

Registration number 3714398 (England and Wales)

**Black Automatic Controls Limited**

**Directors' report and financial statements**

**for the period ended 31 December 2006**

THURSDAY



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15/11/2007

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COMPANIES HOUSE

**Pinfields Limited**

**Chartered Accountants**

**Stourbridge**

WED

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COMPANIES HOUSE

## **Black Automatic Controls Limited**

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**Black Automatic Controls Limited**  
**Director's report**  
**for the period ended 31 December 2006**

The director presents this report and the financial statements for the period ended 31 December 2006

**Results and business review**

The company did not trade during the period and made neither a profit nor a loss

**Directors and their interests**

The directors who served during the period and their interests in the company are as stated below

		Class of share	2006	2006 or date of appointment
A Evans	(resigned 14/08/06)	Ordinary shares	-	-
D G Martin		Ordinary shares	-	-
J van Kouterik	(appointed 14/08/06)	Ordinary shares	-	-
J D Cawte	(appointed 14/08/06)	Ordinary shares	-	-

No director had an interest in the shares of the company. The directors' interests in the issued share capital of the holding company, Black Teknigas Limited, are given in the accounts of that company.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 29/10/2007 and signed on its behalf by

  
**D G. Martin**  
Director

**Black Automatic Controls Limited**

**Balance sheet  
as at 31 December 2006**

		31/12/06		31/03/06	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investments	3		1,180,573		1,180,573
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			1,180,573		1,180,573
<b>Creditors: amounts falling due after more than one year</b>	4		(1,109,281)		(1,109,281)
			<hr/>		<hr/>
<b>Net assets</b>			71,292		71,292
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	5		534,863		534,863
Other reserves			37,341		37,341
Profit and loss account			(500,912)		(500,912)
			<hr/>		<hr/>
<b>Equity shareholders' funds</b>			71,292		71,292
			<hr/>		<hr/>

**Audit exemption statement**


For the period ended 31 December 2006 the Company was entitled to exemption from the requirement to have an audit under the provision of Section 249AA(1) of the Companies Act 1985

No notice has been deposited with the company under Section 249B(2) of that Act requiring an audit to be carried out

The director acknowledges responsibility for,

- (a) Ensuring the Company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- (b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial period and of its profit/loss for that financial period in accordance with Section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of that Act relating to accounts so far as applicable to the company

The financial statements were approved by the Board on 29/10/2007 and signed on its behalf by

  
D G Martin  
Director

# **Black Automatic Controls Limited**

## **Notes to the financial statements for the period ended 31 December 2006**

### **1 Accounting policies**

#### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

#### **1.2. Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value

#### **1.3. Group accounts**

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts

### **2. Profit and loss account**

The company has not traded, made profits or losses nor incurred any liabilities during the period ended 31 December 2006. Therefore, no profit and loss account is attached

### **3. Fixed asset investments**

	<b>Subsidiary undertakings shares £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 April 2006		
At 31 December 2006	<u>1,180,573</u>	<u>1,180,573</u>
<b>Net book values</b>		
At 31 December 2006	<u>1,180,573</u>	<u>1,180,573</u>
At 31 March 2006	<u>1,180,573</u>	<u>1,180,573</u>

# Black Automatic Controls Limited

## Notes to the financial statements for the period ended 31 December 2006

### 3.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
<b>Subsidiary undertaking</b>				
Actuated Controls Limited	England & Wales	Dormant	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves £	Profit for the year £
Actuated Controls Limited	921,522	-

The principal activity of Actuated Controls Limited was the manufacture and sale of valves and other controls for the gas and general industries until it sold its trade to the company at close of business on 27 March 2002 as part of rationalisation of the group. The consideration for the transfer was based upon the book value of the subsidiary undertakings net assets, and took no account of goodwill inherent in the business. This resulted in an apparent overvaluation of investments held in the company's books, though there was no overall loss to the group. Schedule 4 of the Companies Act 1985 requires that, where such overvaluations is expected to permanent, the investment should be written down accordingly. The directors consider that the substance of the transaction was merely to reorganise the group's operations, such a treatment would fail to give a true and fair view.

4	Creditors: amounts falling due after more than one year	31/12/06 £	31/03/06 £
	Amount due to immediate parent undertaking (note 7)	154,874	154,874
	Amount due to subsidiary undertaking (note 3)	954,407	954,407
		<u>1,109,281</u>	<u>1,109,281</u>

# Black Automatic Controls Limited

## Notes to the financial statements for the period ended 31 December 2006

5. Share capital	31/12/06 £	31/03/06 £
<b>Authorised equity</b>		
1,117,860 Ordinary shares of £0.10 each	111,786	111,786
423,077 Deferred shares of £1 each	423,077	423,077
	<u>534,863</u>	<u>534,863</u>
<b>Allotted, called up and fully paid equity</b>		
1,117,860 Ordinary shares of £0.10 each	111,786	111,786
423,077 Deferred shares of £1 each	423,077	423,077
	<u>534,863</u>	<u>534,863</u>

### a) Ordinary shares

Redemption - on return of assets in a liquidation, holders are entitled to the return of the subscription price together with any balance

Voting - holders of the Ordinary shares are entitled to one vote per share at general meetings

### b) Deferred shares

Dividends - holders are not entitled to receive dividends in respect of their holding of Deferred shares

Redemptions - upon winding up of the company, the holders are entitled to receive the amount of £1 per share after the sum of £10,000,000 shall have been paid to the holders of the Ordinary shares

Voting - holders are not entitled to receive notice of, attend or vote at general meetings

Full details of the rights attributable to the different classes of shares are given in the company's Articles of Association

## 6. Related party transactions

The company is a wholly owned subsidiary and part of a group that publicly makes available its financial statements and, as such, is exempt from the requirement of FRS 8 Related party transactions to disclose transactions with other group undertakings. Refer to note 7

**Black Automatic Controls Limited**

**Notes to the financial statements  
for the period ended 31 December 2006**

**7 Ultimate parent undertaking**

The ultimate parent company is Watts Water Technologies Inc, a company incorporated in the United States of America. Copies of the Consolidated financial statements of this company are available from its offices at Corporate Headquarters, 815 Chesnut Street, North Andover, MA 01845-6098 USA. Please refer to note 5 re shareholdings. The immediate parent company is Black Teknigas Limited, a company incorporated in England. Since 14 August, 2006 Black Teknigas Limited has been owned by Watts Industries UK Limited, a company incorporated in England. Watts Industries UK Limited is a wholly owned subsidiary of Watts Industries Europe BV, a company incorporated in Holland. Copies of the consolidated financial statements are available from Watts Industries Europe BV, Kollergang 14, 6961 LZ Eerbeek, PO Box 98, 6960 AB Eerbeek, Netherlands.