

Bobrick Washroom Equipment Limited

Registered Number 2848421

**Director's Report and Financial Statements
For the Year Ended 31 October 1999**



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Bobrick Washroom Equipment Limited

Directors' Report for the Year Ended 31 October 1999

Directors' report

The directors present their report on the affairs of the Company, together with the accounts and auditors' report, for the year ended 31 October 1999.

Principal activity

The principal activity of the Company is the distribution of washroom products provided by Bobrick Washroom Equipment, Inc. a company incorporated in the United States of America.

Review of business and future developments

The Company has performed as expected by the directors during the year. No change in activity is planned for the coming year.

Results

In the year to 31 October 1999 the Company made a loss of £26,784 (1998: loss £43,026).

Dividends

The directors do not recommend the payment of a dividend (1998: £nil).

Directors and their interests

The directors of the Company during the period were:

Mr Mark S Louchheim (Chairman)
Ms Regina M Yates
Mr William S Louchheim Jr.

No director held any shares in the Company at any time during the period.

Taxation status

The Company is not a close company as defined by the Income and Corporation Taxes Act 1988.

Bobrick Washroom Equipment Limited

Directors' Report for the Year Ended 31 October 1999 (Continued)

Auditors

The Directors have been advised that PricewaterhouseCoopers are willing to continue as auditors of the Company and a resolution for their reappointment and on their remuneration will be put to the Annual General Meeting.

Year 2000

Many computer systems express dates using only the last two digits of the year. These systems require modification or replacement to accommodate the year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. The operation of our business depends not only on our computer systems, but also to some degree on those of our suppliers and customers. There is, therefore, an exposure to further risk in the event that there is a failure by other parties to remedy their own year 2000 issues.

The Company is participating in the Bobrick Washroom Equipment, Inc group programme designed to address the impact of the year 2000 on all the group's businesses.

As part of the group exercise, an analysis of significant risks has been performed to determine the impact of the issue on our activities. From this, prioritised action plans have been developed that are designed to address the key risks in advance of critical dates and without disruption to the underlying business processes. Priority is being given to those systems that could cause a significant financial or legal impact on the company's business if they were to fail. The plan also includes a requirement for the testing of all critical systems.

The risk analysis also considers the impact on our business of year 2000 related failures by our significant suppliers and customers. In appropriate cases formal assurance is being sought from these other parties.

The total cost to complete modifications to our computer hardware and software is to be borne by Bobrick Washroom Equipment Inc.

By Order of the Board



Ms Regina M Yates
Company Secretary

31 August 2000

Bobrick Washroom Equipment Limited

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors' Report to the Members of Bobrick Washroom Equipment Limited

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 October 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors
1 Embankment Place
London
WC2N 6NN

31 August 2000

Bobrick Washroom Equipment Limited

Profit and Loss Account For the Year to 31 October 1999

	Note	Year ended 31 October 1999 £	Year ended 31 October 1998 £
Turnover – continuing operations	1b & 2	685,844	516,707
Cost of sales		(526,337)	(403,478)
Gross profit		159,507	113,229
Administrative expenses		(173,784)	(148,435)
Distribution costs		(21,033)	(17,965)
Operating loss – continuing operations		(35,310)	(53,171)
Interest receivable and similar income	3	8,526	10,145
Loss on ordinary activities before taxation	4	(26,784)	(43,026)
Tax on loss on ordinary activities	1c & 6	-	-
Retained loss for the period		(26,784)	(43,026)
Dividends		-	-
Retained loss for the period		(26,784)	(43,026)
Accumulated loss brought forward		(80,945)	(37,919)
Accumulated loss carried forward		(107,729)	(80,945)

Reconciliation of movement in shareholders' funds

	Year ended 31 October 1999 £	Year ended 31 October 1998 £
Loss for the financial period	(26,784)	(43,026)
Opening shareholders' funds	(80,845)	(37,819)
Closing shareholders' funds	(107,629)	(80,845)

The Company had no recognised gains or losses during the period other than those reflected in the profit and loss account above.

There is no difference between the reported loss for the period and those that would be reported under the historical cost convention.

The accompanying notes form an integral part of this statement.

Bobrick Washroom Equipment Limited

Balance Sheet at 31 October 1999

		Year ended 31 October 1999 £	Year ended 31 October 1998 £
	Note		
Current assets			
Stock	7	274,894	161,815
Debtors	8	310,910	423,963
Cash at bank and in hand		110,218	267,177
		696,022	852,955
Creditors: amounts falling due within one year	9	(803,651)	(933,800)
Net current assets		(107,629)	(80,845)
Total assets less current liabilities		(107,629)	(80,845)
Net assets		(107,629)	(80,845)
Capital and reserves			
Share capital	10	100	100
Profit and loss account		(107,729)	(80,945)
Total shareholders' funds		(107,629)	(80,845)

Approved by the Board on 21 Aug 2000


Ms Regina M Yates
Director

The accompanying notes form an integral part of this statement.

Bobrick Washroom Equipment Limited

Notes to the Financial Statements for the Year Ended 31 October 1999

1 Accounting policies

The principal accounting policies are:

(a) Basis of accounting

The accounts are prepared under the historical cost convention and on a going concern basis and in accordance with applicable accounting standards.

(b) Turnover

Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and value added tax.

(c) Taxation and deferred taxation

Corporation tax payable is provided on taxable profits at the current rate. Deferred tax is provided to the extent that a liability is expected to crystallise in the foreseeable future.

(d) Cash flow statement

No cash flow statement is required under the small companies exemptions Companies Act 1985.

(e) Stock

Stock is valued at the lower at cost and net realisable value.

2 Turnover

Turnover in the period to 31 October 1999 was £685,844 (1998 : £516,707), wholly derived in the UK.

3 Interest receivable and similar income

	Year to 31 October 1999 £	Year to 31 October 1998 £
Interest receivable on bank deposits	8,526	10,145

Bobrick Washroom Equipment Limited

Notes to the Financial Statements for the Year Ended 31 October 1999

4 Profit on ordinary activities before taxation

Staff costs are borne by the parent company with no recharge to the Company. In 1999 £2,600 (1998: £2,600) was charged in respect of auditors' fees.

5 Employee information

(1) The company had no employees during the year to 31 October 1999 (1998: Nil)

(2) Directors' emoluments:

All directors are paid by the parent company. There were no charges for services rendered by the parent company in the year to 31 October 1999.

6 Tax on profit on ordinary activities

The tax charge is based on the taxable profit for the period and comprises:

	Year to 31 October 1999 £	Year to 31 October 1998 £
Corporation tax at 30.4% (1998 - 31%)	-	-

7 Stock

	Year to 31 October 1999 £	Year to 31 October 1998 £
Finished goods	274,894	161,815

Bobrick Washroom Equipment Limited

Notes to the Financial Statements for the Year Ended 31 October 1999

8 Debtors

	Year to 31 October 1999 £	Year to 31 October 1998 £
VAT recoverable	-	218,926
Trade debtors	310,910	205,037
	310,910	423,963

9 Creditors – amounts falling due within one year

	Year to 31 October 1999 £	Year to 31 October 1998 £
Other creditors – Intercompany (parent)	740,327	740,850
Taxation and social security	-	192,950
VAT payable	63,324	-
	803,651	933,800

10 Called up share capital

	Authorised £	Allotted, Issued and fully paid £
Ordinary shares of £1 each	100	100

11 Financial support

The immediate parent company, Bobrick Washroom Equipment Inc, has confirmed that it will meet the liabilities of Bobrick Washroom Equipment Limited as they fall due.

Bobrick Washroom Equipment Limited

Notes to the Financial Statements for the Year Ended 31 October 1999

12 Ultimate parent undertaking

The immediate parent undertaking is Bobrick Washroom Equipment, Inc and the ultimate parent company is The Bobrick Corporation, a company registered in the United States of America. Copies of The Bobrick Corporation's financial statements can be obtained from 11611, Hart Street, North Hollywood, CA 91605 5852, United States of America.

The Company has taken advantage of the exemption offered by FRS8 not to disclose related party transactions with other group companies.