

Company Registration No. SCO37050 (Scotland)

WALTER BLACK FOODS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2004



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WALTER BLACK FOODS LIMITED

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WALTER BLACK FOODS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2004

The directors present their report and financial statements for the year ended 30 September 2004.

Principal activities and review of the business

The company is involved in the manufacture of pickles, sauces, condiments etc., and in the factoring of other similar products.

Results and dividends

The results for the year are set out on page 4.

The directors recommend payment of a final dividend amounting to £1,500.

Directors

The following directors have held office since 1 October 2003:

Walter S Black
Flora Black
Walter C Black
Stuart S Black

Directors' interests

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

	Ordinary shares of £ 1 each	
	30 September 2004	1 October 2003
Walter S Black	-	-
Flora Black	-	-
Walter C Black	-	-
Stuart S Black	-	-

The interests of Walter C Black and Stuart S Black in the ultimate holding company Walter Black (Holdings) Limited are disclosed in the accounts of that company.

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

The auditors, Wylie & Bisset, are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

WALTER BLACK FOODS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

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 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 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.

On behalf of the board

Walter C Black
Director
14 July 2005



**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 company for the year ended 30 September 2004 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 audit opinion

We have carried out the procedures we considered 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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

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 on pages 4 to 15 are properly prepared in accordance with that provision.

W.B.

Wylie & Bisset

14 July 2005

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 2004

	Notes	2004 £	2003 £
Gross profit		1,004,420	1,017,676
Distribution costs		(250,774)	(220,288)
Administrative expenses		(588,046)	(1,056,083)
Operating profit/(loss)	2	165,600	(258,695)
Other interest receivable and similar income		13,158	21,726
Interest payable and similar charges	4	(26)	(77)
Profit/(loss) on ordinary activities before taxation		178,732	(237,046)
Tax on profit/(loss) on ordinary activities	5	9,493	2,503
Profit/(loss) on ordinary activities after taxation		188,225	(234,543)
Dividends	6	(1,500)	(1,500)
Retained profit/(loss) for the year	16	186,725	(236,043)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

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

WALTER BLACK FOODS LIMITED

ABBREVIATED BALANCE SHEET AS AT 30 SEPTEMBER 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible assets	7		913,814		1,072,398
Current assets					
Stocks	8	543,939		432,919	
Debtors	9	1,451,614		1,321,464	
Investments	10	300,000		-	
Cash at bank and in hand		739,724		653,415	
		<u>3,035,277</u>		<u>2,407,798</u>	
Creditors: amounts falling due within one year	11	<u>(1,199,581)</u>		<u>(850,918)</u>	
Net current assets			<u>1,835,696</u>		<u>1,556,880</u>
Total assets less current liabilities			<u>2,749,510</u>		<u>2,629,278</u>
Provisions for liabilities and charges	12		(171,360)		(219,853)
Accruals and deferred income	13		(45,000)		(63,000)
			<u>2,533,150</u>		<u>2,346,425</u>
Capital and reserves					
Called up share capital	15		15,000		15,000
Profit and loss account	16		2,518,150		2,331,425
Shareholders' funds - equity interests	17		<u>2,533,150</u>		<u>2,346,425</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.

The financial statements were approved by the Board on 14 July 2005

Walter C Black
Director



WALTER BLACK FOODS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004		2003	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		493,460		(268,987)
Returns on investments and servicing of finance				
Interest received	13,158		21,726	
Interest paid	(26)		(77)	
Net cash inflow for returns on investments and servicing of finance		13,132		21,649
Taxation		(1,711)		(151,590)
Capital expenditure				
Payments to acquire tangible assets	(123,522)		(117,240)	
Receipts from sales of tangible assets	6,450		(1)	
Net cash outflow for capital expenditure		(117,072)		(117,241)
Equity dividends paid		(1,500)		(1,500)
Net cash inflow/(outflow) before management of liquid resources and financing		386,309		(517,669)
Management of liquid resources				
Current asset investments	(300,000)		-	
Bank deposits	300,000		(300,000)	
		-		(300,000)
Increase/(decrease) in cash in the year		386,309		(817,669)

WALTER BLACK FOODS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2004

1	Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities	2004	2003
		£	£
	Operating profit/(loss)	165,600	(258,695)
	Depreciation of tangible assets	270,591	82,096
	Loss on disposal of tangible assets	5,065	15,897
	Increase in stocks	(111,020)	(192,879)
	Increase in debtors	(130,150)	(264,328)
	Increase in creditors within one year	311,374	366,922
	Movement on grant provision	(18,000)	(18,000)
	Net cash inflow/(outflow) from operating activities	493,460	(268,987)

2	Analysis of net funds	1 October 2003	Cash flow	Other non-cash changes	30 September 2004
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	353,415	386,309	-	739,724
	Liquid resources:				
	Current asset investments	-	300,000	-	300,000
	Bank deposits	300,000	(300,000)	-	-
	Net funds	653,415	386,309	-	1,039,724

3	Reconciliation of net cash flow to movement in net funds	2004	2003
		£	£
	Increase/(decrease) in cash in the year	386,309	(817,669)
	Cash outflow from increase in liquid resources	-	300,000
	Movement in net funds in the year	386,309	(517,669)
	Opening net funds	653,415	1,171,084
	Closing net funds	1,039,724	653,415

WALTER BLACK FOODS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

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 and 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

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

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.

WALTER BLACK FOODS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

1 Accounting policies

(continued)

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 small-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.

2	Operating profit/(loss)	2004 £	2003 £
	Operating profit/(loss) is stated after charging:		
	Depreciation of tangible assets	270,591	82,096
	Loss on disposal of tangible assets	5,065	15,897
	Operating lease rentals	25,836	37,319
	Auditors' remuneration	9,000	8,300
	and after crediting:		
	Government grants	18,000	18,000
3	Investment income	2004 £	2003 £
	Bank interest	13,158	21,726
4	Interest payable	2004 £	2003 £
	On overdue tax	26	77

WALTER BLACK FOODS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

5	Taxation	2004	2003
		£	£
	Domestic current year tax		
	U.K. corporation tax	39,000	(12,422)
	Current tax charge	39,000	(12,422)
	Deferred tax		
	Deferred tax charge/credit current year	(48,493)	9,919
		(9,493)	(2,503)
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	178,732	(237,046)
	<i>Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2003: 30.00%)</i>	53,620	(71,114)
	Effects of:		
	Non deductible expenses	2,770	81,070
	Depreciation add back	82,697	24,629
	Capital allowances	(44,406)	(39,707)
	Other tax adjustments	(55,681)	(7,300)
		(14,620)	58,692
	Current tax charge	39,000	(12,422)
6	Dividends	2004	2003
		£	£
	Ordinary final proposed	1,500	1,500

WALTER BLACK FOODS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

7 Tangible fixed assets

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 October 2003	2,147,243	124,953	185,988	2,458,184
Additions	67,750	936	54,836	123,522
Disposals	-	-	(21,913)	(21,913)
At 30 September 2004	2,214,993	125,889	218,911	2,559,793
Depreciation				
At 1 October 2003	1,210,316	75,769	99,701	1,385,786
On disposals	-	-	(10,398)	(10,398)
Charge for the year	220,085	18,104	32,402	270,591
At 30 September 2004	1,430,401	93,873	121,705	1,645,979
Net book value				
At 30 September 2004	784,592	32,016	97,206	913,814
At 30 September 2003	936,927	49,184	86,287	1,072,398

8 Stocks

	2004 £	2003 £
Finished goods and goods for resale	543,939	432,919

9 Debtors

	2004 £	2003 £
Trade debtors	1,182,514	1,214,007
Corporation tax	12,422	12,422
Other debtors	252,518	91,307
Prepayments and accrued income	4,160	3,728
	1,451,614	1,321,464

WALTER BLACK FOODS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

10	Current asset investments	2004 £	2003 £
	Other unlisted investments	300,000	-

The market value of the investments is £328,249 as at the year end.

11	Creditors: amounts falling due within one year	2004 £	2003 £
	Trade creditors	886,025	598,985
	Amounts owed to parent and fellow subsidiary undertakings	132,000	66,000
	Corporation tax	39,000	1,711
	Other taxes and social security costs	25,650	21,529
	Other creditors	29	29
	Accruals and deferred income	113,877	159,664
	Proposed dividend	3,000	3,000
		<u>1,199,581</u>	<u>850,918</u>

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

12 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 October 2003	219,853
Profit and loss account	(48,493)
Balance at 30 September 2004	<u>171,360</u>

The deferred tax liability is made up as follows:

	2004 £	2003 £
Accelerated capital allowances	<u>171,360</u>	<u>219,853</u>

WALTER BLACK FOODS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

13 Accruals and deferred income

	Government grants £
Balance at 1 October 2003	63,000
Amortisation in the year	(18,000)
Balance at 30 September 2004	<u>45,000</u>

14 Pension costs

Defined contribution

	2004 £	2003 £
Contributions payable by the company for the year	<u>25,332</u>	<u>39,184</u>

15 Share capital

	2004 £	2003 £
Authorised		
15,000 Ordinary shares of £1 each	<u>15,000</u>	<u>15,000</u>
Allotted, called up and fully paid		
15,000 Ordinary shares of £1 each	<u>15,000</u>	<u>15,000</u>

16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2003	2,331,425
Retained profit for the year	<u>186,725</u>
Balance at 30 September 2004	<u>2,518,150</u>

WALTER BLACK FOODS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

17 Reconciliation of movements in shareholders' funds	2004	2003
	£	£
Profit/(Loss) for the financial year	188,225	(234,543)
Dividends	(1,500)	(1,500)
Net addition to/(depletion in) shareholders' funds	186,725	(236,043)
Opening shareholders' funds	2,346,425	2,582,468
Closing shareholders' funds	2,533,150	2,346,425

18 Contingent liabilities

The Bank of Scotland holds a cross corporate guarantee between all the company's in the Walter Black (Holdings) Limited Group.

19 Financial commitments

At 30 September 2004 the company was committed to making the following payments under non-cancellable operating leases in the year 30 September 2005:

	2004	Other
	£	2003
		£
Operating leases which expire:		
Between two and five years	34,448	44,822

20 Directors' emoluments	2004	2003
	£	£
Emoluments for qualifying services	127,648	181,137
Company pension contributions to money purchase schemes	11,131	6,077
	138,779	187,214

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2003 - 2).

WALTER BLACK FOODS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

21 Employees

Number of employees

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

	2004 Number	2003 Number
Directors	4	4
Production	41	36
Distribution	11	11
Selling	7	5
Office and administration	8	6
	<u>71</u>	<u>62</u>

Employment costs

	2004 £	2003 £
Wages and salaries	969,568	837,180
Social security costs	93,280	73,317
Other pension costs	25,332	39,184
	<u>1,088,180</u>	<u>949,681</u>

22 Ultimate parent company

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