

Company Registration No SCO37050 (Scotland)

WALTER BLACK FOODS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006

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WALTER BLACK FOODS LIMITED

COMPANY INFORMATION

Directors	Walter S Black Flora Black Walter C Black Stuart S Black
Secretary	Walter C Black
Company number	SCO37050
Registered office	3 Drumhead Road Cambuslang Investment Park Glasgow G32 8EX
Auditors	Wylie & Bisset 168 Bath Street Glasgow G2 4TP
Bankers	The Royal Bank of Scotland plc 1304 Duke Street Parkhead Glasgow G31 5PZ
Solicitors	Adie Hunter 15 Newton Terrace Glasgow G3 7PJ

WALTER BLACK FOODS LIMITED

INDEX

	Page
Directors' Report	1 2
Independent auditors' report	3
Abbreviated profit and loss account	4
Balance sheet	5
Cash flow statement	6
Notes to the cash flow statement	7
Notes to the financial statements	8 15

WALTER BLACK FOODS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2006

The directors present their report and financial statements for the year ended 30 September 2006

Principal activities and review of the business

The principal activity of the company continued to that of the manufacture and distribution of household products

Directors

The following directors have held office since 1 October 2005

Walter C Black
Stuart S Black

Directors' interests

The directors' interests in the shares of the company were as stated below

	30 September 2006	Ordinary shares of £1 each 30 September 2005
Walter C Black		
Stuart S Black		

Interests of Directors in office at date of this report in the share capital of the ultimate parent company, Walter Black (Holdings) Limited are

	Ordinary shares of £1 each	
	2006	2005
Walter C Black	5,000	5,000
Stuart S Black	3,500	3,500

Auditors

In accordance with section 385 of the Companies Act 1985 a resolution proposing that Wylie & Bisset be reappointed as auditors of the company will be put to the Annual General Meeting

WALTER BLACK FOODS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2006

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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,
- 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 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.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Walter C Black
Secretary
5 April 2007

WALTER BLACK FOODS LIMITED

INDEPENDENT AUDITORS' REPORT TO WALTER BLACK FOODS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of the Walter Black Foods Limited for the year ended 30 September 2006 prepared under section 226 of the Companies Act 1985

This report is made solely to the company's members, as a body, in accordance with Section 247b 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 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.

Respective responsibilities of directors and auditors

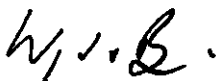
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditors's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Wylie & Bisset

5 April 2007

Chartered Accountants
Registered Auditor

168 Bath Street
Glasgow
G2 4TP

WALTER BLACK FOODS LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	Notes	2006 £	2005 £
Gross profit		706,489	538,258
Distribution costs		(249,148)	(221,931)
Administration expenses		(876,381)	(545,762)
Other operating income		337,033	18,000
Operating loss	2	<u>(82,007)</u>	<u>(211,435)</u>
Other interest receivable and similar income	3	15,480	17,075
Interest payable and similar charges	4	(26)	0
Loss on ordinary activities before taxation		<u>(66,553)</u>	<u>(194,360)</u>
Tax on loss on ordinary activities	5	72,005	47,722
Profit / (loss) on ordinary activities after taxation	16	<u>5,452</u>	<u>(146,638)</u>

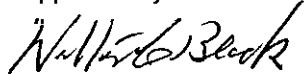
WALTER BLACK FOODS LIMITED

ABBREVIATED BALANCE SHEET AS AT 30 SEPTEMBER 2006

	Notes	2006		2005	
		£	£	£	£
Fixed assets					
Tangible assets	7		586,774		728,557
			<u>586,774</u>		<u>728,557</u>
Current assets					
Stocks	8	384,398		456,835	
Debtors	9	1,287,895		1,210,842	
Investments	10	300,000		300,000	
Cash at bank and in hand		587,356		684,942	
		<u>2,559,649</u>		<u>2,652,619</u>	
Creditors: amounts falling due within one year	11	(877,434)		(927,634)	
Net current assets			<u>1,682,215</u>		<u>1,724,985</u>
Total assets less current liabilities			<u>2,268,989</u>		<u>2,453,542</u>
Provisions for liabilities and charges	12		(44,525)		(116,530)
Accruals and deferred income	13		(9,000)		(27,000)
			<u>2,215,464</u>		<u>2,310,012</u>
Capital and reserves					
Called up share capital	15		15,000		15,000
Profit and loss account	16		2,200,464		2,295,012
Shareholders' funds	17		<u>2,215,464</u>		<u>2,310,012</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium sized companies

Approved by the Board for issue on 5 April 2007


Walter C Black
Director

WALTER BLACK FOODS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	2006		2005	
	£	£	£	£
Net cash inflow from operating activities		121,189		127,071
Returns on investments and servicing of finance				
Interest received	15,480		17,075	
Interest paid	(26)		0	
	<hr/>		<hr/>	
Net cash (outflow) for returns on investments and servicing of finance		15,454		17,075
Taxation		0		(33,686)
Equity dividends paid		(100,000)		(76,500)
Capital expenditure				
Payments to acquire tangible assets	(148,639)		(117,051)	
Receipts from sales of tangible assets	14,410		28,309	
	<hr/>		<hr/>	
Net cash (outflow) for capital expenditure		(134,229)		(88,742)
		<hr/>		<hr/>
Net cash (outflow) before management of liquid resources and financing		(97,586)		(54,782)
Current asset investments		0		0
Bank deposits		0		0
		<hr/>		<hr/>
(Decrease) / increase in cash in the year		(97,586)		(54,782)

WALTER BLACK FOODS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2006

1 Reconciliation of operating profit to net cash inflow from operating activities

	2006 £	2005 £
Operating (loss)	(82,007)	(211,435)
Depreciation of tangible assets	278,187	272,073
(Gain) loss on disposal of tangible assets	(2,175)	1,926
(Increase) / decrease in stocks	72,437	87,104
Decrease / (increase) in debtors	(77,053)	228,350
(Decrease) in creditors within one year	(50,200)	(232,947)
Movement on grant provision	(18,000)	(18,000)
Net cash inflow / (outflow) from operating activities	121,189	127,071

2 Analysis of net debt

	1 October 2005 £	Cash flow £	Other non- cash changes £	30 September 2006 £
Net cash				
Cash at bank and in hand	684,942	(97,586)		587,356
	<u>684,942</u>	<u>(97,586)</u>		<u>587,356</u>
Liquid resources				
Current assets investments	300,000	0		300,000
	<u>300,000</u>	<u>0</u>	<u>0</u>	<u>300,000</u>
Net debt	984,942	(97,586)	0	887,356

3 Reconciliation of net cash flow to movement in net debt

	2006 £	2005 £
Increase / (decrease) in cash in the year	(97,586)	(54,782)
Movement in net debt in the year	(97,586)	(54,782)
Opening net debt	984,942	1,039,724
Closing net debt	887,356	984,942

WALTER BLACK FOODS LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2006

1 Accounting policies

1 1 Accounting convention

The financial statements are prepared under the historical cost convention

1 2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1 3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	10%	straight line
Fixtures, fittings & equipment	10%/33%	straight line
Motor vehicles	25%	reducing balance

1 4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1 5 Investments

Current asset investments are stated at the lower of cost and net realisable value

1 6 Stock

Stock is valued at the lower of cost and net realisable value

1 7 Pensions

Pension contributions are charged to the profit and loss account so as to spread the cost of pension over the employees working lives with the company. These contributions are invested separately from the company's assets

1 8 Deferred taxation

In accordance with Financial Reporting Standard 19, deferred taxation is provided in full at the appropriate rates on all timing differences with the exception of any differences arising on revaluations of non monetary assets and gains rolled over. The deferred tax balance has not been discounted

1 9 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred

1 10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts

WALTER BLACK FOODS LIMITED

**ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

2 Operating loss	2006	2005
	£	£
Operating loss is stated after charging		
Depreciation of tangible assets	278,187	272,073
Loss on disposal of tangible assets		1,926
Operating lease rentals	34,448	34,448
Auditors' remuneration	7,600	9,000
and after crediting		
Gain on disposal of tangible assets	(2,175)	
Government grants	18,000	18,000
	<hr/>	<hr/>
3 Investment income	2006	2005
	£	£
Bank interest	15,480	17,075
	<hr/>	<hr/>
4 Interest payable	2006	2005
	£	£
Bank interest	26	
	<hr/>	<hr/>

WALTER BLACK FOODS LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2006

5 Taxation	2006	2005
	£	£
Domestic current year tax		
U K corporation tax	0	
Adjustment for prior years	0	7,108
	<hr/>	<hr/>
Current tax charge	0	7,108
Deferred tax		
Deferred tax charge/credit current year	(72,005)	(54,830)
	<hr/>	<hr/>
	(72,005)	(47,722)
	<hr/>	<hr/>
 Factors affecting the tax charge for the period		
Loss on ordinary activities before taxation	(66,553)	(194,360)
	<hr/>	<hr/>
Loss on ordinary activities before taxation multiplied by standard rate of U K corporation tax of 19% (2005 19%)	(12,645)	(36,928)
	<hr/>	<hr/>
Effects of		
Non allowable expenses (primarily ineligible depreciation)	(5,550)	(6,298)
Capital allowances in excess / (exceeded by) excess of depreciation	29,690	31,356
Adjustment to previous periods	0	7,108
Other tax adjustments	(11,495)	11,870
	<hr/>	<hr/>
	12,645	44,036
	<hr/>	<hr/>
Current tax charge	0	7,108
	<hr/>	<hr/>

6 Dividends	2006	2005
	£	£
Ordinary	100,000	76,500
	<hr/>	<hr/>

WALTER BLACK FOODS LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2006

7 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles etc £	Total £
Cost				
At 1 October 2005	2,251,556	126,307	235,064	2,612,927
Additions	88,436	8,857	51,346	148,639
Disposals			(40,765)	(40,765)
At 30 September 2006	2,339,992	135,164	245,645	2,720,801
Depreciation				
At 1 October 2005	1,653,827	104,462	126,081	1,884,370
On disposals			(28,530)	(28,530)
Charge for the year	234,013	12,352	31,822	278,187
At 30 September 2006	1,887,840	116,814	129,373	2,134,027
Net book value				
At 30 September 2006	452,152	18,350	116,272	586,774
At 30 September 2005	597,729	21,845	108,983	728,557

8 Stocks

	2006 £	2005 £
Finished goods and goods for resale	384,398	456,835

9 Debtors

	2006 £	2005 £
Trade debtors	914,827	894,609
Other debtors	275,584	312,453
Prepayments and accrued income	97,484	3,780
	1,287,895	1,210,842

WALTER BLACK FOODS LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2006

10 Current asset investments	2006 £	2005 £
Other unlisted investments	300,000	300,000

The market value of the investments is £ 343,929 (2005 £340,359)

11 Creditors amounts falling due within one year	2006 £	2005 £
Trade creditors	703,795	707,934
Amounts owed to parent and fellow subsidiary undertakings	81,287	81,258
Other taxes and social security costs	36,830	32,418
Directors' current accounts	2,881	24,709
Other creditors	0	3,590
Accruals and deferred income	49,641	74,725
Proposed dividend	3,000	3,000
	877,434	927,634

The Royal Bank of Scotland plc holds a bond and floating charge over all the assets and undertakings of the company

12 Provision for liabilities and charges

	Deferred taxation £
Balance at 1 October 2005	116,530
Profit and loss account	(72,005)
Balance at 30 September 2006	44,525

Deferred taxation provided in the financial statements is as follows

	2006 £	Fully provided 2005 £
Accelerated capital allowances	44,525	116,530

WALTER BLACK FOODS LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2006

13 Accruals and deferred income

	Government grants £
Balance at 1 October 2005	27,000
Profit and loss account	(18,000)
	<hr/>
Balance at 30 September 2006	9,000
	<hr/>

14 Pension costs

	2006 £	2005 £
Defined contributions		
Contributions payable by the company for the year	40,394	34,741
	<hr/>	<hr/>

15 Share Capital

	2006 £	2005 £
Authorised		
15,000 Ordinary shares of £1 each	15,000	15,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
15,000 Ordinary shares of £1 each	15,000	15,000
	<hr/>	<hr/>

16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2005	2,295,012
Retained profit for the year	5,452
Dividends	(100,000)
	<hr/>
Balance at 30 September 2006	2,200,464
	<hr/>

WALTER BLACK FOODS LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2006

17 Reconciliation of movements in shareholders' funds	2006 £	2005 £
Profit (loss) for the financial year	5,452	(146,638)
Dividends	(100,000)	(76,500)
Net depletion in shareholders' funds	(94,548)	(223,138)
Opening shareholders' funds	2,310,012	2,533,150
Closing shareholders' funds	2,215,464	2,310,012

18 Financial commitments

At 30 September 2006, the company had annual commitments under non cancellable operating leases as follows

	Other 2006 £	Other 2005 £
Expiry date		
Within one year	18,180	0
Between two and five years	0	34,448
	18,180	34,448

19 Directors' emoluments

	2006 £	2005 £
Emoluments for qualifying services	174,618	140,764
Company pension contributions to money purchase schemes	12,951	15,704
	187,569	156,468

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2005 2)

20 Transactions with directors

Included in creditors is £2,881 (2005 £24,709) due to three directors

WALTER BLACK FOODS LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2006

21 Employees

The average monthly number of employees (including directors) during the year was

	2006 No	2005 No
Directors	4	4
Production	26	43
Distribution	12	14
Selling	6	7
Office and administration	8	9
	<hr/> 56	<hr/> 77

Employment costs	2006 £	2005 £
Wages and salaries	1,096,300	1,204,796
Social security costs	128,295	99,356
Other pension costs	40,394	34,741
	<hr/> 1,264,989	<hr/> 1,338,893

22 Contingent liabilities

The ultimate parent company is Walter Black (Holdings) Limited a company registered in Scotland

23 Related party transactions

Other debtors includes £237,557 (2005 £238,680) in respect of Walter Black (Manufacturing) Limited

Creditors includes £81,258 (2005 £81,258) in respect of Walter Black (Properties) Limited The company pays this group company £66,000 rent per annum

Creditors includes £29 (2005 £29) in respect of Johnston Baird & Company Limited

There has been £796,039 of sales of goods and management charges and £111,503 of purchases with with AMB Products Limited At 30/09/06 trade debtors included £182,119 and trade creditors included £57,245 relating to AMB Products Limited

The company has paid a dividend of £100,000 (2005 £76,500) to Walter Black (Manufacturing) Limited