in which its parent company Nobia AB participates. This will be in place throughout the 12-month forecast period. Based on a 20% downwards revenue scenario the UK Group would still remain comfortably within its overdraft limits, ensuring that Nobia Holdings UK Limited will continue as a going concern. By taking appropriate mitigating actions the Group considers that cash resources would be sufficient to cover its fixed costs for at least 12 months as it has both headroom in its bank facilities and support available from Nobia AB at the point of signing the accounts. A letter of support has been provided by Nobia Holdings UK Limited. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

**Directors' report (continued)**  
for the year ended 31 December 2022

**Statement of directors' responsibilities**

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', 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 each of these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the company will continue in business

The directors 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.

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.

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

Approved by the board and signed on its behalf by



**G Doyle**  
Director  
20 February 2024

**Statement of comprehensive income**  
for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Reimbursement of costs by a fellow group entity	5	93,477	83,876
Staff costs	5	(93,477)	(83,876)
Operating profit		-	-
Income from shares in subsidiary undertakings	6	-	1,000
Result before taxation		-	1,000
Tax on profit	7	-	-
Result for the financial year		-	1,000
Total comprehensive result for the year		-	1,000

The Statement of comprehensive income has been prepared on the basis that all operations are continuing operations.



**Balance sheet**  
as at 31 December 2022

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Investments	8	-	-
<b>Current assets</b>			
Debtors	9	37,188	37,188
Net current assets		37,188	37,188
<b>Capital and reserves</b>			
Called-up share capital	10	15,510	15,510
Share premium account	10	10,000	10,000
Other reserve	10	5,900	5,900
Capital contribution reserve	10	186	186
Retained earnings		5,592	5,592
Total equity		37,188	37,188

The notes on pages 9 to 16 are an integral part of these financial statements.

For the year ending 31 December 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements on pages 7 to 9 were authorised for issue by the board of directors on 20 February 2024 and were signed on its behalf by:



**G Doyle**  
Director

Company Registration Number: 02762625

## Statement of changes in equity

	<b>Called-up share capital £'000</b>	<b>Share premium account £'000</b>	<b>Other reserve £'000</b>	<b>Capital contribution reserve £'000</b>	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
Balance as at 1 January 2021	15,510	10,000	5,900	186	5,592	37,188
Result for the year	-	-	-	-	1,000	1,000
Dividends	-	-	-	-	(1,000)	(1,000)
Balance as at 31 December 2021 and 1 January 2022	15,510	10,000	5,900	186	5,592	37,188
Result for the year	-	-	-	-	-	-
Balance as at 31 December 2022	15,510	10,000	5,900	186	5,592	37,188

## Notes to the financial statements

for the year ended 31 December 2022

### 1. General information

Magnet Limited ('the company') has a disclosed agency agreement, under which it acts as an agent on behalf of Nobia Holdings UK Limited ('the principal'), specialising in the manufacture, merchanting, and retailing of kitchens, joinery and related products under the Magnet brand. Transactions with Nobia Holdings UK Limited are transacted at nil profit. Magnet Limited retains the rights to the Magnet Limited brand, under which the business trades.

The company is a private company limited by shares and is incorporated in England and Wales and registered in England. The address of its registered office is 3 Allington Way, Yarm Road Business Park, Darlington, County Durham, DL1 4XT.

### 2. Statement of compliance

The financial statements of Magnet Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The company's functional and presentation currency is the pound sterling and all amounts are rounded to the nearest £1,000.

### 3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

#### a. Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

#### b. Going concern

After making enquiries and taking account of the principal risks and uncertainties set out within the Strategic Report, the directors considered that at the time of approving the financial statements, there is a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future. Demand has increased as COVID-19 restrictions lift, and revenue is expected to be generated over the next 12 months from secured and future orders.

The directors of the UK parent company Nobia Holdings UK Limited have also prepared a cash flow forecast which extends at least 12 months from the date of signing the financial statements. The Group has no external debt other than a UK cash pooling arrangement and group overdraft facility in place with its bank, in which its parent company Nobia AB participates. This will be in place throughout the 12-month forecast period. Based on a 20% downwards revenue scenario the UK Group would still remain comfortably within its overdraft limits, ensuring that Nobia Holdings UK Limited will continue as a going concern. By taking appropriate mitigating actions the Group considers that cash resources would be sufficient to cover its fixed costs for at least 12 months as it has both headroom in its bank facilities and support available from Nobia AB at the point of signing the accounts. A letter of support has been provided by Nobia Holdings UK Limited. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

**Notes to the financial statements (continued)**  
for the year ended 31 December 2022

**c. Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of FRS 102) and has applied the exemptions available under FRS 102 in respect of the following disclosure requirements:

- the company has taken advantage of the exemption, under paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its immediate parent company, Nobia Holdings UK Limited, includes the company's cash flows in its the consolidated financial statements;
- from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- from disclosing share-based payment arrangements, required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23, concerning its own equity instruments; and
- from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

Where required, equivalent disclosures are given in the group accounts of Nobia Holdings UK Limited.

**d. Consolidated financial statements**

The company is a wholly owned subsidiary of Nobia Holdings UK Limited and of its ultimate parent, Nobia AB. It is included in the consolidated financial statements of both Nobia Holdings UK Limited and Nobia AB which are publicly available.

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

The immediate parent undertaking and the smallest group to consolidate these financial statements is Nobia Holdings UK Limited, which is incorporated in England and Wales whose registered office is C/O Magnet Limited, 3 Allington Way, Yarm Road Business Park, Darlington, County Durham, DL1 4XT.

The ultimate parent undertaking, controlling party and the largest group to consolidate these financial statements is Nobia AB, a company registered in Sweden. Copies of the Nobia AB consolidated financial statements can be obtained from the Company Secretary at the registered address Nobia AB, Blekhölmstorget 30 E7, SE-111 64, Stockholm, Sweden.

These financial statements are the company's separate financial statements.

**e. Transactions as agent**

The company has a disclosed agency agreement, under which it acts as an agent on behalf of Nobia Holdings UK Limited ('the principal'). Staff costs incurred on behalf of the principal are recognised by the company together with a corresponding amount due from / to the principal. Sales related transactions are not recorded by the company but instead are recorded by the principal.

## Notes to the financial statements (continued)

for the year ended 31 December 2022

### f. Revenue recognition

#### i. Dividend income

Dividend income is recognised in the profit and loss account when the right to receive payment is established.

### g. Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current or deferred taxation assets and liabilities are not discounted.

#### i. Current tax

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

#### ii. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

### h. Investments

Investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

### i. Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

#### i. Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and amounts owed from fellow group companies are initially recognised at transaction price less attributable transaction costs. If the arrangement constitutes a financing transaction, the transaction is measured at the present value of future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

**Notes to the financial statements (continued)**  
for the year ended 31 December 2022

**i. Financial instruments (continued)**

*ii. Impairment of financial assets*

At the end of each reporting period, financial assets held at amortised costs are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed through profit or loss.

*iii. Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when substantially all the risks and rewards of the ownership of the asset are transferred to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

*iv. Financial liabilities*

Basic financial liabilities, including trade and other payables and amounts owed to fellow group companies are initially recognised at transaction price plus attributable transaction costs. If the arrangement constitutes a financing transaction, the transaction is measured at the present value of future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

*v. Derecognition of financial liabilities*

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expired.

*vi. Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liability simultaneously.

**j. Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**k. Distribution to equity holders**

Dividends are recognised as a liability in the financial statements in the period in which the dividends are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

**l. Related party transactions**

In accordance with FRS 102 Section 33, as the company is a wholly owned subsidiary of Nobia AB, the company has not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the preparation of the financial statements, it is necessary for the management of the group to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets and liabilities, and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates

#### a) *Critical judgements in applying the group's accounting policies*

In the view of the directors, there are no critical accounting judgements in the preparation of these financial statements.

#### b) *Key accounting estimates and assumptions*

In view of the directors, there are no key sources of estimation uncertainty in the preparation of these financial statements.

### 5. Employees and directors

The average monthly number of persons (including executive directors) employed by the company during the year was:

	2022	2021
	No.	No.
Manufacturing and distribution	468	536
Sales and marketing	1,645	1,544
Office management	209	210
	<b>2,322</b>	<b>2,290</b>

The aggregate payroll costs of these persons were as follows:

	2022	2021
	No.	No.
Wages and salaries	84,838	80,153
Social security costs	8,639	7,551
	<b>93,477</b>	<b>87,704</b>

The company was fully reimbursed for all staff costs by Nobia Holdings UK Limited.

None of the directors received any emoluments in respect of their services to the company during the year (2021: £nil).

### 6. Fixed asset investments

During the year, the company received dividends of £nil from Magnet (Isle of Man) Limited (2021: £1,000k).

**Notes to the financial statements (continued)**  
for the year ended 31 December 2022

**7. Income tax**

**a) Tax credit included in profit or loss**

There is no tax charge arising in the current or prior year.

For the year ended 31 December 2022, the company was subject to UK corporation tax at a rate of 19% (2021: 19%).

**b) Tax rate changes**

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 24 May 2021.

An increase in the corporation tax rate to 25% from April 2023 was substantively enacted on 24 May 2021.

Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

**8. Subsidiaries**

The list of subsidiaries is as follows:

Name	Address of the registered office	Nature of business	Interest
Magnet (Isle of Man) Limited	Note [2]	Retailing of fitted kitchens and related products	100% ordinary
Magnet Group Trustees Limited	Note [1]	Dormant	100% ordinary

[1] registered office: 3 Allington Way, Yarm Road Business Park, Darlington, County Durham, DL1 4XT.

[2] registered office: Millennium House, Victoria Road, Douglas, Isle of Man, IM2 4RW.

**9. Debtors**

	2022 £'000	2021 £'000
Amounts owed by group undertakings	37,188	37,188

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand.



## Notes to the financial statements (continued)

for the year ended 31 December 2022

### 10. Called-up share capital and reserves

Ordinary shares of £1 each

	No. '000	£'000
Allotted and fully paid		
At 1 January 2022	15,510	15,510
At 31 December 2022	15,510	15,510

Prior to 1 January 2013, certain employees of the company were awarded share options in the ultimate parent undertaking, Nobia AB. The fair value of employee services received in exchange for grant of the options was recognised as an employee expense with a corresponding increase in the capital contribution reserves. The other reserve comprises negative goodwill arising on acquisitions made prior to 1 October 1999.

#### *Dividends*

A dividend of £nil (2021: £1,000k) was paid during the year.

### 11. Disclosed agency agreement

The company has a disclosed agency agreement, under which it acts as an agent on behalf of Nobia Holdings UK Limited ('the principal'). Sales transacted under this agreement during 2022 amounted to £330.8m (2021: £308.5m) and stock purchases amounted to £140.7m (2021: £125.7m). Transactions with Nobia Holdings UK Limited are transacted at nil profit. Magnet Limited retains the rights to the Magnet brand, under which the business trades.

### 12. Related party transactions

In accordance with FRS 102 Section 33, as the company is a wholly owned subsidiary of Nobia AB, the company is exempt from disclosing transactions or balances with wholly owned subsidiaries which form part of the group.

### 13. Controlling parties

The immediate parent undertaking and the smallest group to consolidate these financial statements is Nobia Holdings UK Limited, which is incorporated in England and Wales and whose registered office is C/O Magnet Limited, 3 Allington Way, Yarm Road Business Park, Darlington, County Durham, DL1 4XT.

The ultimate parent undertaking, controlling party and the largest group to consolidate these financial statements is Nobia AB, a company registered in Sweden. Copies of the Nobia AB consolidated financial statements can be obtained from the Company Secretary at the registered address Nobia AB, Bleckholmstorget 30 E7, SE-111 64, Stockholm, Sweden.

### 14. Events after the end of the reporting period

Due to continued difficult market conditions, primarily in the project business, the business carried out a further cost reduction programme which resulted in a number of redundancies and the closure of the Dewsbury factory in the first half of 2023.