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Robert Bosch Investment Limited
(formerly known as Robert Bosch Investment plc)
Annual report and consolidated financial statements
for the year ended 31 December 2010



Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

**Annual report and financial statements
for the year ended 31 December 2010**

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Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Directors and advisers for the year ended 31 December 2010

Directors

U Glock
J Fischer
K Huttelmaier

Company secretary

B K Mahge

Registered office

Cotswold Way
Warndon
Worcester
WR4 9SW

Bankers

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London Corporate Banking
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EC3V 9EX

Solicitors

Norton Rose
Kempson House
Camomile Street
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EC3A 7AN
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Birmingham
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Eversheds LLP
1 Royal Standard Place
Nottingham
NG1 6FZ

Parkinson Wright
64 Friar Street
Droitwich Spa
WR9 8EF

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Directors' report for the year ended 31 December 2010

The directors present their annual report and the audited consolidated financial statements of the group for the year ended 31 December 2010

The company's registered number is 02692230

Principal activities

The group's principal activities are the manufacture, supply and after sales support of gas and oil fired boilers and related appliances

Change in name

On 18 November 2010, the company became a limited liability company

Review of business

(a) Summary of results

The group's turnover increased in the year to £385.5 million (2009: £342.6 million). Profit before taxation for the group increased in the year to £61.8 million (2009: £28.8 million).

(b) Business environment

The group operates within a two-step distribution system. The group sells its products to both national and regional merchants, who sell to installers, whose customers are the end consumers. The sales of gas and oil fired appliances and the related spare parts are strongly supported by a comprehensive in-house after sales organisation.

(c) Strategy

In order to achieve sustainable growth and profit, the group is focusing on the following key elements of its strategy:

- Comprehensive product range at the highest quality standard
- Availability at all times
- Focus on customer satisfaction

(c) (i) Comprehensive product range at the highest quality standard

The provision of an attractive and complete product range of appliances is vital for future growth and sustainable profit.

With the introduction of oil fired condensing boilers, the group has now a full and comprehensive range of condensing boilers for both gas and oil in the market place.

The group has achieved further penetration within the new and growing market of renewables during 2010.

(c) (ii) Availability at all times

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Directors' report for the year ended 31 December 2010 (continued)

Review of business (continued)

(c) Strategy (continued)

To have all products available at any time the group is emphasising this strategy throughout the whole supply chain and is working closely together with its customers and suppliers

(c) (iii) Focus on customer satisfaction

The group is endeavouring to achieve the highest possible customer satisfaction. Based on regular independent market research, the group is looking for improvements in all aspects of the business such as product design, functionality, unique selling points and after sales service

(d) Research and development

We continue to invest in both new products and quality. With the commencement of our new oil fired condensing boiler range in early 2009, we have completed the introduction of high efficiency appliances in the UK market. The overall expenditure for research and development in 2010 was £8.9 million (2009: £7.5 million) which was written off in the year it was incurred.

(e) Future outlook

It is the aim of the group to realise further profitable growth through the focus on sales of current products, as well as renewables, and productivity in the manufacturing sites.

(f) Principal risks and uncertainties

The management of the business and the execution of the group's strategy are subject to a number of risks.

Risks are formally reviewed by the board and appropriate processes are put in place to monitor and mitigate them.

The key business risks affecting the group are set out below:

- **Economic down-turn**. At present sales are forecast to be higher than last year and it is believed that the longer term prospects for the business remain good. However, the directors are continually monitoring the situation and are ready to react to any changes that occur within the market.
- **Exchange rate risk – Euro**. The group is exposed to raw material price risk as a result of a number of its key supplies coming from the Euro-zone. While the group works closely with suppliers to manage price changes, given the size of the group's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. Strategic operational decisions have been taken in order to minimise this risk.
- **Changes in building regulation**. Efforts of the Government to reduce the carbon dioxide emission level in the UK result in increasing amounts of changes in the building regulations and subsequently in the demands for the specification of our products. A detailed team in our organisation is constantly monitoring actual or potential changes, which enables the group to react quickly and successfully in conjunction with the research and development function.

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Directors' report for the year ended 31 December 2010 (continued)

Review of business (continued)

(g) Financial risk management

The group's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk and liquidity risk. The group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group.

The policies set by the board of directors are implemented by the group's finance department.

Credit risk

The group has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit which is reassessed regularly by the board.

Liquidity risk

The group manages its long term debt finance as a part of the wider Bosch group and is funded through intercompany loans. This is designed to ensure that the Company has sufficient available funds for operations and planned expansion.

(h) Results and dividends

The Group recorded turnover of £385.5m (2009: £342.6m) and a profit after taxation of £44.4m (2009: £20.4m).

During the year, a dividend of £40.3m (£1.20p per share) (2009: £33.9m £1.01p per share) was paid.

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Directors' report for the year ended 31 December 2010 (continued)

Review of business (continued)

(i) Key performance indicators (KPI's)

The group has consolidated its performance during 2010 on strategic key elements for future growth and sustainable profitability. The board monitors progress on the overall strategy and the individual strategic elements by reference to the following KPI's

	2010	2009	
Growth in sales units (%)	10	(1.7)	Year on year boiler unit sales growth expressed as a percentage
Gross margin (%)	16.0	8.2	Gross margin is the ratio of operating profit (before exceptional items) to sales, expressed as a percentage
Return on invested capital (%)	83	42	Operating profit expressed as a percentage of net assets
Value added per employee (£'000)	101	81	Value added is turnover less cost of material, divided by average employee capacity

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Directors' report for the year ended 31 December 2010 (continued)

Directors and their interests

The directors who served during the year ended 31 December 2010 and up to the date of signing the financial statements were as follows

U Glock
J Fischer
K Huttelmaier

Liability insurance for all directors and officers is taken out by the ultimate parent company, Robert Bosch GmbH, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006

Employees

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. Communication with all employees continues through the in-house newspaper and newsletters, and briefing groups. The Company encourages employee involvement in performance through measures such as the balanced scorecard and performance related bonuses.

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 be, as far as possible, identical to that of a person who does not suffer from a disability.

Policy and practice on payment of creditors

The group's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. Trade creditors of the group at 31 December 2010 were equivalent to 31 days' (2009: 29 days') purchases based on the average daily amount invoiced by suppliers during the year.

Donations

During the year, the group made charitable donations of £8,960 (2009: £13,950). These donations related to UK charitable organisations in the medical and health care sectors. There were no political contributions in either year.

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Directors' report for the year ended 31 December 2010 (continued)

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the group and parent company 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 Group and the Company and of the profit or loss of the group 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 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 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

In accordance with Section 418, in the case of each director in office at the date the Directors' Report is approved

(a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and

(b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

By order of the Board



B K Malige
Company secretary
Date 21/6/11

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROBERT BOSCH INVESTMENT LIMITED (FORMERLY KNOWN AS ROBERT BOSCH INVESTMENT PLC)

We have audited the Group and parent Company financial statements (the "financial statements") of Robert Bosch Investments Limited for the year ended 31 December 2010 which comprise Group Profit and Loss Account, the Group and Parent Company Balance Sheets, the Group Reconciliation of Movement in Shareholder's Funds, and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 8 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.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 group's and parent 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2010 and of the group's profit and cash flows 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROBERT BOSCH INVESTMENT LIMITED (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

David Martin

David Martin (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
Date

28 June 2011

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

**Group profit and loss account
for the year ended 31 December 2010**

	Note	2010	2009
		£m	£m
Continuing operations			
Turnover	2	385.5	342.6
Cost of sales		(255.6)	(245.9)
Gross profit		129.9	96.7
Selling, distribution and administration expenses	3	(59.2)	(60.0)
Research and development expenses	3	(8.9)	(7.5)
Operating profit		61.8	29.2
Interest receivable and similar income	5	0.1	-
Interest payable and similar charges	5	(0.1)	(0.4)
Profit on ordinary activities before taxation	4	61.8	28.8
Tax on profit on ordinary activities	7	(17.3)	(8.4)
Profit for the financial year	18	44.5	20.4

All activity is derived from continuing operations

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents

There were no recognised gains and losses other than those disclosed in the group profit and loss account and therefore no separate statement of total recognised gains and losses has been presented

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

**Group reconciliation of movement in shareholders' funds
for the year ended 31 December 2010**

	2010	2009
	£m	£m
Profit for the financial year	44.5	20.4
Dividends paid during the financial year	(40.3)	(33.9)
Net (reduction from)/addition to shareholders' funds	4.2	(13.5)
Opening shareholders' funds	70.2	83.7
Closing shareholders' funds	74.4	70.2

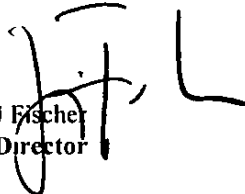
Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

**Group balance sheet
as at 31 December 2010**

		2010	2009
	Note	£m	£m
Fixed assets			
Tangible assets	9	33.1	31.4
Current assets			
Stocks	11	17.3	18.2
Debtors	12	102.9	88.9
Cash at bank and in hand		24.9	10.9
		145.1	118.0
Creditors - amounts falling due within one year	13	(82.3)	(60.5)
Net current assets		62.8	57.5
Total assets less current liabilities		95.9	88.9
Provisions for liabilities	16	(21.5)	(18.7)
Net assets		74.4	70.2
Capital and reserves			
Called up share capital	17	33.4	33.4
Share premium account	18	25.6	25.6
Profit and loss account	18	15.4	11.2
Total shareholders' funds		74.4	70.2

The financial statements on pages 11 to 30 were approved by the board of directors on
and signed on its behalf by

22/6/11

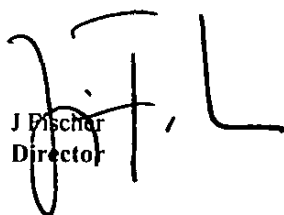

J Fischer
Director

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

**Company balance sheet
as at 31 December 2010**

		2010	2009
	Note	£m	£m
Fixed assets			
Investments	10	60.3	60.3
Current assets			
Debtors	12	0.1	0.1
Creditors - amounts falling due within one year	13	-	-
Net current assets		0.1	0.1
Total assets less current liabilities		60.4	60.4
Creditors – amounts falling due after more than one year		(1.6)	(8.4)
Net assets		58.8	52.0
Capital and reserves			
Called up share capital	17	33.4	33.4
Share premium account	18	25.6	25.6
Profit and loss account	18	(0.2)	(7.0)
Total shareholders' funds		58.8	52.0

The financial statements on pages 11 to 30 were approved by the board of directors on 11/1/11 and signed on its behalf by


J Fischer
Director

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010

1 Accounting policies

The financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been consistently applied, is set out below.

Change in presentation

The directors have changed the presentation of the balance sheet. Amounts due to group undertakings in less than one year have been reclassified to amounts due in greater than one year to reflect the terms of the agreement that have always been in place. The change in classification has not impacted the result for the current or the prior year.

Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement afforded by Financial Reporting Standard Number 1 (Revised 1996) because it is a wholly owned subsidiary and is included within the consolidated financial statements of Robert Bosch GmbH which are publicly available.

Related party transactions

The Company has taken advantage of the exemption granted under paragraph 5 of the amendment to FRS 8 and not disclosed any transactions with other group companies where they are wholly owned by a common parent.

Basis of consolidation

The group financial statements consolidate the financial statements of Robert Bosch Investment Limited and its subsidiary undertakings drawn up to the end of the group's financial year. Uniform policies are used throughout the group.

Goodwill, arising on acquisitions in the year ended 31 December 1997 and earlier periods, was written off to reserves in accordance with the accounting standard then in force. As permitted by the current accounting standard the goodwill previously written off to reserves has not been reinstated in the balance sheet. On disposal or closure of a previously acquired business, the attributable amount of goodwill previously written off to reserves is included in determining the profit or loss on disposal.

Any intra group transactions have been eliminated from the consolidated financial statements.

No profit and loss account is presented for Robert Bosch Investment Limited, as provided by Section 408 of the Companies Act 2006. The Company's profit for the financial year determined in accordance with the Act was £47.1m (2009: £27.0m).

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less the related accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to working condition for its intended use.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of each asset over its useful life as follows:

Freehold buildings	2% per annum, straight line
Leasehold improvement	over the term of the lease, straight line
Plant, equipment and motor vehicles	23 - 33% per annum, reducing balance

Initial tooling that is required for new products is capitalised as plant within tangible fixed assets and a depreciation charge is made to the profit and loss account over three years.

Assets in the course of construction are not depreciated until they are ready for use.

Investments

In the Company balance sheet investments in subsidiary undertakings are stated at cost less any provision for impairment.

Stocks

Stocks are valued at the lower of cost and estimated net realisable value using the first in, first out method of calculation. Cost includes direct materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Where appropriate, and based on the level of usage, provision is made for obsolete, slow moving or defective items.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. The taxation liabilities of certain group companies are reduced wholly or in part by the surrender of losses by fellow group companies. Payment for tax losses is settled through inter-company accounts.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's and group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

1 Accounting policies (continued)

Taxation (continued)

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying differences can be deducted

Deferred tax is not recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold

Deferred tax is measured at the average rates of tax that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, sales rebates, anticipated returns, value added tax and other sales related taxes. Turnover is recognised on despatch of goods

Pension costs

The group operates a defined contribution pension scheme. The assets of the scheme are held separately in independently administered funds. The amounts charged to the profit and loss account represent the contributions payable in the year. Any difference between amounts charged to the profit and loss account and contributions paid are shown as either accruals or prepayments in the balance sheet

Research and development

Research and development expenditure is charged to the profit and loss account in the year in which it is incurred

Foreign currency

Transactions denominated in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account

All exchange differences are included in the profit and loss account

Operating leases

Operating lease costs are charged to the profit and loss account as they are incurred

Returns provision

Where an obligation exists in respect of returns from customers, management estimates the level of anticipated returns based on current expectations and takes into account anticipated market conditions. A provision is recorded to the extent that returned stock is redundant and turnover is reduced in the period

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

1 Accounting policies (continued)

Warranty costs

Product warranty costs are provided for at the point of sale, after taking into account historical levels of claims and warranty obligation associated with the respective products, on a non-discounted basis

2 Turnover

All group turnover and operating profits are derived from the group's principal activities. The geographical analysis of turnover by destination in the year is set out below

	2010	2009
	£m	£m
UK	380.3	338.1
Other European countries	5.2	4.5
	385.5	342.6

Turnover originates from operations in the United Kingdom. In the opinion of the directors the activities of the Group represent one class of business.

3 Operating expenses

	2010	2009
	£m	£m
Selling, distribution and administrative costs	59.2	60.0
Research and development expenses	8.9	7.5
Other operating expenses	68.1	67.5

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

4 Profit on ordinary activities before taxation

	2010	2009
	£m	£m
Profit on ordinary activities before taxation is stated after charging:		
Staff costs (Note 6)	52.2	49.2
Depreciation of tangible fixed assets – owned (Note 9)	3.6	3.8
Operating lease charges		
- plant and machinery	0.3	0.3
- other	1.3	1.4
Research and development expenditure	8.9	7.5
Services provided by the group's auditors (see note below)		

Auditors' remuneration in the year was split between audit fees of £80,700 and other services of £1,500 (£82,200 in total) (2009 £78,700). This year all fees were borne by the trading company.

5 Interest receivable/(payable)

	2010	2009
	£m	£m
Interest receivable on amounts due from group undertakings and similar income	0.1	-
Interest receivable and similar income	0.1	-
Interest payable on amounts due to group undertakings and similar income	(0.1)	(0.4)
Interest payable and similar charges	(0.1)	(0.4)

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

**Notes to the financial statements
for the year ended 31 December 2010 (continued)**

6 Staff costs

	2010	2009
	£m	£m
Employee costs during the year amounted to:		
Wages and salaries	45.9	43.3
Social security costs	4.7	4.4
Other pension costs	1.6	1.5
	52.2	49.2

The total pension cost for the year for all employees was £1,599,000 (2009 £1,542,000). Amounts owed to the pension fund by the Company at the year end were £215,000 (2009 £215,000).

	2010	2009
	Number	Number
The average monthly number of employees (including executive directors) was:		
Management, sales and administration	705	760
Production and service	877	854
	1,582	1,614

The emoluments of the Directors were paid by Bosch Thermotechnology Limited, the ultimate parent undertaking. The Directors were also directors of a number of other fellow subsidiaries during the year ended 31 December 2010 and 31 December 2009 and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the emoluments of the Directors are disclosed within the financial statements of Robert Bosch GmbH.

The Company had no employees during 2010 (2009 none).

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

7 Tax on profit on ordinary activities

The tax charge comprises:	2010	2009
	£m	£m
Current tax		
UK Corporation tax on profits of the year	18.0	8.7
Adjustments in respect of previous periods	(0.6)	(0.6)
Total current tax	17.4	8.1
Deferred tax		
Origination and reversal of timing differences	(0.2)	(0.2)
Adjustment for previous years	0.1	0.5
Total deferred tax (Note 14)	(0.1)	(0.3)
Tax on profit on ordinary activities	17.3	8.4

Factors affecting tax charge for the year

The current tax assessed for the year is higher than (2009 the same as) than the standard rate of corporation tax in the UK of 28% (2009 28.1%). The differences are explained below

	2010	2009
	£m	£m
Profit on ordinary activities before taxation	61.7	28.8
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 28%)	17.2	8.1
Effects of		
Expenditure not deductible for tax purposes	0.5	0.5
Depreciation in excess of capital allowances	0.2	0.1
Effect of law change	0.1	-
Adjustments in respect of previous periods	(0.6)	(0.6)
Current tax charge for the year	17.4	8.1

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

7 Tax on profit on ordinary activities (cont.)

The Finance Act (No 2) 2010 was substantively enacted on 20 July 2010 and includes legislation to reduce the main rate of corporation tax from 28% to 27% from 1 April 2011

Further reductions to the UK corporation tax rate were announced in the June 2010 and March 2011 Budgets

These propose an additional reduction of 1% for the financial year beginning 1 April 2011 to 26%. The rate will be reduced annually by three further 1% cuts until 1 April 2014, when the corporation tax rate reaches 23%

8 Dividends

	2010	2009
	£m	£m
Ordinary equity shares (£1 20 per ordinary share)		
See note 18 (Reserves)	(40.3)	(33.9)

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

**Notes to the financial statements
for the year ended 31 December 2010 (continued)**

9 Tangible assets

Group	Land and buildings				Total
	Freehold	Long leasehold	Plant and equipment	Motor vehicles	
	£m	£m	£m	£m	£m
Cost					
At 1 January 2010	23.6	2.4	35.9	1.1	63.0
Additions	0.3	-	5.3	-	5.6
Disposals	-	-	(2.5)	(0.1)	(2.6)
At 31 December 2010	23.9	2.4	38.7	1.0	66.0
Accumulated depreciation					
At 1 January 2010	4.9	0.4	25.2	1.0	31.6
Charge for the year	0.5	-	3.0	0.1	3.6
On disposals	-	-	(2.2)	(0.1)	(2.3)
At 31 December 2010	5.4	0.5	26.0	1.0	32.9
Net book amount					
At 31 December 2010	15.3	1.9	15.8	0.1	33.1
At 31 December 2009	18.7	2.0	10.7	-	31.4

Freehold land amounting to £2.5 million, (2009: £2.5 million) has not been depreciated

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Notes to the financial statements for the year ended 31 December 2010 (continued)

10 Investments

The Company has investments in the following subsidiary undertakings, all of which are incorporated in England and Wales and operate in the United Kingdom unless otherwise stated

Subsidiary undertaking	Country of incorporation and principal business activity	Class of shares	Holding %
Worcester Group plc	England and Wales Management services company	10p ordinary 10p preference	100
Bosch Thermotechnology Limited	England and Wales Manufacture, supply and after-sales support of gas and oil-fired boilers and related appliances	£1 ordinary	100
Worcester Group Properties Limited	England and Wales Property holding company	£1 ordinary	100
Worcester Heat Systems Limited	Dormant	£1 ordinary	100

The Company holds a direct investment in the ordinary share capital of Worcester Group plc (100%) All other investments are held via subsidiary undertakings

Investments in subsidiary undertakings

	Company
Investment in subsidiary undertakings comprises:	£m
Cost and net book amount	
At 31 December 2010 and 31 December 2009	60.3

The directors consider that the value of the investments is supported by their underlying assets

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

11 Stocks

	Group	
	2010	2009
	£m	£m
Raw materials and consumables	5.6	4.7
Work in progress	1.0	1.0
Finished goods and goods for resale	10.7	12.5
	17.3	18.2

In the opinion of the directors, there are no material differences between the replacement cost and balance sheet value of stocks

The Company held no stocks at either year end

12 Debtors

	Group		Company	
	2010	2009	2010	2009
	£m	£m	£m	£m
Amounts falling due within one year				
Trade debtors	98.7	84.8	-	-
Amounts owed by fellow group undertakings	0.7	0.8	-	-
Corporation tax asset	-	-	0.1	0.1
Deferred tax asset (Note 15)	1.7	1.5	-	-
Prepayments and accrued income	1.8	1.8	-	-
	102.9	88.9	0.1	0.1

Amounts owed by group undertakings are unsecured, attract an interest at 12 months' average LIBOR plus 1%

The Company has taken advantage of the exemption not to disclose any transactions or balances between group entities that have been eliminated on consolidation

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

**Notes to the financial statements
for the year ended 31 December 2010 (continued)**

13 Creditors: amounts falling due within one year

	Group		Company	
	2010	2009	2010	2009
	£m	£m	£m	£m
Trade creditors	32.3	21.6	-	-
Amounts owed to fellow group undertakings	7.3	10.3	-	-
UK corporation tax	11.5	7.9	-	-
Other taxation and social security	13.4	7.6	-	-
Accruals and deferred income	17.8	13.1	-	-
	82.3	60.5	-	-

Amounts owed by the group to other group undertakings are unsecured and interest free. Amounts owed by the Company are unsecured and attach an interest at 12 months' average LIBOR plus 1%.

The Company has taken advantage of the exemption not to disclose any transactions or balances between group entities that have been eliminated on consolidation.

14 Creditors: amounts falling due after more than one year

	Group		Company	
	2010	2009	2010	2009
	£m	£m	£m	£m
Amounts owed to subsidiary undertakings	-	-	1.6	8.4

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

15 Deferred taxation

The amount of the group deferred tax asset recognised is as follows

	2010	2009
	£m	£m
Capital allowances in excess of depreciation	1.2	1.2
Other timing differences	0.5	0.3
Deferred tax asset (Note 12)	1.7	1.5

Movement in deferred tax asset

	2010	2009
	£m	£m
As at 1 January	1.5	1.2
Credited to the profit and loss account (Note 7)	0.2	0.3
As at 31 December	1.7	1.5

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has been recognised in these financial statements

16 Provisions for liabilities

	2010	2009
	£m	£m
Group		
Warranty provision	21.4	18.4
Other provisions	0.1	0.3
	21.5	18.7

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

16 Provisions for liabilities (continued)

Movements in provisions

	Warranty provision	Other provisions	Total
	£m	£m	£m
As at 1 January 2010	18.4	0.3	18.7
Utilised during the year	(11.4)	-	(11.4)
Released to the profit and loss account	(0.3)	(0.2)	(0.5)
Charged to the profit and loss account	14.7	-	14.7
As at 31 December 2010	21.4	0.1	21.5

The provision for product warranties relates to expected warranty claims on products sold predominantly during the last two years. It is forecast that the majority of this expenditure will be incurred in the next financial year and that all will be incurred within two to three years of the balance sheet date.

The other provision of £0.1m relates to unprocessed customer returns.

The Company had no provisions for liabilities and charges at either year end.

17 Called up share capital

	2010	2009
	£m	£m
Authorised		
36,000,000 "A" ordinary shares of £1 each	36.0	36.0
Allotted and fully paid		
33,394,040 "A" ordinary shares of £1 each	33.4	33.4

Robert Bosch Investment Limited (formerly known as Robert Bosch Investment plc)

Notes to the financial statements for the year ended 31 December 2010 (continued)

Lease Commitments (cont.)	2010		2009	
	Land and buildings	Other	Land and buildings	Other
	£m	£m	£m	£m
Operating leases which expire				
- within 1 year	-	0.5	-	0.2
- within 2-5 years	-	0.6	-	1.7
- after 5 years	0.3	-	0.3	-
	0.3	1.1	0.3	1.9

The Company had no commitments under non-cancellable operating leases at either year-end

20 Contingent liabilities

The Company and its UK subsidiaries are parties to a cash pool netting agreement with certain other UK subsidiaries of Robert Bosch GmbH, each company being jointly and severally liable. No security is held over the balances.

The aggregate net balance in hand under the terms of the agreement at 31 December 2010 amounted to £48,000 (2009: £375,000).

21 Ultimate holding company and controlling party

The Company is a subsidiary undertaking of Robert Bosch Ireland Limited (80% shareholding) and Robert Bosch UK Holdings Limited (20% shareholding). The ultimate parent undertaking is Robert Bosch GmbH incorporated in Germany.

The largest group in which the results of the Company are consolidated is that headed by Robert Bosch GmbH. The consolidated financial statements are available to the public and may be obtained from Robert Bosch Platz 1, Gerlingen-Schillerhoehe, Postfach 106050, D-70049, Stuttgart, Germany.

The smallest group in which the results of the Company are consolidated is Bosch Thermotechnik GmbH, a company incorporated and registered in Germany.

Robert Bosch Stiftung GmbH controls the Company as a result of controlling directly 92% of the issued share capital of Robert Bosch GmbH.