

**Bobrick Washroom Equipment Limited**

**Registered Number 2848421**

**Annual Report**

**For the Year Ended 31 October 2004**



# **Bobrick Washroom Equipment Limited**

## **Directors' Report for the Year Ended 31 October 2004**

### **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 2004.

### **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 2004, the Company made a loss of £59,037 (2003: profit £20,522).

### **Dividends**

The Directors do not recommend the payment of a dividend (2003 : £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.

Mr Jerald A Otchis (Company Secretary)

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

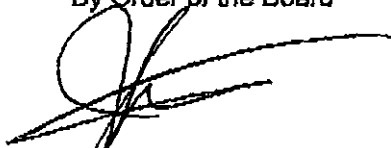
## **Bobrick Washroom Equipment Limited**

### **Directors' Report for the Year Ended 31 October 2004** (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**

30 August 2005

## **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 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 the company's affairs at 31<sup>st</sup> October 2004 and of its loss 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

*30 August 2005*

## Bobrick Washroom Equipment Limited

### Profit and Loss Account For the Year to 31 October 2004

|                                                             |      | Year ended<br>31 October<br>2004<br>£ | Year ended<br>31 October<br>2003<br>£ |
|-------------------------------------------------------------|------|---------------------------------------|---------------------------------------|
|                                                             | Note |                                       |                                       |
| Turnover – continuing operations                            | 2    | 638,335                               | 709,739                               |
| Cost of sales                                               |      | (515,575)                             | (584,782)                             |
| <b>Gross profit</b>                                         |      | <b>122,760</b>                        | <b>124,957</b>                        |
| Administrative expenses                                     |      | (89,321)                              | (20,330)                              |
| Distribution and selling costs                              |      | (105,182)                             | (92,693)                              |
| <b>Operating loss/profit – continuing operations</b>        |      | <b>(71,743)</b>                       | <b>11,934</b>                         |
| Interest receivable and similar income                      | 3    | 10,595                                | 10,699                                |
| <b>(Loss)/profit on ordinary activities before taxation</b> | 4    | <b>(61,148)</b>                       | <b>22,633</b>                         |
| Tax on profit on ordinary activities                        | 6    | 2,111                                 | (2,111)                               |
| <b>(Loss)/profit on ordinary activities after taxation</b>  |      | <b>(59,037)</b>                       | <b>20,522</b>                         |
| Dividends                                                   |      | -                                     | -                                     |
| <b>Retained (loss)/profit for the period</b>                | 11   | <b>(59,037)</b>                       | <b>20,522</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.

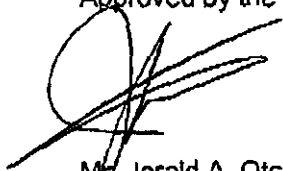
The accompanying notes form an integral part of this statement.

# **Bobrick Washroom Equipment Limited**

## **Balance Sheet at 31 October 2004**

|                                                       | <i>Note</i> | <b>31 October<br/>2004<br/>£</b> | <b>31 October<br/>2003<br/>£</b> |
|-------------------------------------------------------|-------------|----------------------------------|----------------------------------|
| <b>Current assets</b>                                 |             |                                  |                                  |
| Stock                                                 | 7           | 223,790                          | 259,158                          |
| Debtors                                               | 8           | 191,823                          | 243,068                          |
| Cash at bank and in hand                              |             | 274,651                          | 635,368                          |
|                                                       |             | <b>690,264</b>                   | <b>1,137,594</b>                 |
| <b>Creditors: amounts falling due within one year</b> | 9           | <b>(1,119,786)</b>               | <b>(1,508,079)</b>               |
| <b>Total assets less current liabilities</b>          |             | <b>(429,522)</b>                 | <b>(370,485)</b>                 |
| <b>Net assets</b>                                     |             | <b>(429,522)</b>                 | <b>(370,485)</b>                 |
| <b>Capital and reserves</b>                           |             |                                  |                                  |
| Share capital                                         | 10          | 100                              | 100                              |
| Profit and loss account                               | 11          | (429,622)                        | (370,585)                        |
| <b>Total shareholders' funds</b>                      | 12          | <b>(429,522)</b>                 | <b>(370,485)</b>                 |

Approved by the Board on 30 August 2005



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 2004**

### **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 at 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 2004

### 2 Turnover

Turnover in the period to 31 October 2004 was £638,335 (2003: £709,739), wholly derived in the UK.

### 3 Interest receivable and similar income

|                                      | Year ended<br>31 October<br>2004<br>£ | Year ended<br>31 October<br>2003<br>£ |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Interest receivable on bank deposits | 10,595                                | 10,699                                |
|                                      | <b>10,595</b>                         | <b>10,699</b>                         |

### 4 Loss on ordinary activities before taxation

In 2004, £4,000 (2003: £4,000) was charged in respect of auditors' fees and £9,880 (2003: £12,500) in respect of non-audit services. The Company made exchange gains of £35,329 during the year (2003: £119,639 exchange gain).

### 5 Employee information

- (1) During the year to 31 October 2004 the company had 2 employees in an administrative capacity (2003: 2). Aggregate staff costs were as follows:

|                       | Year ended<br>31 October<br>2004<br>£ | Year ended<br>31 October<br>2003<br>£ |
|-----------------------|---------------------------------------|---------------------------------------|
| <b>Staff costs</b>    |                                       |                                       |
| Wages and salaries    | 19,823                                | 18,683                                |
| Social security costs | 7,327                                 | 7,819                                 |
|                       | <b>27,150</b>                         | <b>26,502</b>                         |

- (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 (2003: £nil).

# Bobrick Washroom Equipment Limited

## Notes to the Financial Statements for the Year Ended 31 October 2004

### 6 Tax on profit on ordinary activities

|                                             | 31 October<br>2004<br>£ | 31 October<br>2003<br>£ |
|---------------------------------------------|-------------------------|-------------------------|
| Corporation tax:                            |                         |                         |
| UK corporation tax on profits of the period |                         | 2,111                   |
| Adjustments in respect of prior periods     | (2,111)                 | -                       |
|                                             | <u>(2,111)</u>          | <u>2,111</u>            |

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<br>2004<br>£ | 31 October<br>2003<br>£ |
|-----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Profit on ordinary activities before tax</b>                                         |                         |                         |
| Profit on ordinary activities multiplied by the standard rate in the UK 30% (2002: 30%) | (18,344)                | 6,790                   |
| Effects of:                                                                             |                         |                         |
| Utilisation of tax losses                                                               | 15,012                  | (3,457)                 |
| Tax at marginal rates                                                                   | 3,333                   | (1,222)                 |
| Other timing differences                                                                | -                       | -                       |
| Adjustments in respect of prior periods                                                 | (2,111)                 | -                       |
| Current tax charge for the period                                                       | <u>(2,111)</u>          | <u>2,111</u>            |

As at 31 October 2002 the company had an unrecognised deferred tax asset of £127,220 (2003: £112,209) in respect to taxation losses carried forward.

### 7 Stock

|                | 31 October<br>2004<br>£ | 31 October<br>2003<br>£ |
|----------------|-------------------------|-------------------------|
| Finished goods | <u>223,790</u>          | <u>259,158</u>          |

# **Bobrick Washroom Equipment Limited**

## **Notes to the Financial Statements for the Year Ended 31 October 2004**

### **8 Debtors**

|                          | 31 October<br>2004<br>£ | 31 October<br>2003<br>£ |
|--------------------------|-------------------------|-------------------------|
| Trade debtors            | 174,112                 | 229,494                 |
| VAT recoverable          | 16,569                  | 12,432                  |
| Prepayments and deposits | 1,142                   | 1,142                   |
|                          | <b>191,823</b>          | <b>243,068</b>          |

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

|                                                      | 31 October<br>2004<br>£ | 31 October<br>2003<br>£ |
|------------------------------------------------------|-------------------------|-------------------------|
| Accruals                                             | 4,000                   | 4,000                   |
| Trade creditors                                      | 0                       | 819                     |
| Corporation tax creditor                             | 0                       | 2,111                   |
| Other creditors – amounts owed to parent undertaking | 1,115,786               | 1,501,149               |
|                                                      | <b>1,119,786</b>        | <b>1,508,079</b>        |

### **10 Called up share capital**

|                                                             | 31 October<br>2004<br>£ | 31 October<br>2003<br>£ |
|-------------------------------------------------------------|-------------------------|-------------------------|
| 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 2004

### 11 Reserves

|                                               | Profit and<br>Loss<br>Account<br>£ |
|-----------------------------------------------|------------------------------------|
| Opening reserves as at 1 November 2003        | (370,585)                          |
| Loss for the financial period                 | (59,037)                           |
| <b>Closing reserves as at 31 October 2004</b> | <b>(429,620)</b>                   |

### 12 Reconciliation of movement in shareholders' funds

|                                          | Year ended<br>31 October<br>2004<br>£ | Year ended<br>31 October<br>2003<br>£ |
|------------------------------------------|---------------------------------------|---------------------------------------|
| (Loss) / Profit for the financial period | (59,037)                              | 20,522                                |
| Opening shareholders' funds              | (370,485)                             | (391,007)                             |
| <b>Closing shareholders' funds</b>       | <b>(429,522)</b>                      | <b>(370,485)</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.

### 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.