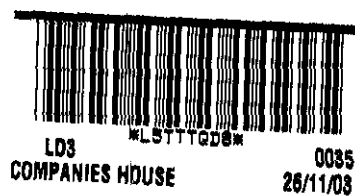


**Bobrick Washroom Equipment Limited**

**Registered Number 2848421**

**Annual Report**

**For the Year Ended 31 October 2002**



# **Bobrick Washroom Equipment Limited**

## **Directors' Report for the Year Ended 31 October 2002**

### **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 2002.

### **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 2002, the Company made a loss of £84,954 (2001: loss £71,947).

### **Dividends**

The Directors do not recommend the payment of a dividend (2001: £nil).

### **Directors and their interests**

The Directors of the Company during the period to the signing of the annual report were:

Mr Mark S Louchheim (Chairman)

Mr William S Louchheim Jr.

Ms Regina M Yates (resigned as Company Secretary and Director on 1 July 2003)

Mr Jerald A Otchis (appointed as Company Secretary on 1 July 2003)

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 2002 (Continued)**

#### **Auditors**

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 21 March 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. Pursuant to section 386(1) of the Companies Act 1985 (as inserted by the Companies Act 1989) the members have resolved to dispense with the obligation to appoint auditors annually and PricewaterhouseCoopers LLP shall be deemed to be reappointed each year.

By Order of the Board



Mr Jerald A. Otchis  
**Company Secretary**

20 November 2003

## **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.

# **Bobrick Washroom Equipment Limited**

## **Independent Auditors' Report to the Members of Bobrick Washroom Equipment Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 Companies Act 1985. 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.

### **Basis of 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 the Company's affairs at 31 October 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London  
20 November 2003

# Bobrick Washroom Equipment Limited

## Profit and Loss Account For the Year to 31 October 2002

|                                                    | Note | Year ended<br>31 October<br>2002<br>£ | Year ended<br>31 October<br>2001<br>£ |
|----------------------------------------------------|------|---------------------------------------|---------------------------------------|
| Turnover – continuing operations                   | 2    | 878,642                               | 852,028                               |
| Cost of sales                                      |      | (797,809)                             | (749,405)                             |
| <b>Gross profit</b>                                |      | <b>80,833</b>                         | <b>102,623</b>                        |
| Administrative expenses                            |      | (121,545)                             | (97,522)                              |
| Distribution and selling costs                     |      | (77,088)                              | (103,860)                             |
| <b>Operating loss – continuing operations</b>      |      | <b>(117,800)</b>                      | <b>(98,759)</b>                       |
| Interest receivable and similar income             | 3    | 32,846                                | 26,812                                |
| <b>Loss on ordinary activities before taxation</b> | 4    | <b>(84,954)</b>                       | <b>(71,947)</b>                       |
| Tax on profit on ordinary activities               | 6    | -                                     | -                                     |
| <b>Loss on ordinary activities after taxation</b>  |      | <b>(84,954)</b>                       | <b>(71,947)</b>                       |
| Dividends                                          |      | -                                     | -                                     |
| <b>Retained loss for the period</b>                | 11   | <b>(84,954)</b>                       | <b>(71,947)</b>                       |

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.

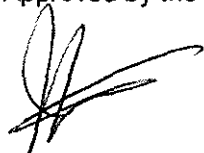
The accompanying notes form an integral part of this statement.

# Bobrick Washroom Equipment Limited

## Balance Sheet at 31 October 2002

|                                                       | Note | 31 October<br>2002<br>£ | 31 October<br>2001<br>£ |
|-------------------------------------------------------|------|-------------------------|-------------------------|
| <b>Current assets</b>                                 |      |                         |                         |
| Stock                                                 | 7    | 232,744                 | 398,002                 |
| Debtors                                               | 8    | 308,420                 | 281,750                 |
| Cash at bank and in hand                              |      | 407,279                 | 1,290,420               |
|                                                       |      | <b>948,443</b>          | <b>1,970,172</b>        |
| <b>Creditors: amounts falling due within one year</b> | 9    | <b>(1,339,450)</b>      | <b>(2,276,325)</b>      |
| <b>Total assets less current liabilities</b>          |      | <b>(391,007)</b>        | <b>(306,153)</b>        |
| <b>Net assets</b>                                     |      | <b>(391,007)</b>        | <b>(306,153)</b>        |
| <b>Capital and reserves</b>                           |      |                         |                         |
| Share capital                                         | 10   | 100                     | 100                     |
| Profit and loss account                               | 11   | (391,107)               | (306,053)               |
| <b>Total shareholders' funds</b>                      | 12   | <b>(391,007)</b>        | <b>(306,153)</b>        |

Approved by the Board on 20 November 2003



Mr. Jerald A. Otchis  
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 2002**

### **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**

Corporation tax payable is provided on taxable profits at the current rate.

#### **(d) Deferred taxation**

Deferred tax arises from timing differences between the recognised gains and losses in the financial statements and their recognition in tax computations. Deferred tax is provided in full at the rate expected to apply when the timing differences reverse. Deferred tax assets are recognised only to the extent that they are considered recoverable in future. Deferred tax balances are not discounted.

#### **(e) Cash flow statement**

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

#### **(f) Stock**

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

### **2 Turnover**

Turnover in the period to 31 October 2002 was £878,642 (2001: £852,028), wholly derived in the UK.

# Bobrick Washroom Equipment Limited

## Notes to the Financial Statements for the Year Ended 31 October 2002

### 3 Interest receivable and similar income

|                                      | Year ended<br>31 October<br>2002<br>£ | Year ended<br>31 October<br>2001<br>£ |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Interest receivable on bank deposits | 32,846                                | 26,812                                |
|                                      | <u>32,846</u>                         | <u>26,812</u>                         |

### 4 Loss on ordinary activities before taxation

Staff costs are borne by the parent company and recharged as part of management fee of £32,065 (2001: 32,544). In 2002, £3,500 (2001: £3,500) was charged in respect of auditors' fees. The Company made exchange gains of £ 26,482 during the year (2001: £34,195).

### 5 Employee information

- (1) During the year to 31 October 2002 the company had 2 employees in an administrative capacity (2001: 1). Aggregate staff costs were as follows:

|                       | Year ended<br>31 October<br>2002<br>£ | Year ended<br>31 October<br>2001<br>£ |
|-----------------------|---------------------------------------|---------------------------------------|
| <b>Staff costs</b>    |                                       |                                       |
| Wages and salaries    | 18,002                                | 10,843                                |
| Social security costs | 7,100                                 | 5,605                                 |
|                       | <u>25,102</u>                         | <u>16,448</u>                         |

- (2) Directors' emoluments:

All Directors are paid by the parent company. The Directors received no remuneration for their services to the company during the year (2001: £nil).

# Bobrick Washroom Equipment Limited

## Notes to the Financial Statements for the Year Ended 31 October 2002

### 6 Tax on profit on ordinary activities

Given the losses in the year, no tax has been provided (2001: £nil). Tax losses accumulated in the year have been calculated at 30% and adjusted for tax on disallowable expenses of £264 in relation to the prior period. There were no disallowable expenses in the current year. As at 31 October 2002 the company had an unrecognised deferred tax asset of £115,666 (2001: £89,916) in respect to taxation losses carried forward.

### 7 Stock

|                | 31 October<br>2002<br>£ | 31 October<br>2001<br>£ |
|----------------|-------------------------|-------------------------|
| Finished goods | 232,744                 | 398,002                 |

### 8 Debtors

|                          | 31 October<br>2002<br>£ | 31 October<br>2001<br>£ |
|--------------------------|-------------------------|-------------------------|
| Trade debtors            | 306,052                 | 268,907                 |
| VAT recoverable          | 1,604                   | 12,843                  |
| Prepayments and deposits | 764                     | -                       |
|                          | 308,420                 | 281,750                 |

### 9 Creditors – amounts falling due within one year

|                                                      | 31 October<br>2002<br>£ | 31 October<br>2001<br>£ |
|------------------------------------------------------|-------------------------|-------------------------|
| Other creditors – amounts owed to parent undertaking | 1,339,450               | 2,276,325               |

# Bobrick Washroom Equipment Limited

## Notes to the Financial Statements for the Year Ended 31 October 2002

### 10 Called up share capital

|                                                                         | 31 October<br>2002<br>£ | 31 October<br>2001<br>£ |
|-------------------------------------------------------------------------|-------------------------|-------------------------|
| 100 authorised, issued and fully paid ordinary equity shares of £1 each | 100                     | 100                     |

### 11 Reserves

|                                               | Profit and<br>Loss<br>Account<br>£ |
|-----------------------------------------------|------------------------------------|
| Opening reserves as at 1 November 2001        | (306,153)                          |
| Loss for the financial period                 | (84,954)                           |
| <b>Closing reserves as at 31 October 2002</b> | <b>(391,107)</b>                   |

### 12 Reconciliation of movement in shareholders' funds

|                                    | Year ended<br>31 October<br>2002<br>£ | Year ended<br>31 October<br>2001<br>£ |
|------------------------------------|---------------------------------------|---------------------------------------|
| Loss for the financial period      | (84,954)                              | (71,947)                              |
| Opening shareholders' funds        | (306,053)                             | (234,106)                             |
| <b>Closing shareholders' funds</b> | <b>(391,007)</b>                      | <b>(306,053)</b>                      |

### 13 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.

### 14 Related parties

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

## **Bobrick Washroom Equipment Limited**

### **Notes to the Financial Statements for the Year Ended 31 October 2002**

#### **15 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.