

Registered No: 29311

WILKINSON SWORD LIMITED

ANNUAL REPORT

Year ended 30 September 2005



\*ERW9L00V\*

EDX

13/03/07

313

COMPANIES HOUSE

COMPANIES HOUSE

13/03/2007

# WILKINSON SWORD LIMITED

## DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 30 September 2005.

### Principal activities

The principal activities of the company are the distribution of razors, razor blades, toiletries and manicure products and the manufacture and distribution of swords.

### Review of the business and future developments

During the year, the company decided to close down its sword making activities and production ceased in September 2005.

On 30 September 2005 the net assets of Wilkinson Sword Ltd were transferred to Energizer Group Limited at net book value representing fair value.

### Results and dividends

The company's loss after taxation for the year was £2,275,000 (2004: loss of £515,000). The directors did not propose a final dividend for the year (2004: £6,000,000). The loss transferred to reserves is £2,275,000 (2004: loss of £5,485,000).

### Directors' and their interests

The directors during the year and subsequently were as follows:

M J Cummings	
M A Brennan	
C A Hutchison	
R Baht	Appointed 31 January 2005

### Company Secretary:

MA Brennan	Resigned 31 January 2005
P Parmar	Appointed 31 January 2005

None of the directors held any interest in the shares or debentures of this or any group company which require to be disclosed under the Companies Act 1985.

# WILKINSON SWORD LIMITED

## DIRECTORS' REPORT (Continued)

### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgments and estimates have been made in preparing the financial statements for the year ended 30 September 2005 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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.

### Auditors

The directors will place a resolution before the annual general meeting to reappoint PricewaterhouseCoopers LLP as auditors for the ensuing year.

By Order of the Board



R Baht

28 February 2007

#### Registered Office:

Sword House  
Totteridge Road  
Bucks HP13 6EJ  
High Wycombe  
London

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
WILKINSON SWORD LIMITED  
FOR THE YEAR ENDED 30 SEPTEMBER 2005**

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the related notes and the accounting policies set out in the statement of accounting policies.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are 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 United Kingdom auditing standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company members as a body in accordance with section 235 of the Companies Act and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 United Kingdom 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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

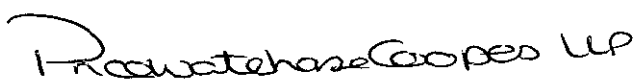
**Basis of audit opinion**

We conducted our audit in accordance with 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 affairs of the company's affairs at 30 September 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
St Albans

28 February 2007

# WILKINSON SWORD LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2005

	Notes	Year ended 2005 £'000	Year ended 2004 £'000
<b>Turnover</b>	2	25,642	30,276
Net operating expenses (including exceptional item of £2,307,000)	3	(28,210)	(31,093)
<b>Operating loss</b>		(2,568)	(817)
Interest receivable and similar income	7	629	740
Interest payable and similar charges	8	(336)	(262)
<b>Loss on ordinary activities before taxation</b>	4	(2,275)	(339)
Tax on ordinary activities	9	-	854
<b>(Loss) / Profit on ordinary activities after taxation</b>		(2,275)	515
Dividends paid and proposed	10	-	(6,000)
<b>Loss for the financial period</b>	18	(2,275)	(5,485)

All activities of the company were transferred to another group company at the year end.

The company had no recognised gains and losses other than those reported in the profit and loss account for each period.

The notes on pages 6 to 16 form part of these financial statements.

# WILKINSON SWORD LIMITED

## BALANCE SHEET AS AT 30 SEPTEMBER 2005

	Notes	2005 £'000	2004 £'000
<b>Fixed assets</b>			
Tangible fixed assets	11	-	1,256
		-	1,256
<b>Current assets</b>			
Stock	12	-	2,197
Debtors	13	5,643	22,082
Cash at bank and in hand		-	2,072
		5,643	26,351
<b>Creditors: amounts falling due within one year</b>	14	-	(19,689)
<b>Net current assets</b>		5,643	6,662
<b>Net assets</b>		5,643	7,918
<b>Capital and reserves</b>			
Called up share capital	16	5,246	5,246
Share premium account	17	360	360
Profit and loss account	17	37	2,312
<b>Equity shareholders' funds</b>	18	5,643	7,918

The notes on pages 6 to 16 form part of these financial statements.

The financial statements on pages 4 to 16 were approved by the Board of Directors and signed on its behalf by:



R Baht  
Director

28 February 2007

# WILKINSON SWORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 (Revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the results of the company in its own published consolidated financial statements.

#### **Fixed assets and depreciation**

Fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold improvements	life of lease
Plant and machinery	3 to 20 years

#### **Foreign currencies**

Transactions in foreign currencies are recorded using the company's standard exchange rate for the month of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on transaction are included in the profit and loss account.

#### **Leases**

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the first in, first out or an average method of valuation is used. For work in progress and finished goods cost is taken as production cost, which includes an appropriate proportion of attributable overheads. Provisions are made for slow-moving, defective or obsolete stock as appropriate.

#### **Research and development**

Expenditure on research and development is charged to the profit and loss account in the period in which it is incurred. Expenditure on fixed assets employed in research and development activities is capitalised.

#### **Post-retirement benefits**

The cost of providing pension benefits is charged to the profit and loss account over the average remaining service lives of current scheme employees.

# WILKINSON SWORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

### Accounting policies (continued)

#### Taxation

The amount included in the profit and loss account is based on pre-tax reported income and is calculated at current local tax rates, taking into account timing differences and the likelihood of realisation of deferred tax assets and liabilities.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed by the balance sheet date and which would give rise to an obligation to pay more or less taxation in the future. Deferred tax assets are recognised to the extent they are regarded as recoverable. They are regarded as recoverable to the extent that, on the basis of all available evidence, it is regarded 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 a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws substantively enacted at the balance sheet date.

## 2 Turnover

	Year ended 2005 £'000	Year ended 2004 £'000
<b>Geographical markets:</b>		
United Kingdom	23,796	27,925
Rest of Europe	1,845	2,243
Rest of World	1	108
	<b>25,642</b>	<b>30,276</b>

## 3 Net operating expenses

	Year ended 2005 £'000	Year ended 2004 £'000
Cost of sales (including production and marketing)	21,386	27,650
Exceptional item	2,307	-
Distribution costs	1,055	1,684
Administrative expenses	3,462	1,759
	<b>28,210</b>	<b>31,093</b>

The exceptional item relates to the closure costs in connection with cessation of the company's sword making operations.



# WILKINSON SWORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

### 4 Loss on ordinary activities before taxation

	Year ended 2005 £'000	Year ended 2004 £'000
<b>Loss on ordinary activities before taxation is stated after charging</b>		
Depreciation	240	223
Auditors' remuneration for audit services	50	50
Auditors' remuneration for non-audit services	-	18
Operating leases rentals payable:		
- plant and machinery	247	264
- land and buildings	501	559
Operating leases rentals receivable:		
- land and buildings	311	243

### 5 Directors' emoluments

	Year ended 2005 £'000	Year ended 2004 £'000
Directors' emoluments	267	131

	Number of Directors	
	Year ended 2005	Year ended 2004
Retirement benefits under defined benefit schemes accrued to the following number of directors during the year in respect of their services to the company	2	3
The number of directors who exercised share options was	2	1

None of the directors received shares under long-term incentive schemes in respect of their services to the company (2004: 1 director).

# WILKINSON SWORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

### 6 Staff numbers and costs

#### (a) Employee information

The average number of persons (including executive directors) employed by the company during the year was:

<b>By activity:</b>	<b>Year ended 2005</b>	<b>Year ended 2004</b>
Manufacturing	11	11
Administration	46	85
	<b>57</b>	<b>96</b>

The aggregate payroll costs of these people were as follows:

	<b>Year ended 2005 £'000</b>	<b>Year ended 2004 £'000</b>
Wages and salaries	3,234	3,208
Social security costs	423	354
Other pension costs	634	299
	<b>4,291</b>	<b>3,861</b>

#### (b) Pension information

Defined benefit accounting has not been used in the company accounts as the scheme is multi-employer scheme and therefore the attributable value of scheme assets and liabilities to any one company cannot be accurately assessed.

Staff costs for the period include pension contributions amounting to £634,296 (2004: £298,600).

The company participates in the Energizer Limited Pension Plan, a defined benefit pension scheme. The assets of the scheme are held separately from those of the company. Contributions made were based on pension costs across the group as a whole. Particulars of the actuarial valuation and surplus of the group scheme are contained in the annual report of Energizer Investments UK Ltd.

# WILKINSON SWORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

### 7 Interest receivable and similar income

	Year ended 2005 £'000	Year ended 2004 £'000
Bank interest	86	157
Other interest	543	583
	629	740

Other interest relates to interest earned on the loan to Energizer Holdings Inc at a rate of 6.24% per annum and on amounts loaned to other Group companies.

### 8 Interest payable and similar charges

	Year ended 2005 £'000	Year ended 2004 £'000
Bank Interest	-	1
Other Interest	336	261
	336	262

Other interest relates to interest paid to on a loan from Energizer Group Limited at an annual rate of between 3.6% and 4.6%.

# WILKINSON SWORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

### 9 Tax on loss on ordinary activities

	Year ended 2005 £'000	Year ended 2004 £'000
<b>Current tax:</b>		
UK Corporation tax at 30% (2004: 30%)	-	-
Adjustments relating to an earlier year	-	(970)
<b>Total current tax</b>	-	(970)
<b>Deferred tax:</b>		
Current deferred tax	-	58
Deferred tax – adjustments in respect of prior years	-	58
<b>Total deferred tax</b>	-	116
<b>Tax on profit on ordinary activities</b>	-	(854)

The tax (credit)/charge for the period is lower than would have been achieved by tax effecting the (loss)/profit before tax for the year at 30%. The differences are as follows:

	Year ended 2005 £'000	Year ended 2004 £'000
(Loss)/profit on ordinary activities before tax	(2,275)	(339)
Taxation (credit)/charge at UK corporation tax rate of 30% (2003: 30%)	(683)	(102)
Effects of:		
Pension contributions	-	-
Expenses not deductible for tax purposes	17	26
Other timing differences	(34)	(156)
Capital allowances for the year greater/(less) than depreciation	320	21
Group relief for which no payment is receivable	-	157
Current period losses not utilised	380	54
Prior year adjustments	-	(970)
<b>Current tax (credit)/charge for the year</b>	-	(970)

The directors are not aware of any factors, other than those described above, that will have a significant effect on the future tax charge.

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

10 Dividends

	Year ended 2005 £'000	Year ended 2004 £'000
<b>Ordinary equity shares:</b>		
Dividend declared	-	6,000

11 Tangible fixed assets

	Leasehold Improvements £'000	Plant and machinery £'000	Total £'000
<b>Cost</b>			
At 1 October 2004	379	1,842	2,221
Additions	344	42	386
Amounts written off	(81)	(332)	(413)
Disposals	(642)	(1,552)	(2,194)
<b>At 30 September 2005</b>	-	-	-
<b>Depreciation</b>			
At 1 October 2004	143	822	965
Charge for the period	45	195	240
Disposals	(188)	(1,017)	(1,205)
<b>At 30 September 2005</b>	-	-	-
<b>Net book amount</b>			
<b>At 30 September 2005</b>	-	-	-
At 1 October 2004	236	1,020	1,256

On 30 September 2005 the net assets of Wilkinson Sword Ltd were transferred to Energizer Group Limited.

# WILKINSON SWORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

### 12 Stocks

	Year ended 2005 £'000	Year ended 2004 £'000
Raw materials and consumables	-	130
Work in progress	-	104
Finished goods and goods for resale	-	1,963
	-	2,197

### 13 Debtors

	Year ended 2005 £'000	Year ended 2004 £'000
Trade debtors	-	8,679
Amounts owed by group undertakings	5,643	12,961
Prepayments and accrued income	-	242
Other debtors	-	200
	5,643	22,082

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

	Year ended 2005 £'000	Year ended 2004 £'000
Trade creditors	-	591
Amounts owed to group undertakings	-	12,488
Accruals and deferred income	-	6,610
	-	19,689

# WILKINSON SWORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

### 15 Deferred tax

There is an unprovided deferred tax asset of £3,954,000 (2004: £3,954,000) in respect of capital losses carried forward.

### 16 Share capital

	Authorised		Allotted, called up and fully paid	
	2005 £'000	2004 £'000	2005 £'000	2004 £'000
6,350,000 ordinary shares of 20p each	1,270	1,270	1,270	1,270
19,882,283 Non-voting 'A' ordinary shares of 20p each	3,976	3,976	3,976	3,976
3,767,717 unclassified shares of 20p each	754	754	-	-
	6,000	6,000	5,246	5,246

The Non-Voting 'A' Ordinary shares rank pari passu in all respects with the Ordinary shares except that holders of the former shares are not entitled to vote at general meetings and on any issue of shares (not being Preference shares) by way of capitalisation, are only entitled to receive further Non-Voting 'A' Ordinary shares. The unclassified shares may be issued by the company in all or part either as Ordinary shares or as Non-voting 'A' Ordinary shares as it may so determine.

### 17 Reserves

	Share premium account £'000	Profit and loss account £'000
At 1 October 2004	360	2,312
Loss for the year	-	(2,275)
At 30 September 2005	360	37

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

18 Reconciliation of movement in shareholders' funds

	Year ended 2005 £'000	Year ended 2004 £'000
(Loss) / profit for the financial year/period after taxation	(2,275)	515
Dividends (see Note 10)	-	(6,000)
Net reduction in shareholders' funds	(2,275)	(5,485)
Opening equity shareholders' funds	7,918	13,403
Closing equity shareholders' funds	5,643	7,918

19 Operating lease commitments

Annual future commitments under non-cancellable operating leases are as follows:

	Land and buildings 2005 £'000	Other 2005 £'000	Land and buildings 2004 £'000	Other 2004 £'000
Operating leases which expire:				
Within one year	-	-	-	16
Within two to five years	-	-	134	246
Above five years	-	-	425	-
	-	-	559	262

Land and buildings lease commitments include a lease for office premises which were leased for a term of 128 years from 1 August 1971. The lease was subject to rent review on 26 February 1980 and every seven years and thereafter.

On 30 September 2005 the net assets and lease commitments of Wilkinson Sword Ltd were transferred to Energizer Group Limited.



# WILKINSON SWORD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2005 (Continued)

### 20 Related party disclosures

There were no material transactions with related parties, as defined by FRS8 "Related Party Disclosures" that require disclosing in these financial statements.

### 21 Parent undertaking

The company's immediate parent is Energizer Holdings UK Co Ltd, a company registered in England & Wales. The company's ultimate parent company is Energizer Holdings Inc, a US company incorporated in the state of Missouri.

The parent undertakings of the smallest and largest groups for which group accounts are drawn up and of which the company is a member are Energizer Investments UK Ltd, registered in England & Wales and Energizer Holdings Inc, incorporated in the USA, respectively.

Copies of Energizer Investments UK Ltd accounts can be obtained from 93 Burleigh Gardens, Southgate, London N14 5AQ. Copies of Energizer Holdings Inc accounts can be obtained from Investor Relations, Energizer Holdings Inc, 533 Maryville University Drive, St Louis, MO 63141, USA.