

Bobrick Washroom Equipment Limited

Registered Number 2848421

Annual Report

For the Year Ended 31 October 2003



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Bobrick Washroom Equipment Limited

Directors' Report for the Year Ended 31 October 2003

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 2003.

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 2003, the Company made a profit of £20,522 (2002: loss £84,954).

Dividends

The Directors do not recommend the payment of a dividend (2002: £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.

Bobrick Washroom Equipment Limited

Directors' Report for the Year Ended 31 October 2003 (Continued)

Auditors

An elective resolution to dispense with the obligation to appoint auditors annually has been passed by the company in general meeting and therefore the registered auditors, PricewaterhouseCoopers, will continue in office.

By Order of the Board

A handwritten signature in black ink, appearing to be 'J. Otchis', with a long horizontal stroke extending to the right.

Mr Jerald A. Otchis
Company Secretary
26 August 2004

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 profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

26 August 2004

Bobrick Washroom Equipment Limited

Profit and Loss Account For the Year to 31 October 2003

	<i>Note</i>	Year ended 31 October 2003 £	Year ended 31 October 2002 £
Turnover – continuing operations	2	709,739	878,642
Cost of sales		(584,782)	(797,809)
Gross profit		124,957	80,833
Administrative expenses		(20,330)	(121,545)
Distribution and selling costs		(92,693)	(77,088)
Operating profit/(loss) – continuing operations		11,934	(117,800)
Interest receivable and similar income	3	10,699	32,846
Profit/(loss) on ordinary activities before taxation	4	22,633	(84,954)
Tax on profit on ordinary activities	6	(2,111)	-
Profit/(loss) on ordinary activities after taxation		20,522	(84,954)
Dividends		-	-
Retained profit/(loss) for the period	11	20,522	(84,954)

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 profit 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 2003

	Note	31 October 2003 £	31 October 2002 £
Current assets			
Stock	7	259,158	232,744
Debtors	8	243,068	308,420
Cash at bank and in hand		635,368	407,279
		1,137,594	948,443
Creditors: amounts falling due within one year	9	(1,508,079)	(1,339,450)
Total assets less current liabilities		(370,485)	(391,007)
Net assets		(370,485)	(391,007)
Capital and reserves			
Share capital	10	100	100
Profit and loss account	11	(370,585)	(391,107)
Total shareholders' funds	12	(370,485)	(391,007)

Approved by the Board on 26 August 2004


Mr. Gerald 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 2003

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 prepared, in accordance with Financial Reporting Standard No. 1 Revised, as the Company is exempt from this requirement as it is a wholly owned subsidiary whose cash flows are included in the Bobrick Washroom Equipment Inc. cash flow statement.

(f) Stock

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

(h) Foreign currencies

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the date of the transaction, except where they are covered by forward exchange contracts where the contracted rates of exchange are used. Assets and liabilities are translated into sterling at rates of exchange ruling at the balance sheet date. All currency profits and losses are dealt with in the profit and loss account.

Bobrick Washroom Equipment Limited

Notes to the Financial Statements for the Year Ended 31 October 2003

2 Turnover

Turnover in the period to 31 October 2003 was £709,739 (2002: £878,642), wholly derived in the UK.

3 Interest receivable and similar income

	Year ended 31 October 2003 £	Year ended 31 October 2002 £
Interest receivable on bank deposits	10,699	32,846
	10,699	32,846

4 Loss on ordinary activities before taxation

In 2003, £4,000 (2002: £3,750) was charged in respect of auditors' fees and £12,500 (2002: £8,973) in respect on non-audit services. The Company made exchange gains of £119,639 during the year (2002: £26,482 exchange gain).

5 Employee information

- (1) During the year to 31 October 2003 the company had 2 employees in an administrative capacity (2002: 2). Aggregate staff costs were as follows:

	Year ended 31 October 2003 £	Year ended 31 October 2002 £
Staff costs		
Wages and salaries	18,683	18,002
Social security costs	7,819	7,100
	26,502	25,102

- (2) Directors' emoluments:

All Directors are paid by the parent company. The Directors received no remuneration for their services as directors of the company during the year (2002: £nil).

Bobrick Washroom Equipment Limited

Notes to the Financial Statements for the Year Ended 31 October 2003

6 Tax on profit on ordinary activities

	31 October 2003 £	31 October 2002 £
Corporation tax:		
UK corporation tax on profits of the period	2,111	-
Adjustments in respect of prior periods	-	-
	2,111	-

The tax assessed for the period is lower (2002: higher) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	31 October 2003 £	31 October 2002 £
Profit on ordinary activities before tax		
Profit on ordinary activities multiplied by the standard rate in the UK 30% (2002: 30%)	6,790	(25,486)
Effects of:		
Utilisation of tax losses	(3,457)	-
Tax at marginal rates	(1,222)	-
Other timing differences	-	25,486
Current tax charge for the period	2,111	-

As at 31 October 2003 the company had an unrecognised deferred tax asset of £112,209 (2002: £115,666) in respect to taxation losses carried forward.

7 Stock

	31 October 2003 £	31 October 2002 £
Finished goods	259,158	232,744

Bobrick Washroom Equipment Limited

Notes to the Financial Statements for the Year Ended 31 October 2003

8 Debtors

	31 October 2003 £	31 October 2002 £
Trade debtors	229,494	306,052
VAT recoverable	12,432	1,604
Prepayments and deposits	1,142	764
	243,068	308,420

9 Creditors – amounts falling due within one year

	31 October 2003 £	31 October 2002 £
Accruals	4,000	-
Trade creditors	819	-
Corporation tax creditor	2,111	-
Other creditors – amounts owed to parent undertaking	1,501,149	1,339,450
	1,508,079	1,399,450

10 Called up share capital

	31 October 2003 £	31 October 2002 £
1,000 authorised ordinary equity shares of £1 each	1,000	1,000
100 issued and fully paid ordinary equity shares of £1 each	100	100

Bobrick Washroom Equipment Limited

Notes to the Financial Statements for the Year Ended 31 October 2003

11 Reserves

	Profit and Loss Account £
Opening reserves as at 1 November 2002	(391,107)
Profit for the financial period	20,522
Closing reserves as at 31 October 2003	(370,585)

12 Reconciliation of movement in shareholders' funds

	Year ended 31 October 2003 £	Year ended 31 October 2002 £
Profit / (Loss) for the financial period	20,522	(84,954)
Opening shareholders' funds	(391,007)	(306,053)
Closing shareholders' funds	(370,485)	(391,007)

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.

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.