

2707098 (England and Wales)

**IDEAL STANDARD OVERSEAS LIMITED**

**Directors' Report and Financial Statements**

**for the year ended 31 December 2001**

**Heywards  
Chartered Accountants  
St. George's House  
15 Hanover Square  
London W1S 1HR**



## **IDEAL STANDARD OVERSEAS LIMITED**

### **Company Information**

<b>Directors</b>	J. Hirschbaeck C Ebersberg
<b>Secretary</b>	Fiduserv Limited
<b>Company Number</b>	2707098 (England and Wales)
<b>Registered Office</b>	7-10 Old Park Lane Fifth Floor, Suite C London W1K 1QR
<b>Auditors</b>	Heywards St. George's House 15 Hanover Square London W1S 1HR
<b>Bankers</b>	Singer & Friedlander Ltd 41/43 Maddox Street London W1R OBS

**IDEAL STANDARD OVERSEAS LIMITED**

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## **IDEAL STANDARD OVERSEAS LIMITED**

### **Directors' Report**

**for the year ended 31 December 2001**

The Directors present their report and the audited financial statements for the year ended 31 December 2001.

#### **Principal Activities**

The principal activity of the company is the provision of administrative support services.

#### **Directors and their Interests**

The directors who served during the year were as follows:

J. Hirschbaeck  
C Ebersberg

None of the directors had any interest in the share capital of the company.

#### **Directors Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Heywards be re-appointed as auditors of the company will be put to the Annual General Meeting.

In the preparation of the directors' report advantage has been taken of the special provisions applicable to small companies conferred by Part VII of the Companies Act 1985.

This report was approved by the Board on 16 October 2002.

  
**J. HIRSCHBAECK**  
Director

# **IDEAL STANDARD OVERSEAS LIMITED**

## **Independent Auditors' Report to the shareholders of Ideal Standard Overseas Limited**

We have audited the financial statements of Ideal Standard Overseas Limited on pages 3 to 7 for the year ended 31 December 2001. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out herein.

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

As described in the statement of the directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit 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.

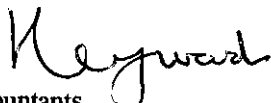
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 as at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Heywards

Chartered Accountants  
Registered Auditor



16 October 2002

St. George's House  
15 Hanover Square  
London W1S 1HR

**IDEAL STANDARD OVERSEAS LIMITED**

**Profit and Loss Account**

**For the year ended 31 December 2001**

	Notes	2001 £	2000 £
Turnover		-	-
Administrative Expenses		(7,993)	(6,595)
Operating Loss	2	(7,993)	(6,595)
Interest Receivable		14	34
Loss on Ordinary Activities before Taxation		(7,979)	(6,561)
Tax on Loss on ordinary activities	4	-	-
Loss for the year	7	£(7,979)	£(6,561)

**TOTAL RECOGNISED GAINS AND LOSSES**

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

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the above two financial years.

**IDEAL STANDARD OVERSEAS LIMITED**

**Balance Sheet**

**As at 31 December 2001**

	Notes	2001 £	2000 £
<b>CURRENT ASSETS</b>			
Cash at Bank		70,836	61,485
		<u>70,836</u>	<u>61,485</u>
<b>CREDITORS: Amounts falling due within one year</b>	5	<u>(117,308)</u>	<u>(99,978)</u>
<b>NET CURRENT LIABILITIES</b>		<u>£(46,472)</u>	<u>£(38,493)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	10,000	10,000
Profit and Loss Account	7	<u>(56,472)</u>	<u>(48,493)</u>
Shareholders Funds	8	<u>£(46,472)</u>	<u>£(38,493)</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on 16 October 2002.

The notes on pages 5 to 7 form part of these financial statements.

  
**J. HIRSCHBAECK**  
Director

# IDEAL STANDARD OVERSEAS LIMITED

## Notes to the Financial Statements

For the year ended 31 December 2001

### 1 ACCOUNTING POLICIES

#### a Accounting Convention

The financial statements are prepared in accordance with the historical cost convention and the *Financial Reporting Standard for Smaller Entities* (effective March 2000).

#### b Cashflow

The financial statements do not include a cash flow statement because the company as a small reporting entity, is exempt from the requirements to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements".

#### c Foreign Currencies

The company's accounts are maintained in Pounds Sterling.

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

#### d Deferred Tax

Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise. Provision is made at the rate which is expected to be applied when the tax liability or asset is expected to crystallise.

#### e Going Concern

The financial statements have been prepared on a going concern basis. This is considered appropriate as the shareholders will continue to provide financial support to the company for the foreseeable future.

### 2 OPERATING LOSS

	2001	2000
	£	£
This is stated after charging:		
Auditors' remuneration	235	1,351
Directors Fees	1,175	1,175
Foreign exchange Loss/(Profit)	1,618	(602)
	<hr/>	<hr/>



## Notes to the Financial Statements

### 3 DIRECTORS AND EMPLOYEES

The directors were the company's only employees during the year.

No provision has been made for UK corporation tax due to the tax allowable losses incurred in the year.

	2001	2000
	£	£
Shareholders Loan	29,352	23,891
Accruals	1,410	2,057
Loan creditor fellow subsidiary – Tower Overseas Ltd	7,507	7,107
Ceramicha Gardenia		
Orchidea SPA	79,039	66,923
	<hr/>	<hr/>
	<b>£117,308</b>	<b>£99,978</b>

The shareholders loan is interest free, unsecured and has no fixed repayment date.

	2001 £	2000 £
Authorised		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

**IDEAL STANDARD OVERSEAS LIMITED**

**Notes to the Financial Statements**

**For the year ended 31 December 2001**

**7 PROFIT AND LOSS ACCOUNT**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Accumulated losses at 1 January 2001	(48,493)	(41,932)
Loss for the year	<u>(7,979)</u>	<u>(6,561)</u>
Accumulated losses at 31 December 2001	<u>£(56,472)</u>	<u>£(48,493)</u>

**8 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	(7,979)	(6,561)
Opening shareholders funds	<u>(38,493)</u>	<u>(31,932)</u>
Closing shareholders funds	<u>£(46,472)</u>	<u>£(38,493)</u>

**9 ULTIMATE HOLDING COMPANY**

The directors regard the ultimate holding company as Eight Stars Establishment, a company registered in Liechtenstein.