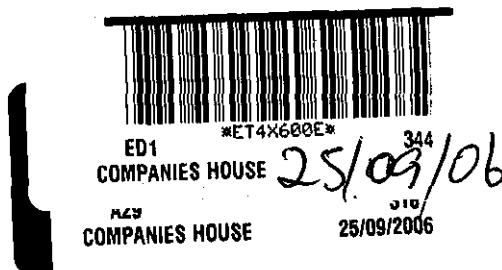


2740455

## Brita Water Filter Systems Limited

### Report and Financial Statements

31 December 2005



# Brita Water Filter Systems Limited

---

Registered No: 2700375

## **Directors**

D Banfield  
M Hankammer  
R Belz

## **Secretary**

H J Siegrist

## **Auditors**

Ernst & Young LLP  
Wessex House  
19 Threefield Lane  
Southampton  
SO14 3QB

## **Bankers**

Barclays Bank Plc  
50 Pall Mall  
London  
SW1A 1QA

## **Solicitors**

Wragge & Co  
55 Colmore Row  
Birmingham  
B3 2AS

## **Registered office**

Brita House  
9 Granville Way  
Bicester  
OX26 4JT

## Directors' report

The directors present their report and financial statements for the year ended 31 December 2005.

### Results and dividends

The retained profit for the year, after taxation, amounted to £3,270,689. During the year an interim dividend of £2,000,000 was paid and the directors recommend a final ordinary dividend of £3,000,000 be declared for approval at the AGM (2004 interim dividend: £nil, 2004 final dividend: £1,000,000 paid in 2005).

### Principal activities and review of the business

The principal activity of the company during the year was the sale and servicing of water filtration products.

As in 2004 trading was less buoyant with top-line sales showing a decline on 2004 and margin remaining under pressure. Despite this the business again managed to maintain reasonable profitability and cash flow as shown in the accounts.

In the opinion of the directors the company was in a satisfactory position at 31 December 2005.

### Derivatives - Fair Value

The fair value at 31 December 2005 of derivatives held by the business was as follows:

Forward foreign exchange contracts	£23,122 (unrealised gain)
Foreign exchange options	£49,026 (unrealised gain)

### Financial Risk Management

The main financial risk to which the company is exposed is fluctuations in the euro exchange rate, with a high proportion of the business' product cost being denominated in euros.

In this respect the financial risk management objective is to hedge the euro exposure to achieve a rate better than or equal to the budgeted rate for the year. The policy applied is to hedge between 40% and 80% of the next 12 months exposure depending on the relative positions of the spot rate at any time and the budgeted rate for the year.

### Directors

The directors who served the company during the year were as follows:

D Banfield	
M Hankammer	
R Belz	
M Beining	(Resigned 1 March 2005)

There are no directors' interests requiring disclosure under the Companies Act 1985.

The company is a wholly owned subsidiary of Brita GmbH. M Hankammer is also a director of the parent company.

### Donations

£4,152 was donated to the Tsunami Appeal and £5,000 to the charity NeST. NeST was the Company's supported charity for the year. It supports research into a cure for the kidney disease, Nephrotic Syndrome.

## Directors' report

### Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the board



D Banfield

Director

*21st March* 2006

## **Statement of directors' responsibilities in respect of the financial statements**

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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.*

## **Independent auditors' report**

### **to the shareholders of Brita Water Filter Systems Limited**

We have audited the company's financial statements for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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**

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 judgments 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.

## **Independent auditors' report**

**to the shareholders of Brita Water Filter Systems Limited**

### **Opinion**

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young LLP*

Ernst & Young LLP

Registered auditor

Southampton

*24 March* 2006

## Profit and loss account

for the year ended 31 December 2005

	Notes	2005 £	2004 £ (restated)
<b>Turnover</b>	2	35,694,270	37,243,793
Cost of sales		20,883,881	21,361,361
<b>Gross profit</b>		14,810,389	15,882,432
Distribution costs		8,568,738	8,965,578
Administrative expenses		1,875,203	3,085,916
<b>Operating profit</b>	3/4	4,366,448	3,830,938
Profit on disposal of tangible fixed assets	4	-	1,399,123
		4,366,448	5,230,061
Interest receivable	7	340,288	152,555
Interest payable and similar charges	8	(2,903)	(5,314)
		337,385	147,241
<b>Profit on ordinary activities before taxation</b>		4,703,833	5,377,302
Tax on profit on ordinary activities	9	1,433,144	1,225,777
<b>Profit on ordinary activities after taxation</b>		3,270,689	4,151,525

## Statement of total recognised gains and losses

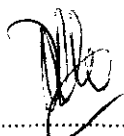
There are no recognised gains or losses other than the profit of £3,270,689 attributable to the shareholders for the year ended 31 December 2005 (2004 - profit of £4,151,525).



## Balance sheet

at 31 December 2005

	Notes	2005 £	2004 £ (restated)
<b>Fixed assets</b>			
Tangible assets	11	5,892,363	5,923,862
<b>Current assets</b>			
Stocks	12	1,305,587	872,403
Debtors	13	10,736,623	10,440,550
Cash at bank		5,129,240	5,977,430
		17,171,450	17,290,383
<b>Creditors:</b> amounts falling due within one year	14	9,419,252	9,840,373
<b>Net current assets</b>		7,752,198	7,450,010
<b>Total assets less current liabilities</b>		13,644,561	13,373,872
		<u>13,644,561</u>	<u>13,373,872</u>
<b>Capital and reserves</b>			
Called up share capital	17	700,000	700,000
Profit and loss account	18	12,944,561	12,673,872
<b>Equity shareholders' funds</b>	18	<u>13,644,561</u>	<u>13,373,872</u>



D Banfield  
Director

26 March 2006

## Statement of cash flows

for the year ended 31 December 2005

	Notes	2005 £	2004 £
<b>Net cash inflow from operating activities</b>	19(a)	3,545,111	5,618,696
<b>Returns on investments and servicing of finance</b>	19(b)	200,313	147,241
<b>Taxation</b>	19(c)	(1,482,334)	(1,463,696)
<b>Capital expenditure and financial investment</b>	19(d)	(94,126)	(682,789)
<b>Equity dividends paid</b>		(3,000,000)	–
<b>(Decrease)/Increase in cash</b>		<u>(831,036)</u>	<u>3,619,452</u>

### Reconciliation of net cash flow to movement in net funds

		2005 £	2004 £
(Decrease)/increase in cash		(831,036)	3,619,452
Translation differences		(17,154)	(32,772)
Movement in net funds		<u>(848,190)</u>	<u>3,586,680</u>
Net funds at 1 January	19(e)	5,977,430	2,390,750
Net funds at 31 December	19(e)	<u>5,129,240</u>	<u>5,977,430</u>

## Notes to the financial statements

at 31 December 2005

### 1. Accounting policies

#### **Basis of preparation**

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards.

In preparing the financial statements for the current year, the company has adopted FRS 17 'Retirement Benefits', FRS 21 'Events after the balance sheet date' and the presentation requirements of FRS 25 'Financial instruments: Disclosure and Presentation'. Adoption of FRS 17 and FRS 25 has not required any revisions to the financial statements in either the current or prior years.

The adoption of FRS 21 'Events after the balance sheet date' has resulted in a change in accounting for proposed dividends. A prior year adjustment has been recognised to ensure the recognition criteria is in accordance with FRS 12 and FRS 21.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

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

Freehold buildings	- over 25 years
Plant and machinery	- over 3 to 10 years
Fixtures and fittings	- over 10 to 25 years
Motor vehicles	- over 3 years

#### **Stocks**

Stock has been valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **Deferred taxation**

Deferred tax is 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 a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

## Notes to the financial statements

at 31 December 2005

### 1. Accounting policies (continued)

#### *Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

#### *Operating lease agreements*

Rentals payable under operating leases are charged to the Profit and Loss account as incurred.

#### *Pension costs*

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 amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

### 2. Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, net of value added tax and trade discounts. Turnover is attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2005 £	2004 £
United Kingdom	35,523,313	37,033,643
Rest of World	170,957	210,150
	<u>35,694,270</u>	<u>37,243,793</u>

### 3. Operating profit

This is stated after charging:

	2005 £	2004 £
Auditors' remuneration - audit services	34,904	29,200
- non-audit services	<u>29,500</u>	<u>67,175</u>
Depreciation of owned fixed assets	<u>511,932</u>	<u>301,663</u>
Loss on disposal of fixed assets	20,497	49,907
Operating lease rentals - land and buildings	-	82,000
- plant and machinery	104,864	110,268
Net loss on foreign currency translation	<u>83,962</u>	<u>128,108</u>

## Notes to the financial statements

at 31 December 2005

### 4. Exceptional items

	2005 £	2004 £
Recognised in arriving at operating profit:		
Relocation costs	-	(1,138,785)
Recognised below operating profit:		
Profit on disposal of fixed assets	-	1,399,123
	<u>-</u>	<u>260,338</u>

### 5. Staff costs

	2005 £	2004 £
Wages and salaries	2,848,529	2,688,611
Social security costs	310,257	310,705
Staff pension contributions	144,474	142,343
	<u>3,303,260</u>	<u>3,141,659</u>

The monthly average number of employees during the year was as follows:

	2005 No.	2004 No.
Production staff	-	15
Distribution staff	57	63
Administrative staff	23	19
	<u>80</u>	<u>97</u>

### 6. Directors' emoluments

	2005 £	2004 £
Emoluments	<u>143,590</u>	<u>147,958</u>
Value of company pension contributions to money purchase schemes	<u>15,425</u>	<u>9,360</u>

## Notes to the financial statements

at 31 December 2005

### 6. Directors' emoluments (continued)

	2005 No.	2004 No.
Members of money purchase pension schemes	<u>1</u>	<u>1</u>

### 7. Interest receivable

	2005 £	2004 £
Bank interest receivable	213,307	107,988
Interest receivable from fellow subsidiaries	126,981	44,567
	<u>340,288</u>	<u>152,555</u>

### 8. Interest payable and similar charges

	2005 £	2004 £
Other similar charges payable	<u>2,903</u>	<u>5,314</u>

### 9. Taxation on ordinary activities

(a) Tax on profit on ordinary activities  
The tax charge is made up as follows:

	2005 £	2004 £
<i>Current tax:</i>		
UK corporation tax on profits of the period	1,439,977	1,131,048
Adjustments in respect of previous periods	(68,088)	(14,368)
	<u>1,371,889</u>	<u>1,116,680</u>
Group relief payable	-	306,748
Total current tax (note 9(b))	<u>1,371,889</u>	<u>1,423,428</u>
<i>Deferred tax:</i>		
Originating and reversal of timing differences	61,255	(197,651)
Tax on profit on ordinary activities	<u>1,433,144</u>	<u>1,225,777</u>

## Notes to the financial statements

at 31 December 2005

### 9. Taxation on ordinary activities (continued)

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is different from the standard rate of corporation tax in the UK of 30% (2004: 30%). The differences are reconciled below:

	2005 £	2004 £
Profit on ordinary activities before taxation	4,703,833	5,377,302
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2004: 30%)	1,411,150	1,613,191
Expenses not deductible for tax purposes	23,130	54,849
Capital allowances in excess of depreciation	(44,804)	164,328
Adjustments in respect of previous periods	(68,088)	(14,368)
Other timing differences	50,501	25,165
Rollover or holdover gains	-	(350,987)
Capital gains (effects of indexation, rebasing etc)	-	(68,750)
Total current tax (note 9(a))	1,371,889	1,423,428

#### (c) Factors that may affect future tax charges

The deferred tax liability of £350,987 arising in 2004 on the gain on the sale of Brita House has not been recognised on the basis that it is more likely than not that the taxable gain will be eligible for rollover relief. The conditions that must be met for the taxable gain to qualify for rollover relief are:

- Relief can only be claimed if both the old and new assets are qualifying assets. They must be occupied and used immediately for the purposes of the trade, and any fixed plant and machinery must not be easily moveable.
- The acquisition of the new asset must take place or an unconditional contract for the acquisition must be entered into within the period beginning 12 months before and ending within three years after the disposal of the old asset.
- Roll-over relief can only be claimed on the acquisition of new assets.

The deferred tax asset arising in respect of accelerated capital allowances and other timing differences has been recognised on the basis that the company considers it to be more likely than not that sufficient taxable profits will be generated going forward such that a tax deduction should be available when the underlying timing difference reverses.

## Notes to the financial statements

at 31 December 2005

### 9. Taxation on ordinary activities (continued)

(d) Provision for Deferred tax

	2005 £
At 1 January 2005	166,611
Profit and loss account	5,697
Adjustments in respect of prior years	(66,954)
At 31 December 2005	<u>105,354</u>

The deferred tax consists of:

	2005 £	2004 £
Decelerated capital allowances	28,466	107,058
Other timing differences	76,888	59,553
Total deferred tax assets	<u>105,354</u>	<u>166,611</u>

### 10. Dividends

	2005 £	2004 £ (restated)
Equity dividends on ordinary shares:		
Prior year proposed dividends declared and paid in the year	(1,000,000)	-
Interim dividend declared and paid in the year	(2,000,000)	-
Total declared and paid in the year	<u>(3,000,000)</u>	<u>-</u>

Proposed dividends at the balance sheet date: £3,000,000 (2004: £1,000,000)

Prior year figures have been restated following adoption of FRS21 (Events after the Balance Sheet date).



# Notes to the financial statements

at 31 December 2005

## 11. Tangible fixed assets

	<i>Freehold land and Buildings</i> £	<i>Plant &amp; Machinery</i> £	<i>Fixtures &amp; Fittings</i> £	<i>Motor Vehicles</i> £	<i>Total</i> £
Cost:					
At 1 January 2005	5,568,062	610,691	115,644	49,235	6,343,632
Additions	4,206	492,456	26,315	3,105	526,082
Disposals	(8,852)	(89,278)	—	(49,235)	(147,365)
At 31 December 2005	<u>5,563,416</u>	<u>1,013,869</u>	<u>141,959</u>	<u>3,105</u>	<u>6,722,349</u>
Depreciation:					
At 1 January 2005	71,809	227,839	72,743	47,379	419,770
Provided during the year	173,109	329,876	8,600	347	511,932
Disposals	(1,499)	(52,836)	—	(47,381)	(101,716)
At 31 December 2005	<u>243,419</u>	<u>504,879</u>	<u>81,343</u>	<u>345</u>	<u>829,986</u>
Net book value:					
At 31 December 2005	<u>5,319,997</u>	<u>508,990</u>	<u>60,616</u>	<u>2,760</u>	<u>5,892,363</u>
At 1 January 2005	<u>5,496,253</u>	<u>382,852</u>	<u>42,901</u>	<u>1,856</u>	<u>5,923,862</u>

Included in the net book value of land and buildings is freehold land at a cost of £1,184,900 (2004: £1,184,900).

## 12. Stocks

	<i>2005</i> £	<i>2004</i> £
Finished goods	<u>1,305,587</u>	<u>872,403</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

## Notes to the financial statements

at 31 December 2005

### 13. Debtors

	2005 £	2004 £
Trade debtors	8,550,663	8,037,233
Amounts owed by group undertakings	1,860,226	2,045,581
Other debtors	77,486	41,319
Prepayments and accrued income	142,894	149,806
Deferred taxation (note 9)	105,354	166,611
	<u>10,736,623</u>	<u>10,440,550</u>

### 14. Creditors: amounts falling due within one year

	2005 £	2004 £ (restated)
Trade creditors	1,104,150	1,477,459
Amounts owed to group undertakings	1,578,184	1,285,230
Corporation tax	333,785	363,679
Other taxation	903,668	1,773,867
Accruals and deferred income	5,499,465	4,940,138
	<u>9,419,252</u>	<u>9,840,373</u>

## Notes to the financial statements

at 31 December 2005

### 15. Commitments under operating leases

At 31 December 2005 the company had annual commitments under non-cancellable operating leases as set out below:

	2005	2005	2004	2004
	<i>Land and</i>	<i>Other</i>	<i>Land and</i>	<i>Other</i>
	<i>buildings</i>		<i>buildings</i>	
	£	£	£	£
Operating leases which expire:				
Within one year	-	26,440	39,414	32,440
In two to five years	-	63,380	-	32,387
	-	89,820	39,414	64,827

### 16. Related party transactions

Brita Water Filter Systems Limited is controlled by its ultimate parent company, Hanvest Holding GmbH, a private company incorporated in Germany.

During the year Brita Water Filter Systems Limited purchased goods from group companies as follows:

	2005	2004
	£	£
Brita GmbH	20,425,379	19,831,547
Brita PTY Ltd Australia	-	27,697
	20,425,379	19,859,244

Exhausted products returned to the immediate parent company, Brita GmbH, for credit, amounted to £314,891 (2004: £177,898). No sales were made to any other group companies during the current or previous year.

Debtors and creditors include:

	<i>Debtors</i>	<i>Creditors</i>	<i>Debtors</i>	<i>Creditors</i>
	<i>2005</i>	<i>2005</i>	<i>2004</i>	<i>2004</i>
	£	£	£	£
Brita GmbH	123,742	1,578,184	-	978,482
Brita Manufacturing (UK) Ltd	1,736,484	-	2,045,581	306,748
	1,860,226	1,578,184	2,045,581	1,285,230

The amount owed by Brita Manufacturing (UK) Limited, a fellow subsidiary, of £1,736,484 (2004: £2,045,581) bears an annual interest charge of 1.6% above the published one month Libor interest rate ruling at the last business day of each month. The interest received during the year amounted to £126,981 (2004: £44,567).

The above transactions were undertaken at arms length on normal commercial terms.

# Notes to the financial statements

at 31 December 2005

## 17. Share capital

	2005 £	Authorised 2004 £
Ordinary shares of £1 each	<u>700,000</u>	<u>700,000</u>

	Allotted, called up and fully paid	
	2005	2004
	No.	No.
	£	£
Ordinary shares of £1 each	700,000	700,000
	<u>700,000</u>	<u>700,000</u>

## 18. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Profit and loss account £	Total share- holders' funds £
At 1 January 2004 (as previously reported)	700,000	8,522,347	9,222,347
Profit for the year	—	4,151,525	4,151,525
Dividends	—	(1,000,000)	(1,000,000)
Prior year adjustment	—	1,000,000	1,000,000
At 31 December 2004	<u>700,000</u>	<u>12,673,872</u>	<u>13,373,872</u>
Profit for the year	—	3,270,689	3,270,689
Dividends	—	(3,000,000)	(3,000,000)
At 31 December 2005	<u>700,000</u>	<u>12,944,561</u>	<u>13,644,561</u>

Prior year figures have been restated following adoption of FRS21 (Events after the Balance Sheet date) as described in the accounting policies, basis of preparation.

## Notes to the financial statements

at 31 December 2005

### 19. Notes to the statement of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities

	2005 £	2004 £
Operating profit	4,366,448	3,830,938
Depreciation	511,932	301,663
Loss on disposal of fixed assets	20,497	49,907
(Increase)/decrease in stocks	(433,184)	790,533
(Increase) in debtors	(220,258)	(1,436,605)
(Decrease)/increase in creditors	(717,478)	2,049,488
Loss on foreign currency retranslation on debt	17,154	32,772
Net cash inflow from operating activities	<u>3,545,111</u>	<u>5,618,696</u>

(b) Returns on investments and servicing of finance

	2005 £	2004 £
Interest received	203,216	152,555
Interest paid	(2,903)	(5,314)
	<u>200,313</u>	<u>147,241</u>

(c) Taxation

	2005 £	2004 £
Corporation tax paid	<u>(1,482,334)</u>	<u>(1,463,696)</u>

## Notes to the financial statements

at 31 December 2005

### 19. Notes to the statement of cash flows (continued)

(d) Capital expenditure

	2005 £	2004 £
Payments to acquire tangible fixed assets	(119,278)	(3,481,086)
Receipts from sales of tangible fixed assets	25,152	2,798,297
	<u>(94,126)</u>	<u>(682,789)</u>

(e) Analysis of changes in net funds

	At 1 January 2005 £	Cash flows £	Exchange movement £	At 31 December 2005 £
Cash at bank and in hand	5,977,430	(831,036)	(17,154)	5,129,240
	<u>5,977,430</u>	<u>(831,036)</u>	<u>(17,154)</u>	<u>5,129,240</u>

### 20. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2004 - £nil).

### 21. Ultimate parent company

The ultimate holding company is Hanvest Holding GmbH, a company incorporated in Germany. The only company in the group preparing consolidated financial statements is Brita GmbH (Brita Water Filter Systems Limited's immediate parent). They are not available to the public.