

**ALBA Group Europe plc**

**Directors' report and financial  
statements**

Registered number 07468014

31 December 2012

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## **Company information**

*ALBA Group Europe plc*  
*Directors' report and financial statements*  
*31 December 2012*

### **Directors**

Dr Eric Schweitzer  
Dr Axel Schweitzer  
Martin Becker-Rethmann  
Eric O Mendel  
Dr Markus Guthoff  
Joachim Wagner

### **Company secretary**

Hackwood Secretaries Limited

### **Company number**

07468014

### **Registered office**

c/o Hackwood Secretaries Limited  
One Silk Street  
London  
EC2Y 8HQ

### **Auditors**

KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

### **Bankers**

Hypo Vereinsbank  
80311 Munich  
Germany

### **Solicitors**

Linklaters LLP  
One Silk Street  
London  
EC2Y 8HQ

## Directors' report

The directors present their report and the financial statements for the period ended 31 December 2012

### Principal activities

The company's principal activity is the provision of management services to entities in the ALBA Group plc & Co group of companies. It is also an unlimited general partner of the ALBA Group plc & Co KG, Berlin.

### Business review

The company was formed on 13 December 2010. 50,000 £1 ordinary shares were issued during the prior period at par and are included in the financial statements at the historic exchange rate of €58,270. During the period, it received management fee income and incurred administrative costs. No dividends were paid and none are proposed for the accounting period under review.

The company does not have any employees other than its directors.

### Results

The loss for the period, after taxation, amounted to €1,723 (2011 Profit of €839).

### Directors

The directors who served during the period were

Dr Eric Schweitzer  
Dr Axel Schweitzer  
Martin Becker-Rethmann  
Enc O Mendel  
Dr Markus Guthoff  
Joachim Wagner  
Hermann Holstein (resigned 27 February 2012)

### Principal risks and uncertainties

#### *Financial risk*

The company's sole source of income arises from charges made to ALBA Group plc & Co KG for acting as general partner. Should the company stop acting as general partner in the company it will have no other continuing source of income.

#### *Operational risk*

As the general partner in ALBA Group plc & Co KG, the company has taken on an unlimited corporate liability to that company. Should any liability arise as a result of this appointment, then the company could be liable for unlimited legal claims against it.

#### *Future developments*

In the opinion of the directors, the company will continue its principal activity and no changes to this are expected in the foreseeable future.

### Company's policy for payment of creditors

It is the company's policy to pay its creditors within 30 days of receipt of a valid invoice.

## **Directors' report** *(continued)*

### **Provision of information to auditors**

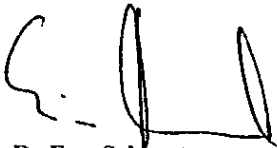
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

### **Auditors**

The auditors, Ernst & Young LLP, resigned during the year and KPMG LLP were appointed. Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the board on **19.04.2013** and signed on its behalf by



**Dr Eric Schweitzer**  
*Director*

## **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.



## **Independent auditors' report to the members ALBA Group Europe plc**

We have audited the financial statements of ALBA Group Europe plc for the year ended 31 December 2012 set out on pages 6 to 12. 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 auditors' 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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](http://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 2012 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.

### **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.

**Karen MacKenzie** (*Senior Statutory Auditor*)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

Dated 18/4/13

**Profit and loss account**  
*for the year ended 31 December 2012*

	<i>Note</i>	2012 €	2011 €
Administrative expenses		(11,963)	(9,199)
Other operating income	2	10,000	10,278
		<hr/>	<hr/>
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(1,963)</b>	<b>1,079</b>
Tax on (loss)/profit on ordinary activities	5	240	(240)
		<hr/>	<hr/>
<b>(Loss)/profit for the financial year</b>	9	<b>(1,723)</b>	<b>839</b>
		<hr/> <hr/>	<hr/> <hr/>

In both the current and preceding year, the company made no material acquisitions and had no discontinued operations

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the result reported in the profit and loss account and the result on an unmodified historical cost basis



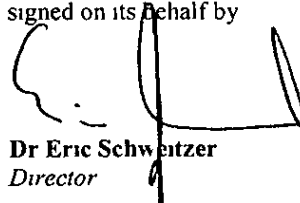
**Balance sheet**  
*as at 31 December 2012*

	Note	2012	2011
		€	€
<b>Current assets</b>			
Debtors	6	11,941	11,900
Cash at bank and in hand		69,204	58,547
		<u>81,145</u>	<u>70,447</u>
<b>Creditors amounts falling due within one year</b>	7	<u>(23,759)</u>	<u>(11,338)</u>
<b>Net current assets</b>		<u>57,386</u>	<u>59,109</u>
<b>Net assets</b>		<u>57,386</u>	<u>59,109</u>
<b>Capital and reserves</b>			
Called up share capital	8	58,270	58,270
Profit and loss account	9	(884)	839
<b>Shareholders' funds</b>	10	<u>57,386</u>	<u>59,109</u>

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

19 04 2013

and

  
**Dr Eric Schweitzer**  
*Director*

Company registered number 07468014

**Cash flow statement**  
*for the year ended 31 December 2012*

	<i>Note</i>	2012 €	2011 €
Net cash flow from operating activities		10,657	277
<b>Cash flow before financing</b>		<b>10,657</b>	<b>277</b>
Financing		-	58 270
<b>Increase in cash in the year</b>		<b>10,657</b>	<b>58,547</b>

**Reconciliation of net cash flow to movement in net funds**  
*for the year ended 31 December 2012*

	2012 €	2011 €
Increase in cash in the year	10,657	58,547
Movement in net funds in the year	10,657	58 547
Opening net funds	58,547	-
<b>Closing net funds</b>	<b>69,204</b>	<b>58 547</b>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### *Basis of preparation of financial statements*

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

The financial statements have been prepared in Euro. The European Central Bank year end exchange rate was GBP 0.8161 to the Euro.

#### *Content of the financial statements*

The company is the sole general partner of ALBA Group plc & Co KG and may be deemed under the Companies Act 2006 to be the parent company of that group. It is also a member of the Partners' Committee established under a partnership agreement drawn up by that company. Under the terms of that agreement, the general partner has the power to direct the normal day to day conduct of the business.

However, all but the normal day to day operating decisions of the company must be decided by the Partners' Committee and its decisions must be unanimous. Additionally, the company has no ownership rights or rights to any of the assets or liabilities of ALBA Group plc & Co KG or any of its subsidiaries.

The lack of any ownership rights and the restrictions over the company's powers as general partner and oversight by the Partners' Committee mean that the directors do not consider that the company is required to prepare consolidated financial statements on the basis that it does not control ALBA Group plc & Co KG. These financial statements therefore incorporate only the results of the company.

### 2 Other operating income

	2012 €	2011 €
Management service fees	10,000	10,278
	<hr/>	<hr/>

### 3 Auditors' remuneration

	2012 €	2011 €
Fees payable to the company's auditor for the audit of the company's annual account	2,201	3,891
Fees payable to the company's auditor and its associates in respect of all other services	2,201	2,095
	<hr/>	<hr/>

### 4 Staff costs

The company has no employees other than the directors, who did not receive any remuneration.

## Notes (continued)

### 5 Taxation

	2012 €	2011 €
Foreign tax on income for the year	(240)	240
<b>Tax on profit on ordinary activities</b>	<b>(240)</b>	<b>240</b>

The tax assessed for the period is higher (2011 lower) than the standard rate of corporation tax in the UK of 24.50% (2011 26.50%). The differences are explained below

	2012 €	2011 €
(Loss)/profit on ordinary activities before tax	(1,723)	1,079
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.50% (2011 26.50%)	(422)	286
<i>Effects of</i>		
Taxation due on profit arising in foreign jurisdictions	(240)	240
Other differences leading to a movement in the tax charge	422	(286)
<b>Current tax (credit)/charge</b>	<b>(240)</b>	<b>240</b>

#### *Factors that may affect future tax charges*

The company is not resident in the UK for tax purposes and is not subject to UK tax. Profits arising from its operations in Germany will be taxed under that country's tax legislation.

### 6 Debtors

	2012 €	2011 €
Amounts owed by connected undertakings	11,900	11,900
Other debtors	41	-
	<b>11,941</b>	<b>11,900</b>

### 7 Creditors amounts falling due within one year

	2012 €	2011 €
Amounts owed to connected undertakings	14,813	1,912
Corporation tax	-	240
Social security and other taxes	1,950	1,900
Other creditors	6,996	7,286
	<b>23,759</b>	<b>11,338</b>

## Notes (continued)

### 8 Share capital

	2012 €	2011 €
<i>Allotted, called up and fully paid</i>		
50 000 ordinary shares of £1 each	58,270	58,270

### 9 Reserves

	Profit and loss account €
At 1 January 2012	839
Loss for the year	(1 723)
At 31 December 2012	(884)

### 10 Reconciliation of movement in shareholders' funds

	2012 €	2011 €
(Loss)/profit for the year	(1,723)	839
Shares issued during the year	-	58,270
Net movement in shareholders' funds	(1,723)	59,109
Opening shareholders' funds	59,109	-
Closing shareholders' funds	57,386	59,109

### 11 Net cash flow from operating activities

	2012 €	2011 €
Operating (loss)/profit	(1,963)	1 079
Increase in debtors	(41)	-
Increase in amounts owed by connected undertakings	-	(11,900)
(Decrease)/increase in creditors	(240)	9 186
Increase in amounts owed to connected undertakings	12,901	1,912
	10,657	277

### 12 Analysis of cash flows for headings netted in cash flow statement

	2012 €	2011 €
<i>Financing</i>		
Issue of ordinary shares	-	58 270

**Notes (continued)**

**13 Analysis of changes in net funds**

	Opening balance €	Cash flow €	Closing balance €
Cash at bank and in hand	58,547	10 657	69.204
<b>Net funds</b>	<b>58,547</b>	<b>10,657</b>	<b>69.204</b>

**14 Contingent liabilities**

The company is jointly liable for a syndicated loan advanced to ALBA Group plc & Co KG. The loan was valued at €259 704,000 as at 31 December 2012 (2011: €211,400 000). The company has also pledged its limited partner interests in ALBA Group plc & Co KG and all receivables as security for this debt.

The company is also jointly and severally liable for a bond issued by ALBA Group plc & Co KG with a nominal amount of €203,000,000 (2011: €203,000,000). The bond is due for repayment in 2017.

**15 Related party transactions**

During the period, the company charged management fees of €10,000 (2011: €10,000) to ALBA Group Europe plc & Co KG. At the period end this amount, plus VAT of €1,900 (2011: €1 900) was outstanding in full and is included in debtors.

During the period, ALBA Group plc & Co KG paid expenses totalling €12,901 (2011: €1,912) on behalf of the company. This amount was outstanding at the period end and is included within creditors due within one year.

The company is the general partner of ALBA Group plc & Co KG and ALBA Group Europe plc & Co KG is a subsidiary of that company.

**16 Controlling party**

The company is controlled by Dr Eric Schweitzer and Dr Axel Schweitzer.