

Registered No: 29311

WILKINSON SWORD LIMITED

ANNUAL REPORT

Year ended 30 September 2004



WILKINSON SWORD LIMITED

DIRECTORS' REPORT

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

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

Since the year end the company decided to close down its sword making activities. Production ceased in September 2005. The directors are satisfied with the development of the remaining business, and view the future with confidence.

Results and dividends

The company's profit after taxation for the year was £515,000 (2003: £1,078,000). The directors have proposed a final dividend of £6,000,000 (2003: £Nil). The retained loss transferred to reserves is £5,485,000 (2003: retained profit £1,078,000).

Directors' and their interests

The directors during the year and subsequently were as follows:

M J Cummings	
D R Bainbridge	Resigned 30 July 2004
C A Hoade	Resigned 23 October 2003
M A Brennan	
C A Hutchison	Appointed 23 August 2004
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 2004 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



M. Brennan

10 February 2006

Registered Office:
93 Burleigh Gardens
Southgate
London
N14 5AQ

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WILKINSON SWORD LIMITED
FOR THE YEAR ENDED 30 SEPTEMBER 2004**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

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.

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 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
St Albans

10 February 2006

WILKINSON SWORD LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Notes	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Turnover	2	30,276	21,680
Net operating expenses	3	(31,093)	(21,173)
Operating (loss)/profit		(817)	507
Interest receivable and similar income	7	740	123
Interest payable and similar charges	8	(262)	-
(Loss)/profit on ordinary activities before taxation	4	(339)	630
Tax on loss on ordinary activities	9	854	448
Profit on ordinary activities after taxation		515	1,078
Dividends paid and proposed	10	(6,000)	-
Retained (loss)/ profit for the financial period	18	(5,485)	1,078

All activities relate to continuing activities.

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 2004

	Notes	2004 £'000	2003 £'000
Fixed assets			
Tangible fixed assets	11	1,256	1,193
		1,256	1,193
Current assets			
Stock	12	2,197	4,773
Debtors	13	22,082	20,613
Cash at bank and in hand		2,072	1,376
		26,351	26,762
Creditors: amounts falling due within one year	14	(19,689)	(14,552)
Net current assets		6,662	12,210
Net assets		7,918	13,403
Capital and reserves			
Called up share capital	16	5,246	5,246
Share premium account	17	360	360
Profit and loss account	17	2,312	7,797
Equity shareholders' funds	18	7,918	13,403

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:



M. Brennan
Director

10 February 2006

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

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

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. 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 company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' expected working lives with the company.

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2004 (Continued)

Accounting policies (continued)

Deferred taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences that have originated but not reversed by the balance sheet date and which could give rise to an obligation to pay more or less tax in the future.

2 Turnover

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Geographical markets:		
United Kingdom	27,925	19,551
Rest of Europe	2,243	1,653
Rest of World	108	476
	30,276	21,680

3 Net operating costs

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Cost of sales (including production and marketing)	27,650	15,529
Distribution costs	1,684	1,024
Administrative expenses	1,759	4,620
	31,093	21,173

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2004 (Continued)

4 (Loss)/profit on ordinary activities before taxation

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Loss on ordinary activities before taxation is stated after charging		
Depreciation	223	210
Auditors' remuneration for audit services	50	50
Auditors' remuneration for non-audit services	18	-
Profit on sale on investment	-	4
Operating leases rentals payable:		
- plant and machinery	264	54
- land and buildings	559	505
Operating leases rentals receivable:		
- land and buildings	243	-

5 Directors' emoluments

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Directors' emoluments	131	201

	Year ended 2004	10 months ended 30 September 2003
Retirement benefits under defined benefit schemes accrued to the following number of directors during the year in respect of their services to the company	3	-
The number of directors who exercised share options was	1	-

None of the directors received shares under long-term incentive schemes in respect of their services to the company (2003: No directors).

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2004 (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:

By activity:	Year ended 2004	10 months ended 30 September 2003
Manufacturing	11	13
Administration	85	87
	96	100

The aggregate payroll costs of these people were as follows:

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Wages and salaries	3,208	2,433
Social security costs	354	250
Other pension costs	299	131
	3,861	2,814

(b) Pension information

Defined benefit accounting has not been used in the company accounts as the schemes are multi-employer schemes 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 £298,600 (2003: £131,000).

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 2004 (Continued)

7 Interest receivable and similar income

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Bank interest	157	6
Other interest	583	117
	740	123

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 2004 £'000	10 months ended 30 September 2003 £'000
Bank Interest	1	-
Other Interest	261	-
	262	-

Other interest relates to interest paid to on a loan from Energizer 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 2004 (Continued)

9 Tax on (loss)/profit on ordinary activities

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Current tax:		
UK Corporation tax at 30% (2003: 30%)	-	-
Adjustments relating to an earlier year	(970)	907
Total current tax	(970)	907
Deferred tax:		
Current deferred tax	58	237
Deferred tax – adjustments in respect of prior years	58	(1,592)
Total deferred tax	116	(1,355)
Tax on profit on ordinary activities	(854)	(448)

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 2004 £'000	10 months ended 30 September 2003 £'000
(Loss)/profit on ordinary activities before tax	(339)	630
Taxation (credit)/charge at UK corporation tax rate of 30% (2003: 30%)	(102)	189
Effects of:		
Pension contributions	-	(254)
Expenses not deductible for tax purposes	26	16
Other timing differences	(156)	-
Capital allowances for the year greater/(less) than depreciation	21	16
Group relief for which no payment is receivable	157	33
Current period losses not utilised	54	-
Prior year adjustments	(970)	907
Current tax (credit)/charge for the year	(970)	907

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 2004 (Continued)

10 Dividends

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Ordinary equity shares:		
Dividend declared – 22.8725 pence per share (2003: Nil)	6,000	-

11 Tangible fixed assets

	Leasehold Improvements £'000	Plant and machinery £'000	Total £'000
Cost			
At 1 October 2003	242	1,696	1,938
Additions	137	167	304
Disposals	-	(21)	(21)
At 30 September 2004	379	1,842	2,221
Depreciation			
At 1 October 2003	125	620	745
Charge for the period	18	205	223
Disposals	-	(3)	(3)
At 30 September 2004	143	822	965
Net book amount			
At 30 September 2004	236	1,020	1,256
At 1 October 2003	117	1,076	1,193

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2004 (Continued)

12 Stocks

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Raw materials and consumables	130	689
Work in progress	104	54
Finished goods and goods for resale	1,963	4,030
	2,197	4,773

13 Debtors

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Trade debtors	8,679	14,377
Amounts owed by group undertakings	12,961	4,967
Prepayments and accrued income	242	822
Other debtors	200	331
Deferred tax	-	116
	22,082	20,613

14 Creditors: amounts falling due within one year

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Trade creditors	591	5,067
Amounts owed to group undertakings	12,488	4,725
Accruals and deferred income	6,610	3,627
Other creditors	-	1,133
	19,689	14,552

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004 (Continued)

15 Deferred taxation

	Deferred tax £'000
At beginning of year	116
Released during year	(116)
At end of year	-

The deferred tax asset as at 30 September 2003 (see below) is recorded within debtors.

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Fixed assets	180	146
Losses	(74)	-
Other timing differences	(106)	(262)
Deferred tax asset	-	(116)

There is an unprovided deferred tax asset of £67,000 in respect of trading losses carried forward.

16 Share capital

	Authorised		Allotted, called up and fully paid	
	2004 £'000	2003 £'000	2004 £'000	2003 £'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.

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004 (Continued)

17 Reserves

	Share premium account £'000	Profit and loss account £'000
At 1 October 2003	360	7,797
Retained loss for the year	-	(5,485)
At 30 September 2004	360	2,312

18 Reconciliation of movement in shareholders' funds

	Year ended 2004 £'000	10 months ended 30 September 2003 £'000
Profit/(loss) for the financial year/period after taxation	515	1,078
Dividends (see Note 10)	(6,000)	-
Net additions to/(reduction in) shareholders' funds	(5,485)	1,078
Opening shareholders funds as previously stated	13,403	12,325
Opening equity shareholders' funds	13,403	12,325
Closing equity shareholders' funds	7,918	13,403

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004 (Continued)

19 Operating lease commitments

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

	Land and buildings 2004 £'000	Other 2004 £'000	Land and buildings 2003 £'000	Other 2003 £'000
Operating leases which expire:				
Within one year	-	16	-	-
Within two to five years	134	246	-	-
Above five years	425	-	505	-
	559	262	505	-

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.

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.