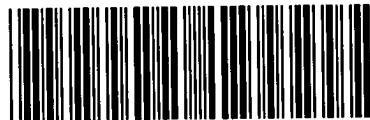


Registered number: 02283486

## **SINKS AND THINGS LIMITED**

### **DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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## **SINKS AND THINGS LIMITED**

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### **COMPANY INFORMATION**

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<b>Directors</b>	D Orwin N Clark
<b>Company secretary</b>	H R Silva
<b>Registered number</b>	02283486
<b>Registered office</b>	Unit 17 Shield Road Ashford Middlesex TW15 1AU
<b>Independent auditor</b>	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU

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**SINKS AND THINGS LIMITED**

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## **SINKS AND THINGS LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present their report and the financial statements for the year ended 31 December 2020.

#### **Directors' responsibilities statement**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 judgments 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.

#### **Directors**

The directors who served during the year were:

D Orwin (appointed 6 January 2020)  
N Clark (appointed 6 January 2020)  
G A Kenneth (resigned 6 January 2020)  
M G Kenneth (resigned 6 January 2020)

#### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### **Auditor**

The auditor, Hart Shaw LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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**SINKS AND THINGS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



**D Orwin**  
Director

Date: 12 MARCH 2021

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## **SINKS AND THINGS LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINKS AND THINGS LIMITED**

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#### **Qualified opinion**

We have audited the financial statements of Sinks and Things Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of Profit and Loss, Statement of Changes in Equity, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for qualified opinion**

We were not appointed as auditor of the company until after 1 January 2020 when the company became a subsidiary of Franke UK and needed an audit for the first time. The opening balance sheet has not been audited and we were unable to carry out procedures to audit the opening balance sheet and therefore were unable to determine whether any adjustments might have been necessary to the profit and loss account in the current year. Furthermore, the comparative information has not been audited.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### **Emphasis of matter relating to going concern**

We draw attention to note 2.2 to the financial statements which explain that the directors intend to liquidate the company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern. Our opinion is not modified in this respect.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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.

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## **SINKS AND THINGS LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINKS AND THINGS LIMITED**

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As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the opening balance sheet. Therefore, we have concluded that where the other information refers to the profit and loss account in the current year or previous year, it may be misstated for this reason.

#### **Opinions on other matters prescribed by the Companies Act 2006**

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in director's report for the financial year for which the financial statements are prepared is consistent with the financial statements and;
- the directors report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

Except for the matters described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Arising solely from the limitation on the scope of our work as described in the basis for qualified opinion section of our report, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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

- 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;

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's 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 auditor's 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.

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## SINKS AND THINGS LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINKS AND THINGS LIMITED

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud and the audit response**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

It was deemed the susceptibility to material misstatement was low because the nature of the business does not lend itself to fraud.

Management override is inherently high risk and as a result, journals in the year have been reviewed and tested for appropriateness. We also assessed whether managements judgements indicated potential bias and during the audit we reviewed the underlying rationale behind transactions in order to assess whether they were outside the normal course of business.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly followed auditing standards.

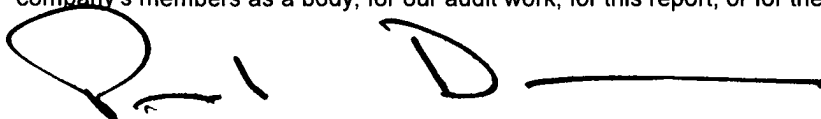
We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management, as required by auditing standards. We discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations to our team and remained alert to any indications of non-compliance throughout the audit.

We are however, not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 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 auditor's 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.



**Paul Dawson (Senior Statutory Auditor)**

For and on behalf of Hart Shaw LLP  
Chartered Accountants, Statutory Auditor  
Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

Date: 22/3/21



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**SINKS AND THINGS LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Note	2020 £	2019 £
Turnover		2,413,771	5,738,094
Cost of sales		(2,077,398)	(4,510,653)
<b>Gross profit</b>		<b>336,373</b>	<b>1,227,441</b>
Distribution costs		(187,629)	(346,376)
Administrative expenses		(635,130)	(1,052,297)
Other operating income		83,716	-
Exceptional loss	4	(972,194)	-
<b>Operating loss</b>		<b>(1,374,864)</b>	<b>(171,232)</b>
Interest receivable and similar income		820	3,696
<b>Loss before tax</b>		<b>(1,374,044)</b>	<b>(167,536)</b>
<b>Loss for the financial year</b>		<b>(1,374,044)</b>	<b>(167,536)</b>

The notes on pages 9 to 13 form part of these financial statements.

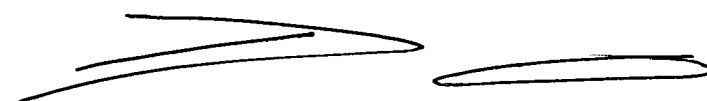
**SINKS AND THINGS LIMITED**  
**REGISTERED NUMBER: 02283486**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	5	-	92,479
<b>Current assets</b>			
Stocks		-	1,022,979
Debtors: amounts falling due within one year	6	1	412,609
Cash at bank and in hand		-	453,519
		<u>1</u>	<u>1,889,107</u>
Creditors: amounts falling due within one year	7	-	(304,391)
<b>Net current assets</b>		1	1,584,716
<b>Net assets</b>		<u>1</u>	<u>1,677,195</u>
<b>Capital and reserves</b>			
Called up share capital	8	1	331,800
Share premium account		-	515,226
Capital redemption reserve		-	300,000
Profit and loss account		-	530,169
		<u>1</u>	<u>1,677,195</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**D Orwin**  
Director

Date: 12 MARCH 2021

The notes on pages 9 to 13 form part of these financial statements.

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**SINKS AND THINGS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
<b>At 1 January 2019</b>	<b>331,800</b>	<b>515,226</b>	<b>300,000</b>	<b>897,705</b>	<b>2,044,731</b>
Loss for the year	-	-	-	(167,536)	(167,536)
Dividends: Equity capital	-	-	-	(200,000)	(200,000)
<b>At 1 January 2020</b>	<b>331,800</b>	<b>515,226</b>	<b>300,000</b>	<b>530,169</b>	<b>1,677,195</b>
Loss for the year	-	-	-	(1,374,044)	(1,374,044)
Shares cancelled during the year	(331,799)	-	331,799	-	-
Transfer to/from profit and loss account	-	(515,226)	(631,799)	1,147,025	-
Dividends: Equity capital	-	-	-	(303,150)	(303,150)
<b>At 31 December 2020</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>

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## SINKS AND THINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

Sinks and Things Limited is a private limited company (registered number 02283486) incorporated and domiciled in the UK. Its registered office is Unit 17, Shield Road, Ashford, Middlesex, TW15 1AU.

The principal activity of the company was the sale and distribution for kitchen trade customers. The company ceased to trade on 1 September 2020 when all its assets and liabilities were transferred to its parent company, Franke UK Limited.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The financial statements have been prepared on a cessation basis, as the company is not considered a going concern by the directors. Where considered necessary, adjustments have been made to the financial statements to reflect the impact of closure on the recoverable value of assets and the impact on cessation of trading.

##### 2.3 Turnover

Turnover comprises of revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

All turnover is predominantly derived from the United Kingdom and relates to the principal activity of the company.

##### 2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Profit and Loss account on a straight line basis over the lease term.

##### 2.5 Government grants

Grants of a revenue nature are recognised in the Profit and Loss account in the same period as the related expenditure.

##### 2.6 Pensions

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

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## SINKS AND THINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.7 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

##### 2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Leasehold Property	- over the lease term
Plant & machinery	- 20% on net book value
Motor vehicles	- 25% on cost
Fixtures & fittings	- 20% on net book value
Computer equipment	- 20% on cost (straight line)

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss account.

##### 2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

##### 2.10 Creditors

Short term creditors are measured at the transaction price.

##### 2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### 3. Employees

The average monthly number of employees, including directors, for January 2020 and February 2020 was 22 (2019 - 22). On 1 March 2020 all employees were transferred to the parent company.

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## SINKS AND THINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 4. Exceptional loss

The exceptional loss of £972,194 was incurred following the hive up of Sinks and Things Limited to Franke UK Limited as a result of the loss on sale of assets at fair value.

#### 5. Tangible fixed assets

	Leasehold Property £	Plant and machinery £	Motor vehicles £	Total £
At 1 January 2020	165,282	501,079	52,409	718,770
Disposals	(165,282)	(501,079)	(52,409)	(718,770)
At 31 December 2020	-	-	-	-
At 1 January 2020	150,810	442,725	32,756	626,291
Charge for the year on owned assets	14,472	58,354	19,655	92,481
Disposals	(165,282)	(501,079)	(52,411)	(718,772)
At 31 December 2020	-	-	-	-
<b>Net book value</b>				
At 31 December 2020	-	-	-	-
At 31 December 2019	14,472	58,354	19,653	92,479

#### 6. Debtors

	2020 £	2019 £
Trade debtors	-	337,413
Amounts owed by group undertakings	1	-
Prepayments and accrued income	-	75,196
	1	412,609

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## SINKS AND THINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	-	235,884
Other taxation and social security	-	33,156
Other creditors	-	11,059
Accruals and deferred income	-	24,292
	<u>-</u>	<u>304,391</u>

#### 8. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
Nil (2019 - 1,327,200) Ordinary shares of £0.25 each	-	331,800
1 (2019 - Nil) Ordinary share of £1.00	1	-
	<u>1</u>	<u>331,800</u>

On 16 September 2020 1,327,196 ordinary shares of 25p each were cancelled. The remaining 4 shares of 25p each were subsequently consolidated into 1 Ordinary share of £1 and the share premium account and capital redemption reserve cancelled in full.

#### 9. Commitments under operating leases

At 31 December 2020 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	-	181,705
Later than 1 year and not later than 5 years	-	363,410
	<u>-</u>	<u>545,115</u>

#### 10. Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 102 section 1A not to disclose transactions with the parent undertaking or other wholly owned subsidiaries within the group.

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**SINKS AND THINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**11. Ultimate controlling party**

The company is a subsidiary undertaking of Franke UK Limited. The ultimate controlling party is Franke Holding AG.

The smallest group in which they are consolidated is that headed by Franke UK Holding Limited, West Carron Works, Stenhouse Road, Carron, Falkirk, FK2 8DR.

The largest group in which the results of the company are consolidated is that headed by Franke Holding AG, Dorfbachstrasse 2, Aarburg, Switzerland. The consolidated financial statements of this group are not available to the public.