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Company Registration No 03228853 (England and Wales)



CREATIVITY ENTHUSIASM ENERGY VISION

CLASSIC SHOWERS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2009

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CLASSIC SHOWERS LIMITED

COMPANY INFORMATION

Directors	D R Hance P Carr T P Powell
Secretary	T P Powell
Company number	03228853
Registered office	Charles Park Crossways Boulevard Crossways Dartford Kent DA9 9AY
Auditors	H W Fisher & Company Acre House 11-15 Wilham Road London Great Britain NW1 3ER
Business address	Charles Park Crossways Boulevard Crossways Dartford Kent DA9 9AY

CLASSIC SHOWERS LIMITED

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CLASSIC SHOWERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2009

The directors present their report and financial statements for the year ended 31 July 2009

Principal activities and review of the business

The principal activity of the company is manufacturing and selling shower enclosures

The company made a pre-tax loss of £805,859 (2008 - a profit of £2,308,148) for the year on a turnover of £10,063,054 (2008 - £12,948,716)

At 31 July 2009 the company had net assets of £2,363,158 (2008 - £3,044,510)

The principal risks and uncertainties facing the company relate to changes in consumer preferences and foreign currency fluctuations

In the opinion of the directors there are no Key Performance Indicators whose disclosure is necessary for an understanding of the development, performance or position of the business

Directors

The directors who served during the year were

D R Hance

P Carr

M A Denny

T P Powell

(Resigned 15 January 2009)

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information

Auditors

A resolution proposing the reappointment of H W Fisher & Company as auditors will be put to the members

On behalf of the board



T P Powell

Director

Dated 11.09.09

CLASSIC SHOWERS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent,
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

CLASSIC SHOWERS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CLASSIC SHOWERS LIMITED

We have audited the financial statements of Classic Showers Limited for the year ended 31 July 2009 set out on pages 4 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

H W Fisher & Co

N J Thaker (Senior Statutory Auditor)

for and on behalf of H W Fisher & Company

Chartered Accountants

Statutory Auditor

Acre House
11-15 William Road
London
Great Britain
NW1 3LR

Dated 11.09.09

CLASSIC SHOWERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2009

		2009	2008
	Notes	£	£
Turnover	2	10,063,054	12,948,716
Cost of sales		(6,507,682)	(7,907,929)
Gross profit		3,555,372	5,040,787
Administrative expenses		(4,361,231)	(2,744,330)
Operating (loss)/profit	3	(805,859)	2,296,457
Other interest receivable and similar income		-	11,691
(Loss)/profit on ordinary activities before taxation		(805,859)	2,308,148
Tax on (loss)/profit on ordinary activities	6	124,507	(760,790)
(Loss)/profit for the year	15	(681,352)	1,547,358

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

CLASSIC SHOWERS LIMITED

BALANCE SHEET

AS AT 31 JULY 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Tangible assets	8		66,063		257,027
Current assets					
Stocks	9	1,524,617		1,714,954	
Debtors	10	2,684,856		3,309,849	
Cash at bank and in hand		96,008		539,155	
		<u>4,305,481</u>		<u>5,563,958</u>	
Creditors amounts falling due within one year	11	<u>(1,136,602)</u>		<u>(2,776,475)</u>	
Net current assets			<u>3,168,879</u>		<u>2,787,483</u>
Total assets less current liabilities			<u>3,234,942</u>		<u>3,044,510</u>
Creditors amounts falling due after more than one year	12		<u>(871,784)</u>		<u>-</u>
			<u>2,363,158</u>		<u>3,044,510</u>
Capital and reserves					
Called up share capital	14		1,000		1,000
Profit and loss account	15		2,362,158		3,043,510
Shareholders' funds	16		<u>2,363,158</u>		<u>3,044,510</u>

Approved by the Board and authorised for issue on 11.09.09



T P Powell
Director

CLASSIC SHOWERS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2009

	Notes	£	2009 £	£	2008 £
Net cash inflow from operating activities	17		54,995		2,054,047
Returns on investments and servicing of finance					
Interest received		-		11,691	
Net cash (outflow)/inflow for returns on investments and servicing of finance			-		11,691
Taxation			(449,377)		(661,064)
Capital expenditure					
Payments to acquire tangible fixed assets		(48,765)		(67,718)	
Net cash outflow for capital expenditure			(48,765)		(67,718)
Equity dividends paid			-		(1,600,000)
Net cash outflow before financing			(443,147)		(263,044)
Decrease in cash in the year	19, 18		(443,147)		(263,044)

CLASSIC SHOWERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2009

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention

1.2 Revenue recognition

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Leaschold property improvements	over the lease term
Plant and machinery	25% reducing balance
Computer equipment	25% reducing balance
Fixtures, fittings & computer equipment	15% straight line on cost
Motor vehicles	25% reducing balance

1.4 Leasing

Rental payments under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

1.5 Stock

Stock is valued at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal

1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.7 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

1.8 Foreign currency translation

Transactions denominated in foreign currencies are recorded at a standard rate of exchange at the time goods are booked into stock. The supplier is then paid at the prevailing rate on the day of the transaction and any differences arising are taken to the profit and loss account

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are taken to profit and loss account

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

CLASSIC SHOWERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

3	Operating (loss)/profit	2009	2008
		£	£
	Operating (loss)/profit is stated after charging		
	Depreciation of tangible assets	81,377	95,472
	Loss on disposal of tangible assets	158,352	-
	Operating lease rentals		
	- Plant and machinery	168,867	96,375
	- Other assets	922,061	329,118
	Auditors' remuneration	11,000	10,500
		<u> </u>	<u> </u>
4	Directors' emoluments	2009	2008
		£	£
	Emoluments for qualifying services	180,531	77,582
	Company pension contributions to money purchase schemes	-	326
		<u> </u>	<u> </u>
		180,531	77,908
		<u> </u>	<u> </u>
	Emoluments disclosed above include the following amounts paid to the highest paid director		
	Emoluments for qualifying services	69,598	77,582
		<u> </u>	<u> </u>

CLASSIC SHOWERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

5 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2009 Number	2008 Number
Production	30	40
Distribution	13	17
Office and administration	15	18
	<u>58</u>	<u>75</u>

Employment costs

	2009 £	2008 £
Wages and salaries	1,902,180	1,617,652
Social security costs	143,470	162,825
Other pension costs	11,984	11,437
	<u>2,057,634</u>	<u>1,791,914</u>

CLASSIC SHOWERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

6	Taxation	2009	2008
		£	£
	Domestic current year tax		
	U K corporation tax	(110,000)	760,790
	Adjustment for prior years	(14,507)	-
	Current tax charge	<u>(124,507)</u>	<u>760,790</u>
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	<u>(805,859)</u>	<u>2,308,148</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 29.33%)	<u>(225,641)</u>	<u>676,980</u>
	Effects of		
	Depreciation add back	22,786	28,000
	Capital allowances	(16,895)	(4,902)
	Adjustments to previous periods	(14,507)	13,792
	Other tax adjustments	109,750	46,920
		<u>101,134</u>	<u>83,810</u>
	Current tax charge	<u>(124,507)</u>	<u>760,790</u>
7	Dividends	2009	2008
		£	£
	Ordinary interim paid	<u>-</u>	<u>1,600,000</u>

CLASSIC SHOWERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

8 Tangible fixed assets

	Leasehold property improvements	Plant and machinery	Fixtures, fittings & computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2008	215,212	144,294	278,854	43,813	682,173
Additions	13,131	20,212	15,422	-	48,765
Disposals	(217,313)	(111,925)	(265,525)	-	(594,763)
At 31 July 2009	11,030	52,581	28,751	43,813	136,175
Depreciation					
At 1 August 2008	102,485	93,443	199,270	29,948	425,146
On disposals	(120,793)	(82,615)	(233,003)	-	(436,411)
Charge for the year	18,308	16,440	43,163	3,466	81,377
At 31 July 2009	-	27,268	9,430	33,414	70,112
Net book value					
At 31 July 2009	11,030	25,313	19,321	10,399	66,063
At 31 July 2008	112,727	50,851	79,584	13,865	257,027

9 Stocks

	2009	2008
	£	£
Finished goods and goods for resale	1,524,617	1,714,954

CLASSIC SHOWERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

10 Debtors	2009	2008
	£	£
Trade debtors	1,539,197	1,910,383
Amounts owed by group undertakings	769,355	1,219,909
Corporation tax	201,800	-
Other debtors	56,152	57,367
Prepayments and accrued income	118,352	122,190
	<u>2,684,856</u>	<u>3,309,849</u>

11 Creditors amounts falling due within one year	2009	2008
	£	£
Trade creditors	457,020	1,467,521
Amounts owed to group undertakings	-	423,564
Corporation tax	-	372,084
Other taxes and social security costs	102,642	292,160
Accruals and deferred income	576,940	221,146
	<u>1,136,602</u>	<u>2,776,475</u>

12 Creditors amounts falling due after more than one year	2009	2008
	£	£
Accruals and deferred income	<u>871,784</u>	<u>-</u>

13 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £11,984 (2008- £11,437).

CLASSIC SHOWERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

14	Share capital	2009	2008
		£	£
	Authorised		
	1,000 Ordinary shares of £1 each	1,000	1,000
	Allotted, called up and fully paid		
	1,000 Ordinary shares of £1 each	1,000	1,000
15	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 August 2008		3,043,510
	Loss for the year		(681,352)
	Balance at 31 July 2009		2,362,158
16	Reconciliation of movements in shareholders' funds	2009	2008
		£	£
	(Loss)/Profit for the financial year	(681,352)	1,547,358
	Dividends	-	(1,600,000)
	Net depletion in shareholders' funds	(681,352)	(52,642)
	Opening shareholders' funds	3,044,510	3,097,152
	Closing shareholders' funds	2,363,158	3,044,510

CLASSIC SHOWERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

17	Reconciliation of operating (loss)/profit to net cash inflow from operating activities	2009 £	2008 £		
	Operating (loss)/profit	(805,859)	2,296,457		
	Depreciation of tangible fixed assets	81,377	95,472		
	Loss on disposal of tangible fixed assets	158,352	-		
	Decrease/(increase) in stocks	190,337	(218,158)		
	Decrease/(increase) in debtors	826,793	(661,942)		
	(Decrease)/increase in creditors	(396,005)	542,218		
	Net cash inflow from operating activities	54,995	2,054,047		
18	Reconciliation of net cash flow to movement in net funds	2009 £	2008 £		
	Decrease in cash in the year	(443,147)	(263,044)		
	Movement in net debt in the year	(443,147)	(263,044)		
	Opening net funds	539,155	802,199		
	Closing net funds	96,008	539,155		
19	Analysis of net funds	1 August 2008	Cash flow	Other non-cash changes	31 July 2009
		£	£	£	£
	Net cash				
	Cash at bank and in hand	539,155	(443,147)	-	96,008
	Net funds	539,155	(443,147)	-	96,008

20 Contingent liabilities

A cross guarantee and fixed and floating charge over the assets of the holding company and two subsidiary companies are in place to secure the borrowings in the holding company comprising a bank loan and loan notes totalling £3,300,000 (2008 £5,100,000)

CLASSIC SHOWERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2009

21 Financial commitments

At 31 July 2009 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 July 2010:

	Land and buildings		Other	
	2009	2008	2009	2008
	£	£	£	£
Operating leases which expire				
Between two and five years	256,060	-	-	97,352
In over five years	-	247,000	-	-
	<u>256,060</u>	<u>247,000</u>	<u>-</u>	<u>97,352</u>

22 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 8 from the requirement to disclose details of transactions with group companies

23 Controlling parties

The ultimate controlling party is Crosswater Holdings UK Limited, a company incorporated in England and Wales