

**BODUM (UK) LIMITED**

**Report and Financial Statements**

**31 December 2000**

Deloitte & Touche  
Columbia Centre  
Market Street  
Bracknell  
Berkshire  
RG12 1PA



**REPORT AND FINANCIAL STATEMENTS 2000**

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**REPORT AND FINANCIAL STATEMENTS 2000**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

A Kierkegaard  
J Bodum  
L Kamstrup

**SECRETARY**

A Wills

**REGISTERED OFFICE**

Bourton Industrial Park  
Bourton-on-the-Water  
Cheltenham  
Gloucestershire  
GL54 2LZ

**BANKERS**

Danske Bank

**SOLICITORS**

Freeth Cartwright  
Gorrissen, Federspiel & Kierkegaard

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Columbia Centre  
Market Street  
Bracknell  
Berkshire  
RG12 1PA

**DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2000.

**ACTIVITIES AND FUTURE PROSPECTS**

The principal activity of the company is to supply kitchenware to the retail trade. It is hoped that the company can expand and trade profitably subject to a suitable economic environment.

**REVIEW OF THE BUSINESS**

The results for the year are set out in the profit and loss account on page 5 and the position at the end of the year is set out in the balance sheet on page 6.

**DIVIDENDS AND RESERVES**

The profit for the year on ordinary activities after taxation amounted to £71,088 (1999 - loss of £100,841). The directors do not recommend the payment of a dividend (1999 - £nil).

**DIRECTORS**

The present membership of the Board is set out on page 1. All directors served throughout the year.

The directors' interests, as defined by the Companies Act 1985, in the shares of the company were as follows:

|               | Ordinary shares of £1 each |             |
|---------------|----------------------------|-------------|
|               | 31 December                | 31 December |
|               | 2000                       | 1999        |
|               | No.                        | No.         |
| A Kierkegaard | 1                          | 1           |
| J Bodum       | -                          | -           |
| L Kamstrup    | -                          | -           |

**AUDITORS**

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



L Kamstrup

Director

1 May 2001

## **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 as at the end of the financial year 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;
- prepare the financial statements on a 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.

## **BODUM (UK) LIMITED**

### **AUDITORS' REPORT TO THE MEMBERS**

We have audited the financial statements on pages 5 to 11 which have been prepared under the accounting policies set out on page 7.

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

As described on page 3 the company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

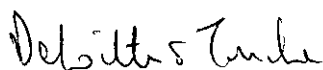
#### **Basis of opinion**

We conducted our audit in accordance with United Kingdom 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 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**DELOITTE & TOUCHE**

Chartered Accountants and  
Registered Auditors

1 May 2001

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 2000**

|  | Note | 2000<br>£          | 1999<br>£          |
|--|------|--------------------|--------------------|
| <b>TURNOVER</b>  | 1    | 8,099,896          | 7,035,993          |
| Cost of sales  |      | <u>(4,818,967)</u> | <u>(4,150,208)</u> |
| Gross profit   |      | 3,280,929          | 2,885,785          |
| Distribution costs   |      | (1,595,438)        | (1,558,810)        |
| Administrative expenses  |      | <u>(1,460,976)</u> | <u>(1,360,900)</u> |
| <b>OPERATING PROFIT/(LOSS)</b>   | 2    | 224,515            | (33,925)           |
| Interest receivable and similar income   |      | 1,398              | 1,008              |
| Interest payable and similar charges   | 3    | <u>(86,829)</u>    | <u>(75,174)</u>    |
| <b>PROFIT/(LOSS) ON ORDINARY<br/>ACTIVITIES BEFORE TAXATION</b>  |      | 139,084            | (108,091)          |
| Tax on profit/(loss) on ordinary activities  | 4    | <u>(67,996)</u>    | <u>7,250</u>       |
| <b>PROFIT/(LOSS) ON ORDINARY<br/>ACTIVITIES AFTER TAXATION,<br/>TRANSFERRED TO/(FROM)<br/>RESERVES</b> | 13   | <u>71,088</u>      | <u>(100,841)</u>   |

All amounts derive from continuing operations.

There are no recognised gains or losses other than the result for the current and preceding financial years. Accordingly, no statement of total recognised gains and losses is given.

BALANCE SHEET  
31 December 2000

|  | Note | 2000<br>£   | 1999<br>£   |
|--|------|-------------|-------------|
| <b>FIXED ASSETS</b>  |      |             |             |
| Tangible assets  | 6    | 1,163,517   | 1,313,022   |
| <b>CURRENT ASSETS</b>  |      |             |             |
| Stocks   | 7    | 880,742     | 908,912     |
| Debtors  | 8    | 1,687,357   | 1,039,145   |
| Cash at bank and in hand                                       |      | -           | 10,345      |
|  |      | 2,568,099   | 1,958,402   |
| <b>CREDITORS: amounts falling due within one year</b>          | 9    | (2,641,893) | (2,193,685) |
| <b>NET CURRENT LIABILITIES</b>                                 |      | (73,794)    | (235,283)   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      | 1,089,723   | 1,077,739   |
| <b>CREDITORS: amounts falling due after more than one year</b> | 10   | (420,000)   | (480,000)   |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>                  | 11   | (896)       | -           |
|  |      | 668,827     | 597,739     |
| <b>CAPITAL AND RESERVES</b>                                    |      |             |             |
| Called up share capital  | 12   | 900,000     | 900,000     |
| Profit and loss account  | 13   | (231,173)   | (302,261)   |
| <b>EQUITY SHAREHOLDERS' FUNDS</b>                              |      | 668,827     | 597,739     |

These financial statements were approved by the Board of Directors on 1 May 2001.

Signed on behalf of the Board of Directors



L. Kamstrup

Director



**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2000****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

The company is reliant upon the financial support of the parent undertaking which has agreed to continue its financial support of the company to enable it to meet its obligations as they fall due, at least until twelve months from the date of approval of the financial statements. The Directors therefore consider that the company is a going concern and the financial statements have been prepared on this basis.

**Turnover**

Turnover represents amounts invoiced for goods sold excluding Value Added Tax. All sales are made within the U.K. and relate to the principal activity of the business.

**Tangible fixed assets**

Depreciation is provided on cost on a straight line basis over the useful economic lives of the assets which are estimated to be as follows:

|   |              |
|---|--------------|
| Freehold buildings                          | 50 years     |
| Leasehold buildings and improvements        | 5 - 10 years |
| Motor vehicles                              | 5 years      |
| Fixtures, fittings, furniture and equipment | 3 - 10 years |

Depreciation is not provided on freehold land.

**Stocks**

Stocks are stated at the lower of cost and net realisable value.

Cost represents the expenditure incurred in bringing each product to its present location and condition on a first-in, first-out basis.

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

**Deferred taxation**

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

**Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into sterling at the rate ruling at that date. These translation differences are dealt with in the profit and loss account.

**Pensions**

The company contributes to certain senior employees' personal pension plans. These schemes are administered on a money purchase basis and are therefore fully funded.

# NOTES TO THE ACCOUNTS Year ended 31 December 2000

## 2. OPERATING PROFIT/(LOSS)

|  | 2000<br>£         | 1999<br>£         |
|--|-------------------|-------------------|
| Operating profit/(loss) is after charging: |                   |                   |
| Rentals under operating leases             | 201,572           | 207,610           |
| Auditors' remuneration                     |                   |                   |
| For audit services                         | 16,500            | 15,750            |
| For other services                         | 1,000             | 1,160             |
| Depreciation - own assets                  | 141,150           | 160,090           |
| Loss on disposal of fixed assets           | 3,810             | 9,384             |
|  | <u>          </u> | <u>          </u> |

## 3. INTEREST PAYABLE AND SIMILAR CHARGES

|            | 2000<br>£         | 1999<br>£         |
|------------|-------------------|-------------------|
| Bank loans | 86,829            | 75,174            |
|            | <u>          </u> | <u>          </u> |

## 4. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

|   | 2000<br>£     | 1999<br>£      |
|---|---------------|----------------|
| United Kingdom corporation tax charge/(credit) at 30% | 59,850        | (7,250)        |
| Adjustment in respect of prior years                  | 7,250         | -              |
| Deferred taxation                                     | 896           | -              |
|   | <u>67,996</u> | <u>(7,250)</u> |

The tax charge is disproportionately high due to items in the profit and loss account which are not allowable for tax purposes.

## 5. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The directors received no emoluments in respect of their services to the company during the year (1999 - £nil).

|   | 2000<br>£         | 1999<br>£         |
|---|-------------------|-------------------|
| Employee costs during the year:                             |                   |                   |
| Wages and salaries  | 682,167           | 655,130           |
| Social security costs                                       | 53,774            | 49,392            |
| Other pension costs   | 42,887            | 16,905            |
|   | <u>778,828</u>    | <u>721,427</u>    |
|   | 2000<br>No.       | 1999<br>No.       |
| The average number of persons employed during the year was: |                   |                   |
| Sales and administration                                    | 32                | 32                |
|   | <u>          </u> | <u>          </u> |

NOTES TO THE ACCOUNTS  
Year ended 31 December 2000

## 6. TANGIBLE FIXED ASSETS

|                       | Freehold<br>land and<br>buildings<br>£ | Leasehold<br>buildings<br>and<br>improve-<br>ments<br>£ | Motor<br>vehicles<br>£ | Fixtures,<br>fittings,<br>furniture<br>and<br>equipment<br>£ | Total<br>£ |
|-----------------------|--|---|------------------------|--|------------|
| <b>Cost</b>           |  |   |                        |  |            |
| At 1 January 2000     | 1,022,367                              | 308,340   | 179,142                | 792,644  | 2,302,493  |
| Additions             | -                                      | -   | 255                    | -  | 255        |
| Disposals             | (2,710)                                | (11,366)  | (27,524)               | (496,651)  | (538,251)  |
| at 31 December 2000   | 1,019,657                              | 296,974   | 151,873                | 295,993  | 1,764,497  |
| <b>Depreciation</b>   |  |   |                        |  |            |
| At 1 January 2000     | 118,701                                | 129,507   | 70,456                 | 670,807  | 989,471    |
| Charge for the year   | 16,690                                 | 40,724  | 31,176                 | 52,560   | 141,150    |
| Disposals             | (1,873)                                | (7,599)   | (23,518)               | (496,651)  | (529,641)  |
| At 31 December 2000   | 133,518                                | 162,632   | 78,114                 | 226,716  | 600,980    |
| <b>Net book value</b> |  |   |                        |  |            |
| At 31 December 2000   | 886,139                                | 134,342   | 73,759                 | 69,277   | 1,163,517  |
| At 31 December 1999   | 903,666                                | 178,833   | 108,686                | 121,837  | 1,313,022  |

## 7. STOCKS

|                       | 2000<br>£ | 1999<br>£ |
|-----------------------|-----------|-----------|
| Goods held for resale | 880,742   | 908,912   |

## 8. DEBTORS

|                                | 2000<br>£ | 1999<br>£ |
|--------------------------------|-----------|-----------|
| Trade debtors                  | 1,509,857 | 883,782   |
| Other debtors                  | 98,665    | 98,225    |
| Corporation tax recoverable    | 295       | 7,545     |
| Prepayments and accrued income | 78,540    | 49,593    |
|                                | 1,687,357 | 1,039,145 |

NOTES TO THE ACCOUNTS  
Year ended 31 December 2000

## 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2000<br>£        | 1999<br>£        |
|------------------------------------|------------------|------------------|
| Bank loan                          | 60,000           | 60,000           |
| Bank overdrafts                    | 443,370          | 300,727          |
| Trade creditors                    | 209,650          | 140,328          |
| Amounts owed to group undertakings | 1,260,205        | 1,132,030        |
| Corporation tax payable            | 59,850           | -                |
| Taxation and social security       | 375,715          | 412,460          |
| Accruals and deferred income       | 233,103          | 148,140          |
|                                    | <u>2,641,893</u> | <u>2,193,685</u> |

The bank overdraft is guaranteed by the parent company, Peter Bodum A/S.

The bank loan is secured by a mortgage on the freehold premises at Bourton-on-the-Water, Gloucestershire and bears interest at a floating rate, valid for six monthly periods. It is guaranteed by the parent company, Peter Bodum A/S, and is repayable in equal half yearly instalments of £30,000 over 10 years, starting on 1 April 1999.

## 10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

|           | 2000<br>£      | 1999<br>£      |
|-----------|----------------|----------------|
| Bank loan | <u>420,000</u> | <u>480,000</u> |

## 11. PROVISIONS FOR LIABILITIES AND CHARGES

|   | 2000<br>£  | 1999<br>£ |
|---|------------|-----------|
| Deferred taxation                         |            |           |
| At 1 January 2000                         | -          | -         |
| Charge to profit and loss account in year | 896        | -         |
|   | <u>896</u> | <u>-</u>  |
| At 31 December 2000                       | <u>896</u> | <u>-</u>  |

The deferred taxation balance comprises capital allowances in excess of depreciation. There is no unprovided deferred tax in either the current or preceding year.

## 12. CALLED UP SHARE CAPITAL

|  | 2000<br>£      | 1999<br>£      |
|--|----------------|----------------|
| 900,000 authorised, allotted and fully paid ordinary shares of £1 each | <u>900,000</u> | <u>900,000</u> |

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2000****13. COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES**

|                            | Issued<br>share<br>capital<br>£ | Profit<br>and loss<br>account<br>£ | Total<br>2000<br>£ | Total<br>1999<br>£ |
|----------------------------|---------------------------------|------------------------------------|--------------------|--------------------|
| At 1 January 2000          | 900,000                         | (302,261)                          | 597,739            | 698,580            |
| Profit/(loss) for the year | -                               | 71,088                             | 71,088             | (100,841)          |
| At 31 December 2000        | <u>900,000</u>                  | <u>(231,173)</u>                   | <u>668,827</u>     | <u>597,739</u>     |

**14. CONTINGENT LIABILITIES**

|   | 2000<br>£      | 1999<br>£      |
|---|----------------|----------------|
| Guarantees in favour of HM Customs & Excise | <u>100,000</u> | <u>100,000</u> |

**15. OPERATING LEASE COMMITMENTS**

At 31 December 2000, the company was committed to the following payments during the next year under non-cancellable operating leases:

|                                       | 2000<br>Land and<br>buildings<br>£ | 2000<br>Other<br>£ | 1999<br>Land and<br>buildings<br>£ | 1999<br>Other<br>£ |
|---------------------------------------|------------------------------------|--------------------|------------------------------------|--------------------|
| Leases which expire:<br>After 5 years | <u>200,165</u>                     | <u>-</u>           | <u>207,610</u>                     | <u>-</u>           |

**16. ULTIMATE PARENT UNDERTAKING**

The ultimate parent undertaking of the company, which is also the controlling undertaking, is Peter Bodum A/S, a company incorporated in Denmark. Copies of the group financial statements are available from Erhvervs OG Selskabsstyrelsen, Kampmannsgade 1, DK-1604, Copenhagen V, Denmark.

**17. RELATED PARTY TRANSACTIONS**

In accordance with Financial Reporting Standard No. 8 "Related Party Disclosures", transactions with other group undertakings within, and investee related parties of, the Peter Bodum A/S group have not been disclosed in these financial statements.