

**Annual report and Financial Statements
For the year ended 31 October 2019**

Bobrick Washroom Equipment Ltd.



Registered number: 02848421

Bobrick Washroom Equipment Ltd.

Company Information

Directors

W S Louchheim (Resigned 01 January 2019)
M Louchheim
A I Sweibel
M S Louchheim (Appointed 01 January 2019)
R Samhakson (Appointed 01 August 2019)
Jeff Orme (Appointed 01 August 2019)

Company secretary

A I Sweibel

Company number

02848421

Registered office

1 Chamberlain Square CS
Birmingham
B3 3AX

Independent Auditor

PricewaterhouseCoopers LLP
Chartered Accountants & Statutory Auditor
No 1 Spinningfields, 1 Hardman Square
Manchester M3 3EB

Bank

Wells Fargo, N.A. London
One Plantation Place
30 Fenchurch Street
London EC3M 3BD

Bobrick Washroom Equipment Ltd.

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Bobrick Washroom Equipment Ltd.

Strategic report

For the year ended 31 October 2019

The company is a private company limited by shares and is incorporated in the United Kingdom and registered in England (registered number: 02848421). The address of its registered office is 1 Chamberlain Square CS, Birmingham, B3 3AX.

Principle activities

The core business of the Company was the distribution of washroom products. However, the acquisition of Thrislington Cubicles Limited has expanded the business to include the manufacturing, selling and installation of cubicles, vanity units and duct access panelling.

Review of business

The results for the year and the financial position at the year end were considered satisfactory by the directors and who expect to maintain the company's position in the near future. Turnover in 2019 was £9,595,242 (2018: £10,380,731). Net liabilities in 2019 was -£16,151,323 (2018: -£6,707,066).

The directors aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end. The director's review is consistent with the size and non-complex nature of the business and is written in the context of the risks and uncertainties faced.

Management remain confident that continued growth will be achieved with the launch of further aspirational products, the rebranded Commercial and Education brochures and increased brand promotion both in the domestic and overseas markets. Internally, the business will continue to develop its operations in order to improve efficiency and increase capacity.

Financial risk management

Credit risk

All customers are subject to credit verification procedures. Debtors are regularly reviewed and provision for any doubtful debts is made as required.

Liquidity risk

Cash and borrowing requirements are regularly reviewed to ensure that sufficient liquidity is retained to meet the operating requirements of the group. In addition, Bobrick Washroom Equipment Ltd. is supported by its US parent who is compliant with its covenants with a US bank and is good standing.

Foreign exchange risk

Foreign exchange risk is limited as the Euros are the only other currency that is transacted with any volume and the Company has a natural hedge as it used those Euros to pay a large European vendor on behalf of the US parent.

Interest rate risk

The Group activities expose it to the financial risk of changes in interest rates. The Group has entered into an interest rate swap contract to hedge these exposures.

Capital risk management

Expansion of the Thrislington brand and production is planned in the US and financing will be reflected on the parent's financial statements. No further projects warranting requiring capital are expected in the UK.

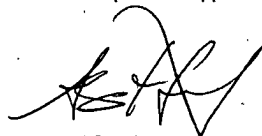
Principal risks

The management of the business and the execution of the company's strategy are subject to a number of risks. The directors of the Group manage the group's risks at a Group level.

Key performance indicators

The company prepares monthly financial statements where turnover, gross profit, and profit before tax is reviewed by the directors. The results of the KPIs are as follows: turnover in 2019 was £9,595,242 (2018: £10,380,731); gross profit in 2019 was £2,264,295 (2018: £3,137,603); and loss before tax in 2019 was £9,444,257 (2018: £1,655,943).

This report was approved by the board on 30 October 2020 and signed on its behalf.



A I Sweibel
Director

Bobrick Washroom Equipment Ltd.

Directors' report

For the year ended 31 October 2019

The Directors present their report and the audited consolidated financial statements for the year ended 31 October 2019.

Principal activities

The principal activity of the company during the year was the distribution of washroom products provided by Bobrick Washroom Equipment, Inc., a company incorporated in the United States of America. On 31 January 2018, Bobrick Washroom Equipment Ltd. purchased the outstanding shares of Thrislington Cubicles Limited. On 31 October 2018, Bobrick Washroom Equipment Ltd. purchased the net assets of Thrislington Cubicles Limited pursuant to the Asset Purchase Agreement. Thrislington manufactures, sells and installs cubicles, vanity units and duct access paneling.

Future Developments

The principal activities are not anticipated to change in the foreseeable future. The results for the year are in line with the directors' expectations within their control. With the COVID-19 outbreak and resulting measures taken by various government agencies to contain the virus have negatively affected the company operationally and financially.

Financial risk management

Financial risk management is described in the Strategic report on page 4.

Directors

The Directors who served during the year and up to the date of signing the financial statements were:

W S Louchheim (Resigned 01 January 2019)

M Louchheim

A I Sweibel

M S Louchheim (Appointed 01 January 2019)

R Samhakson (Appointed 01 August 2019)

J Orme (Appointed 01 August 2019)

Dividends

None of the directors received nor were due remuneration from the group or company during the year (2018: £nil).

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

Bobrick Washroom Equipment Ltd.

Directors' report (continued)

For the year ended 31 October 2019

Statement of directors' responsibilities in respect of the financial statements (continued)

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and company's auditors are aware of that information.

Going concern

As at 31 October 2019 the company had net liabilities of £16,151,323 (2018: £6,707,066). The company has received a letter of support from its parent entity, which shows that it will be able to meet its financial obligations for at least twelve months and a day from date of approval of the financial statements. In view of this, the directors consider it is appropriate to prepare the financial statements on a going concern basis. As part of going concern assessment, impact of COVID-19 was also considered. Directors believe that the company is expected to continue having significant headroom relative to the funding from the group available.

Post balance sheet events

In the period of March 2020, the COVID-19 virus outbreak rapidly spread globally. The current impact of COVID-19 is loss in revenue and disruption to supply chains. It is unclear how the duration of the pandemic and the possibility of further outbreaks will affect the Group's financial performance. The negative impact of COVID-19 has already had on the company, combined with the uncertainty of the global economy, management will need to take measures to be resilient, assess and manage the business for the long term and protect the interest of the stakeholders.

Independent Auditors

PricewaterhouseCoopers LLP have been appointed auditors of the Company in accordance with section 485 of the Companies Act 2006. The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and shall be deemed to be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Act.

This report was approved by the board on 30 October 2020 and signed on its behalf.



A I Sweibel
Director

Bobrick Washroom Equipment Ltd.

Independent auditors' report to the members of Bobrick Washroom Equipment Ltd.

Report on the audit of the financial statements

Opinion

In our opinion, Bobrick Washroom Equipment Ltd.'s group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 October 2019 and of the group's loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the consolidated and company statements of financial position as at 31 October 2019; the consolidated income statement, the consolidated statement of cash flows, the consolidated and company statements of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Bobrick Washroom Equipment Ltd.

Independent auditors' report to the members of Bobrick Washroom Equipment Ltd. (continued)

Strategic Report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 31 October 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements in respect of the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

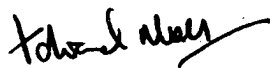
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Edward Moss (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
30 October 2020

Bobrick Washroom Equipment Ltd.

**Consolidated Income Statement
For the year ended 31 October 2019**

	Note	2019	2018
		£	£
Turnover	7	9,595,242	10,380,731
Cost of sales		<u>(7,330,947)</u>	<u>(7,243,128)</u>
Gross profit		2,264,295	3,137,603
Administrative expenses		(2,991,718)	(2,392,091)
Selling expenses		(1,456,282)	(1,126,469)
Other operating expense		<u>(6,511,671)</u>	<u>(702,160)</u>
Operating loss	8	(8,695,376)	(1,083,117)
Interest receivable and similar income		2,241	551
Interest payable and similar expenses		<u>(751,122)</u>	<u>(573,377)</u>
Loss before taxation		(9,444,257)	(1,655,943)
Tax on loss	9	<u>-</u>	<u>-</u>
Loss for the financial year		<u><u>(9,444,257)</u></u>	<u><u>(1,655,943)</u></u>

The notes on pages 15 to 30 form part of these financial statements.

All results derive from continuing operations.

The company has no other comprehensive income other than those included in the income statement above, and therefore no separate statement has been presented.

The financial statements on pages 9 to 30 were approved by the Board of Directors on 30 October 2020.

Bobrick Washroom Equipment Ltd.

**Consolidated Statement of Financial Position
As at 31 October 2019**

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	18	6,330,130	14,215,994
Tangible assets	16	<u>603,380</u>	<u>350,347</u>
		6,933,510	14,566,341
Current assets			
Inventories	13	1,760,390	1,567,383
Debtors	14	2,933,705	3,334,406
Cash at bank and in hand		698,907	955,492
Restricted cash		<u>20,000</u>	<u>300,000</u>
		5,413,002	6,157,281
Creditors: amounts falling due within one year	15	<u>(15,718,753)</u>	<u>(12,982,776)</u>
Net current liabilities		<u>(10,305,751)</u>	<u>(6,825,495)</u>
Total assets less current liabilities		(3,372,241)	7,740,846
Creditors: amounts falling due after more than one year	15	<u>(12,779,082)</u>	<u>(14,447,912)</u>
Net liabilities		<u>(16,151,323)</u>	<u>(6,707,066)</u>
Capital and reserves			
Called-up share capital	20	100	100
Accumulated losses		<u>(16,151,423)</u>	<u>(6,707,166)</u>
Total equity		<u>(16,151,323)</u>	<u>(6,707,066)</u>

The notes on pages 15 to 30 form part of these financial statements.

The financial statements on pages 9 to 30 were approved by the Board of Directors on 30 October 2020 and signed on its behalf by


A I Sweibel
Director

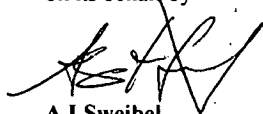
Bobrick Washroom Equipment Ltd.
Registered number: 02848421

Company Statement of Financial Position
As at 31 October 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	19	28,444	28,444
Tangible assets	17	555,087	302,054
Investments	12	<u>3,399,081</u>	<u>3,399,081</u>
		3,982,612	3,729,579
Current assets			
Inventories	13	1,760,390	1,567,383
Debtors	14	3,091,704	3,492,405
Cash at bank and in hand		698,907	955,492
Restricted cash		<u>20,000</u>	<u>300,000</u>
		5,571,001	6,315,280
Creditors: amounts falling due within one year	15	<u>(19,113,394)</u>	<u>(16,377,418)</u>
Net current liabilities		<u>(13,542,393)</u>	<u>(10,062,138)</u>
Total assets less current liabilities		(9,559,781)	(6,332,559)
Creditors: amounts falling due after more than one year	15	<u>(12,823,719)</u>	<u>(14,492,550)</u>
Net liabilities		<u>(22,383,500)</u>	<u>(20,825,109)</u>
Capital and reserves			
Called-up share capital	20	100	100
Accumulated losses		(20,825,209)	(5,051,223)
Loss for the financial year		<u>(1,558,391)</u>	<u>(15,773,986)</u>
Total equity		<u>(22,383,500)</u>	<u>(20,825,109)</u>

The notes on pages 15 to 30 form part of these financial statements.

The financial statements on pages 9 to 30 were approved by the Board of Directors on 30 October 2020 and signed on its behalf by


A I Sweibel
 Director

Bobrick Washroom Equipment Ltd.

**Consolidated Statement of Changes in Equity
For the year ended 31 October 2019**

	Called up Share capital £	Profit and loss account £	Total equity attributable to owners of company £	Total equity £
At 01 November 2017	100	(5,051,223)	(5,051,123)	(5,051,123)
Loss for the financial year	-	(1,655,943)	(1,655,943)	(1,655,943)
Total comprehensive expense	-	(1,655,943)	(1,655,943)	(1,655,943)
At 31 October 2018	100	(6,707,166)	(6,707,066)	(6,707,066)
At 01 November 2018	100	(6,707,166)	(6,707,066)	(6,707,066)
Loss for the financial year	-	(9,444,257)	(9,444,257)	(9,444,257)
Total comprehensive expense	-	(9,444,257)	(9,444,257)	(9,444,257)
At 31 October 2019	100	(16,151,423)	(16,151,323)	(16,151,323)

The notes on pages 15 to 30 form part of these financial statements

The financial statements on pages 9 to 30 were approved by the Board of Directors on 30 October 2020.

Bobrick Washroom Equipment Ltd.

**Company Statement of Changes in Equity
For the year ended 31 October 2019**

	Called up Share capital £	Accumulated losses £	Total equity £
At 01 November 2017	100	(5,051,223)	(5,051,123)
Loss for the financial year	-	(15,773,986)	(15,773,986)
Total comprehensive expense	-	(15,773,986)	(15,773,986)
At 31 October 2018	100	(20,825,209)	(20,825,109)
At 01 November 2018	100	(20,825,209)	(20,825,109)
Loss for the financial year	-	(1,558,391)	(1,558,391)
Total comprehensive expense	-	(1,558,391)	(1,558,391)
At 31 October 2019	100	(22,383,600)	(22,383,500)

The notes on pages 15 to 30 form part of these financial statements

The financial statements on pages 9 to 30 were approved by the Board of Directors on 30 October 2020.

Bobrick Washroom Equipment Ltd.

Consolidated Statement of Cash Flows
For the year ended 31 October 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Loss for the year		(9,444,257)	(1,655,943)
Adjustments to cash flows from non-cash items			
Depreciation	16	122,448	70,436
Amortisation of intangibles	18	1,182,540	886,904
Loss on impairment of intangibles	18	6,703,324	-
(Write off)/increase of allowance for doubtful account		(129,567)	118,846
Gains on disposal of tangible assets		(15,794)	-
		<u>7,862,951</u>	<u>1,076,186</u>
Working capital adjustments			
(Increase) in stocks		(193,007)	(157,900)
Decrease/(increase) in debtors		620,095	(595,041)
Increase in creditors		2,860,269	2,772,638
		<u>3,287,357</u>	<u>1,979,697</u>
Interest income		(2,241)	(551)
Interest element of borrowing payments		<u>369,442</u>	<u>573,376</u>
Cash generated by operating activities		<u>2,073,252</u>	<u>1,972,765</u>
Investing activities			
Acquisition of business		-	(17,632,000)
Proceeds from sales of tangible assets		38,640	-
Payments to acquire tangible fixed assets		(398,327)	(22,230)
Interest received		2,241	551
Cash (used) in investing activities		<u>(357,446)</u>	<u>(17,653,679)</u>
Financing activities			
Interest paid		(369,442)	(378,074)
Receipt from restricted cash and cash equivalents		280,000	-
Proceeds from other borrowings		-	17,695,679
Repayment of other borrowings		(1,800,000)	(1,200,000)
Cash (used)/generated by financing activities		<u>(1,889,442)</u>	<u>16,270,739</u>
Net cash generated			
Cash generated by operating activities		2,073,252	1,972,765
Cash (used) in investing activities		(357,446)	(17,653,679)
Cash (used)/generated by financing activities		(1,889,442)	16,270,739
Effect of exchange rate		(82,949)	-
Net cash (used)/generated		<u>(256,585)</u>	<u>589,825</u>
Cash and cash equivalents at 1 November		<u>955,492</u>	<u>365,667</u>
Cash and cash equivalents at 31 October		<u>698,907</u>	<u>955,492</u>

The notes on pages 15 to 30 form part of these financial statements.

The financial statements on pages 9 to 30 were approved by the Board of Directors on 30 October 2020.

Bobrick Washroom Equipment Ltd.

Notes to the financial statements For the year ended 31 October 2019

1. General Information

The principal activity of the company is distribution of washroom products provided by Bobrick Washroom Equipment, Inc., a company incorporated in the United States of America. On 31 January 2018, Bobrick Washroom Equipment Ltd. purchased the outstanding shares of Thrislington Cubicles Limited. On 31 October 2018, Bobrick Washroom Equipment Ltd. transferred the net assets of Thrislington Cubicles Limited pursuant to the Asset Purchase Agreement. Thrislington manufactures, sells and installs cubicles, vanity units and duct access paneling.

The company is a private company limited by shares and is incorporated in the United Kingdom and registered in England (registered number: 02848421). The address of its registered office is 1 Chamberlain Square CS, Birmingham, B3 3AX.

2. Statement of Compliance

The group and individual financial statements of Bobrick Washroom Equipment Ltd. have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of preparation of financial statements

These consolidated and separate financial statements have been prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group and Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

As at 31 October 2019 the company had net liabilities of £22,383,500 (2018: £20,825,109). The company has received a letter of support from its parent entity, which shows that it will be able to meet its financial obligations for at least twelve months and a day from date of approval of the financial statements. In view of this, the directors consider it is appropriate to prepare the financial statements on a going concern basis. As part of going concern assessment, impact of COVID-19 was also considered. Directors' believe that the company is expected to continue having significant headroom relative to the funding from the group available.

The results of divisions acquired or disposed are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of divisions to bring their accounting policies into line with those used by the Group.

Intra-group transactions and balances between the Company and its divisions are eliminated.

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)

For the year ended 31 October 2019

The company is included in the consolidated financial statements of The Bobrick Corporation. The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. Consequently, as the company is a 100% owned subsidiary.

3.2 Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for the control of the acquired, plus any costs directly attributable to the business combination.

3.3 Investments

Investments in equity shares which are publicly traded where the fair value can be measured reliably are initially measured at fair value, which changes in fair value recognized in profit or loss.

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

3.4 Turnover and interest income

Turnover comprises revenue recognised by the Group in respect of goods supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover is recorded when title and risk of loss has transferred to customer which is when products are dispatched.

Turnover from the rendering of services is recognized by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Interest income is recognised using the effective interest rate method.

3.5 Inventories

Inventories are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving inventories. Cost is determined on the first-in, first-out ("FIFO") basis. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

3.6 Foreign currencies

The company's functional and presentation currency is the pound sterling.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate.

Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

All foreign exchange gains and losses are presented in the income statement within 'Other operating charges'.

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)

For the year ended 31 October 2019

3.7 Taxation

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current taxation assets and liabilities are not discounted.

i. Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

There is no tax payable or receivable at 31 October 2019 or 31 October 2018.

ii. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

3.8 Fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses.

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

Plant and machinery	10% - 50% straight line
Vehicles, fixtures, fittings, tools and equipment	10% - 33% straight line

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)

For the year ended 31 October 2019

3.9 Intangible assets

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired. On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination.

Goodwill is amortised over its expected useful life which is estimated to be 10 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. No reversals of impairment are recognised.

Tradename relates to "Thrislington" tradename which has developed a reputation through high end products and reliability. The tradename has allowed the company to keep its' existing customers and gaining new contracts. Tradenames are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives which is 20 years.

Amortisation is included in 'administrative expenses' in the profit and loss account.

3.10 Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

3.11 Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with banks, other short-term highly liquid investments with original maturities of three-months.

The Group has £20,000 in restricted cash as of 31 October 2019 (2018: £300,000) relating to outstanding arrangements with the bank.

3.12 Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

3.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.14 Financial instruments

i. Financial assets

Basic financial assets, including trade receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)

For the year ended 31 October 2019

exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

Financial assets are derecognised when (a) the contractual rights to the flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

Basic financial liabilities, including trade payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.15 Derivatives instruments

The Company has interest rate related derivative instruments to manage its exposure relative to its debt instruments. During fiscal year 2019 the Company entered into an interest rate swap for seven years. Under the interest rate swap the Company will pay a fixed interest rate of 1.43% instead of the GBP One Month Floating Libor rate of 1.29% as of 31 October 2019.

4. Critical accounting judgements and estimation uncertainty

The preparation of the financial statement require management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and any future periods affected. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i. Recoverable amount of Thrislington cash-generating unit (note 18)

Annually, the group considers whether intangible assets and goodwill are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (CGUs). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

The recoverable amount of the Thrislington CGU is a source of significant estimation uncertainty and determining this involved the use of significant assumptions. See note 18 for details of the key assumption and sensitivity analysis.

Bobrick Washroom Equipment Ltd.**Notes to the financial statements (continued)****For the year ended 31 October 2019****5. Business Combination**

On 31 January 2018, Bobrick Washroom Equipment Ltd., purchased all the outstanding shares of Thrislington Cubicles Limited ("Thrislington") pursuant to the Share Purchase Agreement for a total purchase price of £17,632,000. The purchase was funded out of equity from the parent company and a term loan with a local bank amounting to £12,600,000.

Bobrick management engaged Duff and Phelps ("D&P") to carry out a purchase price allocation in order to value goodwill and intangible assets arising from this acquisition which is reflected in the Bobrick group consolidated financial statements under FRS102 at 31 January 2018.

6. Sale of assets

On 31 October 2018, Bobrick Washroom Equipment Ltd. purchased the net assets of Thrislington Cubicles Limited pursuant to the Asset Purchase Agreement at net book value. No goodwill was generated on the acquisition of trade assets. The consideration of exchange remains as an intercompany balance of £3,399,082.

7. Turnover

	2019	2018
	£	£
Sale of goods and services	<u>9,595,242</u>	<u>10,380,731</u>
By geographical market:		
UK	4,393,788	4,532,665
Europe	3,074,150	2,837,589
North America	1,251,488	2,368,218
Rest of world	875,816	642,259
	<u>9,595,242</u>	<u>10,380,731</u>

8. Operating loss

The operating loss is stated after charging/(crediting):

	2019	2018
	£	£
Auditors' remuneration – audit	121,000	97,000
Auditors' remuneration - non-audit	66,809	64,919
Foreign exchange loss/(gains)	485,388	(137,984)
Operating/Rent Lease	162,202	134,688

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)

For the year ended 31 October 2019

9. Tax on loss

	2019	2018
	£	£
Current tax:		
UK corporation tax on profit for the year	-	-
Deferred tax	-	-
Total tax charge	<u>-</u>	<u>-</u>

Reconciliation between accounting and tax losses

	2019	2018
	£	£
(Loss) before taxation	<u>(9,444,257)</u>	<u>(1,655,943)</u>
Current tax benefit at 19% (2018: 19%)	(1,794,409)	(314,629)
Effects of:		
Expenses not deductible	1,273,632	136,068
Losses	520,777	129,039
Tax Rate Changes	-	5,213
Other	-	(44,309)
Total tax	<u>-</u>	<u>-</u>

In the March 2020 Budget the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). As the proposal to keep the rate at 19% had not been substantively enacted at the Balance sheet date its effects are not included in these financial statements.

Deferred taxes are recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date where transactions or events have occurred at that date that will result in an obligation to pay more or right to pay less tax. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the years in which timing differences reverse. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the Balance Sheet date. As the deferred taxes of the Company are not expected to reverse within the next year, they have been measured at the substantively enacted tax rate of 17%.

The deferred tax asset of GBP 1,433,254 (2018: 1,083,440) is not recognised due to the uncertainty regarding the recoverability of the asset as the Company has generated little to no profits since inception.

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)

For the year ended 31 October 2019

10. Directors' emoluments

	2019 £	2018 £
Emoluments	189,664	131,100
Company contributions to defined contribution pension plans	13,556	9,000
Social security costs	<u>20,615</u>	<u>16,736</u>
	<u>223,835</u>	<u>156,836</u>
	2019 £	2018 £
	Number	Number
Defined contribution plans	<u>1</u>	<u>1</u>

Total emoluments and pension contributions relating to the highest paid director was £104,250 (2018: £98,850)
A director who resigned was not paid compensation in Bobrick Washroom Equipment Ltd. but paid by the parent company.

11. Staff Costs

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Wages and salaries	2,543,678	1,751,327	2,543,678	257,147
Social security costs	267,388	157,781	267,388	29,694
Other pension costs	<u>96,667</u>	<u>60,819</u>	<u>96,667</u>	<u>5,621</u>
	<u>2,907,733</u>	<u>1,969,927</u>	<u>2,907,733</u>	<u>292,462</u>

	2019 £	2018 £
Average number of employees during the year	Number	Number
Administration	19	15
Distribution	22	19
Manufacturing	19	24
Sales	<u>12</u>	<u>11</u>
	<u>72</u>	<u>69</u>

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)
For the year ended 31 October 2019

12. Investments

	Investments
	£
Cost or valuation	
At 1 November 2018	<u>3,399,081</u>
At 31 October 2019	<u>3,399,081</u>
Net book value	
At 1 November 2018	<u>3,399,081</u>
At 31 October 2019	<u>3,399,081</u>

Investments

The following were Investments of the Company:

Name	Class of shares	Holding	Principal activity
Thrislington Cubicles Limited	Ordinary	100%	Dormant

The registered address of the company is 1 Chamberlain Square CS, Birmingham, B3 3AX.

The aggregate of the share capital and reserves as at 31 October 2019 and as at 31 October 2018 and of the profit or loss for the year ended on that date for the investments were as follows:

	Aggregate of share capital and reserves	Profit	Aggregate of share capital and reserve	Profit
	2019	2019	2018	2018
	£	£	£	£
Thrislington Cubicles Limited	<u>3,399,081</u>	<u>-</u>	<u>3,399,081</u>	<u>833,644</u>

The directors consider the carrying value of the investment to be supported by the net asset value of its investments.

Bobrick Washroom Equipment Ltd.**Notes to the financial statements (continued)****For the year ended 31 October 2019****13. Inventories**

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Raw materials and consumable	754,387	771,403	754,387	771,403
Work in progress	29,288	50,843	29,288	50,843
Finished goods and goods for resale	<u>976,715</u>	<u>745,137</u>	<u>976,715</u>	<u>745,137</u>
Total current trade and other debtors	1,760,390	1,567,383	1,760,390	1,567,383

Inventories are carried at the lower of cost and net realisable value. There is no material difference between carrying amount of inventory and the replacement cost.

The amount of inventory recognised as an expense during the year was £7,330,947 (2018: £7,243,128) for the Group and £7,330,947 (2018: £7,243,128) for the Company.

14. Debtors

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	2,302,629	2,827,188	2,320,519	2,845,078
Other debtors	<u>486,288</u>	<u>260,956</u>	<u>486,288</u>	<u>260,957</u>
Total current trade and other debtors	2,788,917	3,088,144	2,806,807	3,106,035
Prepayments and deposits	144,788	246,262	284,897	386,370

15. Creditors**Amounts falling due within one year:**

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Loans and borrowings - Bank	1,800,000	1,800,000	1,800,000	1,800,000
Loans and borrowings – Bobrick Washroom Equipment Company	400,901	595,704	400,901	595,704
Trade creditors	1,107,672	1,234,313	1,107,672	1,234,313
Amounts owed to group undertakings	11,610,188	8,713,924	15,009,270	12,113,006
Other creditors	<u>799,992</u>	<u>638,835</u>	<u>795,551</u>	<u>634,395</u>
Total	<u>15,718,753</u>	<u>12,982,776</u>	<u>19,113,394</u>	<u>16,377,418</u>

Bank loans above are guaranteed by Bobrick Washroom Equipment, Inc.

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)
For the year ended 31 October 2019

15. Creditors (continued)

Amounts due after one year:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Loans and borrowings - Bank	7,800,000	9,600,000	7,800,000	9,600,000
Loans and borrowings – Bobrick Washroom Equipment Company	4,764,963	4,847,912	4,764,963	4,847,912
Accruals	<u>214,118</u>	<u>-</u>	<u>258,756</u>	<u>44,638</u>
	<u>12,779,081</u>	<u>14,447,912</u>	<u>12,823,719</u>	<u>14,492,550</u>

The amounts owed to group undertakings are unsecured, bear no interest and are repayable on demand.

16. Tangible assets - Group

	Plant and machinery	Vehicles, fixtures, fittings, tools and equipment	Total
	At cost	At cost	
	£	£	£
Cost or valuation			
At 1 November 2018	315,098	105,685	420,783
Additions	90,674	307,653	398,327
On disposals	-	(34,186)	(34,186)
At 31 October 2019	<u>405,772</u>	<u>379,152</u>	<u>784,924</u>
Depreciation			
At 1 November 2018	46,685	23,751	70,436
Charge for the year	51,804	70,644	122,448
Additions	-	-	-
Disposals	-	(11,340)	(11,340)
At 31 October 2019	<u>98,489</u>	<u>83,055</u>	<u>181,544</u>
Carrying amount			
At 31 October 2019	<u>307,283</u>	<u>296,097</u>	<u>603,380</u>
At 31 October 2018	<u>268,413</u>	<u>81,934</u>	<u>350,347</u>

Bobrick Washroom Equipment Ltd.**Notes to the financial statements (continued)****For the year ended 31 October 2019****17. Tangible assets - Company**

	Plant and machinery <i>At cost</i> £	Vehicles, fixtures, fittings, tools and equipment <i>At cost</i> £	Total £
Cost or valuation			
At 1 November 2018	194,363	198,420	392,783
Additions	90,674	307,653	398,327
On disposals	-	(34,186)	(34,186)
At 31 October 2019	285,037	471,887	756,924
Depreciation			
At 1 November 2018	37,906	52,823	90,729
Charge for the year	51,804	70,644	122,448
Additions	-	-	-
Disposals	-	(11,340)	(11,340)
At 31 October 2019	89,710	112,127	201,837
Carrying amount			
At 31 October 2019	<u>195,327</u>	<u>359,760</u>	<u>555,087</u>
At 31 October 2018	<u>156,457</u>	<u>145,597</u>	<u>302,054</u>

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)

For the year ended 31 October 2019

18. Intangible assets - Group

	Tradename	Goodwill	Total
	£	£	£
Cost or valuation			
At 1 November 2018	6,555,000	8,547,898	15,102,898
Additions	-	-	-
On disposals	-	-	-
At 31 October 2019	<u>6,555,000</u>	<u>8,547,898</u>	<u>15,102,898</u>
Amortisation			
At 1 November 2018	245,812	641,092	886,904
Charge for the year	327,751	854,789	1,182,540
Additions	-	-	-
At 31 October 2019	<u>573,563</u>	<u>1,495,881</u>	<u>2,069,444</u>
Loss on Impairment			
At 1 November 2018	-	-	-
Loss for the year	<u>404,000</u>	<u>6,299,324</u>	<u>6,703,324</u>
At 31 October 2019	<u>404,000</u>	<u>6,299,324</u>	<u>6,703,324</u>
Carrying amount			
At 31 October 2019	<u>5,577,437</u>	<u>752,693</u>	<u>6,330,130</u>
At 31 October 2018	<u>6,309,188</u>	<u>7,906,806</u>	<u>14,215,994</u>

Impairment of Thrislington cash-generating unit

The goodwill was impaired by £6,299,304 as of 31 October 2019 (2018: £0). The remaining goodwill in the Thrislington cash-generating unit is £752,693 as of 31 October 2019 (2018: £7,906,806).

The recoverable amount was determined using a value-in-use calculation which required the use of assumptions. The calculations use cash flow projections based on financial budgets covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated growth rate 2.5%. The key assumption in the value-in-use calculation is the sales growth. This was assumed to be -22% in 2020, 38% in 2021, 5% in 2022-2024.

The tradename was impaired by £404,000 as of 31 October 2019 (2018: £0). The remaining tradename in the Thrislington cash-generating unit is £5,577,437 as of 31 October 2019 (2018: £6,309,188).

The recoverable amount was determined using the relief from royalty method. The calculations used revenue projections based on financial budgets covering 19 years. The key assumptions used are the revenue growth in the UK and royalty due from the US company.

Bobrick Washroom Equipment Ltd.**Notes to the financial statements (continued)****For the year ended 31 October 2019****19. Intangible assets - Company**

	Tradename	Goodwill	Total
	£	£	£
Cost or valuation			
At 1 November 2018	45,939	-	45,939
Transfers	-	-	-
On disposals	-	-	-
At 31 October 2019	<u>45,939</u>	<u>-</u>	<u>45,939</u>
Amortisation			
At 1 November 2018	17,495	-	17,495
Charge for the year	-	-	-
Transfers	-	-	-
At 31 October 2019	<u>17,495</u>	<u>-</u>	<u>17,495</u>
Carrying amount			
At 31 October 2019	<u>28,444</u>	<u>-</u>	<u>28,444</u>
At 31 October 2018	<u>28,444</u>	<u>-</u>	<u>28,444</u>

20. Called up Share capital – Group and Company

Share capital	2019		2018	
	Number	£	Number	£
Allotted, called up and fully paid: Ordinary shares of £0.69 (2018: £0.69) each	100	100	100	100

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)

For the year ended 31 October 2019

21. Loans and borrowings – Group and Company

	2019	2018
	£	£
Current loans and borrowings		
Term loan liabilities – Bank	1,800,000	1,800,000
Term loan liabilities – Bobrick Washroom Equipment Company	400,901	400,901
	2,200,901	2,200,901

	2019	2018
	£	£
Non-current loans and borrowings		
Term loan liabilities – Bank	7,800,000	9,600,000
Term loan – Bobrick Washroom Equipment Company	4,764,963	4,847,912
	12,564,963	14,447,912

Debt Repayment

Years Ending 31 October,

2020	£ 2,200,901
2021	2,231,566
2022	2,253,058
2023	2,275,620
2024	2,299,306
Thereafter	<u>3,505,413</u>
	£ 14,765,864

On 24 January 2018, the Company entered into a facility agreement with a financial institution for £12,600,000 for the purposes of acquiring Thrislington Cubicles Limited, collateralized by a first priority debenture in the Company's business assets bearing interest at 3.43% and matures on 3 February 2025. The facility agreement is also guaranteed by the Company's US parent until such time the amount outstanding has been fully extinguished.

On 23 January 2018, the Company entered into a promissory note with Bobrick Washroom Equipment Company for £5,037,783 for the purposes of acquiring Thrislington Cubicles Limited bearing interest at 4.98% and matures on 23 January 2029.

Bobrick Washroom Equipment Ltd.

Notes to the financial statements (continued)

For the year ended 31 October 2019

22. Other financial commitments

Finance leases - Group

Total future minimum lease payment under non-cancellable operating leases:

	2019	2018
	£	£
Falling due:		
Not later than 1 year	121,000	33,280
Later than 1 year and not later than 5 years	556,000	454,956
Later than 5 years	487,750	-

Lease Commitments

Bobrick Washroom Equipment entered into an operating lease agreement on 19 September 2019 for office facilities. The contractual term of the lease was for 9 years at a monthly rent of £4,500.

Thrislington Cubicles Limited entered into an operating lease agreement on 31 January 2018 for manufacturing, warehouse and office facilities. The contractual term of the lease was for 10 years at a monthly rent of £7,083.

The company had no other off-balance sheet arrangements.

23. Controlling party

The immediate parent undertaking is Bobrick Washroom Equipment, Inc. and the ultimate parent company is The Bobrick Corporation, company is registered at 6901 Tujunga Avenue, North Hollywood, CA 91605 the United States of America. The directors consider Mark S Louchheim to be the ultimate controlling party.

24. Presentation currency

The financial statements are presented in Sterling, and amounts are rounded to the nearest pound.

25. Subsequent Events

On 13 July 2020, the Company extinguished its outstanding Notes Payable of £5,153,492 due to a Related Party along with all accrued interest of £655,705.

In the period of March 2020, the COVID-19 virus outbreak rapidly spread globally. The current impact of COVID-19 is loss in revenue and disruption to supply chains. It is unclear how the duration of the pandemic and the possibility of further outbreaks will affect the Group's financial performance. The negative impact of COVID-19 has already had on the company, combined with the uncertainty of the global economy, management will need to take measures to be resilient, assess and manage the business for the long term and protect the interest of the stakeholders.