Registered number: 3639533

Alo UK Limited

Annual report and financial statements

For the year ended 31 December 2017

Alo UK Limited

Company Information

Director	NW Forknall
Company secretary	HM Bystrom
Registered number	3639533
Registered office	315 Elm Drive Hartlebury Trading Estate Hartlebury Worcestershire DY10 4JB
Independent auditors	Ernst & Young LLP No. 1 Colmore Square Birmingham B4 6HQ

Alo UK Limited

Contents

Strategic report
For the year ended 31 December 2017

Introduction

The directors present their strategic report for the year ended 31 December 2017.

Business review

The directors are satisfied with the results for the year and are optimistic about the future. Following a history of profitable trading, the profit after tax for the year amounted to £308,975 (2016: £275,205).

The Company's KPI's as stated under FRS102 are as follows:

	2017 (£000)	2016 (£000)
Turnover	10,274	9,176
Gross profit	2,044	1,845
Gross profit %	19.9%	20.1%
Profit before tax	383	344
Return on sales (ROS)	3.7%	3.7%

Turnover has increased by 12.0% due predominantly to a stronger set of market conditions. This upturn is welcome after several years of difficult trading years and the Company expects considerable additional growth in turnover in 2018. The weakness of GBP following the 'Brexit' vote has contributed to an increase in sales activity from dealers who rely more heavily on exporting products and this in turn has helped to improve the turnover of the business.

Gross profit has fallen slightly in percentage terms as competitive pressures are still making price realisation challenging in the UK market offset by higher margins on the new advanced range of loaders (Q Series).

Profit before tax amounted to £382.819, which is an improvement of £38,589 from 2016 (2016: £344,230). The main driver for the small increase in profit is the improved sales throughput per the reasons above. The selling and administration costs have increased to reflect the higher volumes in the year leading to a return on sales of 3.7% (2016: 3.7%).

A full budget has been prepared for 2018 and the directors are satisfied that the company will retain its profitable trading profile. The budgets continue to be reviewed quarterly as a control mechanism and any appropriate adjustments are made on an on-going basis. The budget for 2018 shows a considerable increase in turnover compared to 2017 and reflects the confidence the business has in its ability to win new business and market share and also reflects the strength of its local management team.

Principal risks and uncertainties

The company has many strong and long-term customers serving a wide geographical area. Consequently the directors believe that the company is well placed to manage its business risks successfully. The current agreement with Agco (the company's largest single customer) is however worthy of note as turnover through this route represented 20% of the UK sales.

The company did not participate in any form of hedging transactions during the current financial year. Also, the company does not use forward exchange contracts for foreign currency transactions, because the company purchases a proportion of its goods from fellow group companies. All of these transactions are denominated in GBP and therefore, no foreign currency risk is borne by the company.

Principal risks and uncertainties (continued)

There are no other material exposures of the company relating to price risk, credit risk, liquidity risk and cash flow risk which are material for the assessment of the assets, liabilities, financial position and profit of the company.

This report was approved by the board on 3rd April 2018 and signed on its behalf.

NW Forknall
Director

Director's report
For the year ended 31 December 2017

The directors presents their report and the financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of the company during the year was that of wholesale of agricultural machinery.

The profit for the year, after taxation, amounted to £308,975 (2016 £275,205). The directors do not recommend a dividend for the current year (2016: nil)

Director

The director who served during the year was:

NW Forknall

Future developments

The Company intends to maintain and strengthen the many long standing relationships it holds with dealerships throughout the UK, and future prospects remain satisfactory.

Going concern

On the basis of their assessment of the Company's financial position, banking arrangements, future forecasts, and of the enquiries made of the directors of the Company's parent Alo AB, the Company's directors have a positive expectation that the Company will continue operationally for the foreseeable future. Additionally the Company has received an undertaking from its parent company, Alo AB, that it will continue to support the Company for a period of at least 12 months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Matters covered in the strategic report

The Strategic report contains the business review and principal risks and uncertainties.

Disclosure of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Director's report (continued)
For the year ended 31 December 2017

This report was approved by the board on 3rd April 2018 and signed on its behalf.

NW Forknall
Director

Director's responsibilities statement
For the year ended 31 December 2017

The director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

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

The director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Independent auditors' report to the members of Alo UK Limited

Opinion

We have audited the financial statements of Alo UK Limited (the 'Company') for the year ended 31 December 2017, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Director's report.

We have nothing to report in respect of the following matters in relation to which 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemptions in preparing the Director's report.

Responsibilities of directors

As explained more fully in the Director's responsibilities statement on page 5, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Ernst & Young LLP

Lorna McNeil (Senior statutory auditor)
for and on behalf of
Ernst & Young LLP
Statutory Auditor
Birmingham
Date: 5 April 2018

Profit and loss account
For the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	2	10,274,058	9,176,122
Cost of sales		(8,230,423)	(7,331,163)
Gross profit		2,043,635	1,844,959
Distribution costs		(420,948)	(356,578)
Administrative expenses		(1,239,868)	(1,144,175)
Operating profit	3	382,819	344,206
Interest receivable and similar income		-	25
Profit on ordinary activities before taxation		382,819	344,231
Taxation on profit on ordinary activities	8	(73,844)	(69,026)
Profit for the year		308,975	275,205

There were no other items of comprehensive income for 2017 or 2016 other than those included in the profit and loss account.

The notes on pages 12 to 22 form part of these financial statements.

Alo UK Limited
Registered number:3639533

Balance sheet
As at 31 December 2017

	Note		2017 £		2016 £
Fixed assets					
Tangible fixed assets	9		19,848		28,142
			19,848		28,142
Current assets					
Stocks	10	1,230,817		946,107	
Debtors: amounts falling due within one year	11	3,090,221		2,983,772	
Cash at bank and in hand	12	301,425		406,996	
		4,622,463		4,336,875	
Creditors: amounts falling due within one year	13	(536,606)		(568,576)	
Net current assets			4,085,857		3,768,299
Total assets less current liabilities			4,105,705		3,796,441
Provisions for liabilities					
Deferred tax	14	(2,934)		(2,645)	
			(2,934)		(2,645)
Net assets			4,102,771		3,793,796
Capital and reserves					
Called up share capital	15		100,000		100,000
Profit and loss account			4,002,771		3,693,796
			4,102,771		3,793,796

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
3rd April 2018

NW Forknall
Director
The notes on pages 12 to 22 form part of these financial statements.

Statement of changes in equity
For the year ended 31 December 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	100,000	3,693,796	3,793,796
Comprehensive income for the year			
Profit for the year	-	308,975	308,975
At 31 December 2017	100,000	4,002,771	4,102,771

Statement of changes in equity
For the year ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	100,000	3,418,591	3,518,591
Comprehensive income for the year			
Profit for the year	-	275,205	275,205
At 31 December 2016	100,000	3,693,796	3,793,796

The notes on pages 12 to 22 form part of these financial statements.

1. *Accounting policies*

1.1 Statement of Compliance

Alo UK Limited is a limited liability company incorporated in England. The registered office is 315 Elm Drive, Hartlebury Trading Estate, Hartlebury, Worcestershire, DY10 4JB.

The Company's financial statements have been prepared in compliance with Financial Reporting Standards 102 ('FRS 102') as it applies to the financial statements of the Company for the year ended 31 December 2017.

1.2 Basis of preparation of financial statements

The financial statements of Alo UK Limited were authorised for issue by the Board of Directors. The financial statements have been prepared in accordance with FRS 102 applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £.

The following principal accounting policies have been applied.

1.3 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7 and 33.1A to disclose transactions with 100% group members

This information is included in the consolidated financial statements of Alo Intressenter AB as at 31 December 2017 and these financial statements may be obtained from Brannland 300, SE-901 Umea, Sweden..

1.4 Going concern

On the basis of their assessment of the Company's financial position, banking arrangements, future forecasts, and of the enquiries made of the directors of the Company's parent Alo AB, the Company's director has a positive expectation that the Company will continue operationally for the foreseeable future. Additionally the Company has received an undertaking from its parent company, Alo AB, that it will continue to support the Company for a period of at least 12 months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1. Accounting policies (continued)

1.5 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Plant & machinery	-	20 - 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

1.7 Operating leases

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

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to sell.

1. Accounting policies (continued)

1.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.12 Foreign currency translation

The Company's functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account.

1.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds. Once the contributions have been paid the company has no further payments obligations.

1.14 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

1. Accounting policies (continued)

1.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of permanent combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Turnover

The whole of the turnover is attributable to the Company's principal activity.

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	9,845,058	8,805,673
Rest of the world	429,000	370,449
	10,274,058	9,176,122

3. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	11,976	14,386
Operating lease rentals:		
- plant and machinery	57,000	59,226
- other operating leases	95,700	95,873
Profit on disposal of fixed asset	-	318

4. Auditors' remuneration

	2017 £	2016 £
Audit services	18,250	18,250
Non-audit services (taxation)	3,500	3,500
Other assurance services	2,700	2,700
	24,450	24,450

5. Employees

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

	2017 No.	2016 No.
Sales and Distribution	7	7
Administration	8	7
	15	14

6. Staff costs

Staff costs, including director's remuneration, were as follows:

	2017	2016
	£	£
Wages and salaries	551,946	468,055
Social security costs	58,031	51,271
Cost of defined contribution scheme	46,291	39,411
	656,268	558,737

7. Director's remuneration

	2017	2016
	£	£
Director's emoluments	109,161	84,616
Company contributions to defined contribution pension schemes	6,419	5,985
	115,580	90,601

During the year retirement benefits were accruing to 1 directors (2016 - 1) in respect of defined contribution pension schemes.

8. Taxation

	2017	2016
	£	£
Corporation tax		
Current tax on profits for the year	73,555	68,549
Adjustments in respect of previous periods	-	717
	73,555	69,266
Total current tax	73,555	69,266
Deferred tax		
Origination and reversal of timing differences	327	843
Change to: Effect of change in tax rates	(38)	(240)
Adjustment in respect of previous periods	-	(843)
Total deferred tax	289	(240)
Taxation on profit on ordinary activities	73,844	69,026

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017	2016
	£	£
Profit on ordinary activities before tax	382,819	344,231
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	73,680	68,846
Effects of:		
Expenses not deductible for tax purposes	202	546
Adjustments to tax charge in respect of prior periods	-	(126)
Tax rate changes	(38)	(240)
Total tax charge for the year	73,844	69,026

8. Taxation (continued)

Factors that may affect future tax charges

The standard rate of UK corporation tax has been reduced from 20% to 19% with effect from 1 April 2017, with a further reduction to 17% with effect from 1 April 2020. These rates were enacted in the Finance Act 2016 prior to the balance sheet date and so the deferred tax balance has been calculated at the rates at which it is expected to be incurred.

9. Tangible fixed assets

	Plant & machinery £
Cost or valuation	
At 1 January 2017	140,985
Additions	3,683
At 31 December 2017	144,668
Depreciation	
At 1 January 2017	112,844
Charge for the year on owned assets	11,976
At 31 December 2017	124,820
Net book value	
At 31 December 2017	19,848
At 31 December 2016	28,141

10. Stocks

	2017 £	2016 £
Goods for resale	1,230,817	946,107
	1,230,817	946,107

The amount of inventories recognised as an expense in the period is £8,087,131 (2016: £7,184,763).

11. Debtors: Amounts falling due within one year

	2017 £	2016 £
Trade debtors	1,683,943	1,595,810
Amounts owed by group undertakings	1,332,840	1,308,149
Prepayments and accrued income	73,438	79,813
	3,090,221	2,983,772

Amounts owed by group undertakings are repayable on demand & interest free.

12. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	301,425	406,996
	301,425	406,996

13. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	117,019	100,379
Amounts owed to group undertakings	8,201	4,369
Corporation tax	23,527	38,477
Taxation and social security	309,353	344,784
Accruals and deferred income	78,506	80,567
	536,606	568,576

Amounts owed to group undertakings are repayable on demand & interest free.

14. Deferred taxation

	2017 £	2016 £
At beginning of year	(2,645)	(2,885)
Credited to the profit or loss	(289)	240
At end of year	(2,934)	(2,645)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Fixed asset timing differences	(2,934)	(4,247)
Other timing differences	-	1,602
	(2,934)	(2,645)

15. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

16. Pension commitments

The company operates a defined contribution pension scheme.

The pension charge for the year represents contributions payable by the company into the scheme and amounted to £46,291 (2016: £39,411). There are £5,676 contributions outstanding at the year end (2016: £nil).

17. Commitments under operating leases

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	140,000	134,654
Later than 1 year and not later than 5 years	63,000	151,158
	203,000	285,812

18. Controlling party

The company is a wholly owned subsidiary of Alo AB, incorporated in Sweden, which is the immediate parent undertaking. The ultimate parent company, Alo Intressenter AB is incorporated in Sweden. Alo Intressenter AB is the smallest and largest group, which Alo UK is consolidated in. The group financial statements of Alo Intressenter AB are available to the public and may be obtained from its registered office of Brannland 300, SE-901 Umea, Sweden.