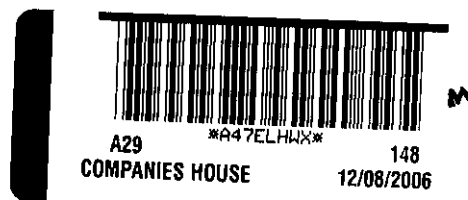


JLA Limited

Report and Accounts
31 October 2005



OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

J Laithwaite
S R Laithwaite
G S Wilkinson
R H Logan
S M Burrows
R C Cardis
Y Bateman
D Lilley
J H Swailes

Company Secretary

G S Wilkinson

Registered Office

Meadowcroft Lane
Halifax Road
Ripponden
West Yorkshire
HX6 4AJ

Auditors

Rees Pollock
35 New Bridge Street
London
EC4V 6BW

Bankers

Barclays Bank plc
1 Park Row
Leeds
LS1 5WU

Solicitors

Ford & Warren
Westgate Point
Westgate
Leeds
LS1 2AX

Registered Number

1094178

DIRECTORS' REPORT

The directors present their report and the accounts of the company for the year ended 31 October 2005.

Principal activities and business review

The principal activity of the company during the year under review was the supply of laundry equipment, related parts and maintenance service.

Results and dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached accounts.

The directors have not recommended a dividend.

Directors

The directors who served the company during the year were as follows:

J Laithwaite
S R Laithwaite
G S Wilkinson
R H Logan
S M Burrows
R C Cardis
Y Bateman
D Lilley
J H Swailes
D Moorcroft (Appointed 12 July 2005)
D Cruddas (Served from 31 January 2005 to 21 June 2005)

Interests of the directors who are also directors of Vanilla Group Limited, the ultimate parent company, are disclosed in that company's directors' report.

D Moorcroft resigned as a director on 14 November 2005.

Directors' responsibilities

Company law requires the directors to prepare accounts 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 year. In preparing those accounts, the directors are required to:

- select suitable accounting policies, as described on pages 8 to 9, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 1985. The directors 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

A resolution to re-appoint Rees Pollock as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



G S Wilkinson
Company Secretary

2 August 2006



REES POLLOCK

Chartered Accountants

35 New Bridge Street
London EC4V 6BW
Telephone 020 7778 7200
Fax 020 7329 6408

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JLA LIMITED

We have audited the accounts on pages 5 to 17 which have been prepared under the historical cost convention, as modified by the revaluation of freehold property and the accounting policies set out on pages 8 to 9.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, 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 with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 October 2005 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Rees Pollock

Rees Pollock
Chartered Accountants
Registered Auditors

9 August 2006

PROFIT AND LOSS ACCOUNT
for the year ended 31 October 2005

	Note	2005 £	2004 £
TURNOVER	2	21,760,120	19,362,258
Cost of sales		(17,942,635)	(15,100,357)
GROSS PROFIT		<u>3,817,485</u>	<u>4,261,901</u>
Administrative expenses		(2,659,308)	(3,276,928)
OPERATING PROFIT	3	<u>1,158,177</u>	<u>984,973</u>
Profit on disposal of discontinued operations		—	300,000
		<u>1,158,177</u>	<u>1,284,973</u>
Income from shares in group undertakings	6	36,665	—
Amounts written off investments	8	(36,665)	—
Interest payable and similar charges	9	(1,225,474)	(1,025,973)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(67,297)</u>	<u>259,000</u>
Tax on (loss)/profit on ordinary activities	10	(6,005)	(117,083)
(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>(73,302)</u>	<u>141,917</u>
Balance brought forward		919,737	664,760
Transfer from revaluation reserve		13,315	113,060
Balance carried forward		<u><u>859,750</u></u>	<u><u>919,737</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

NOTE OF HISTORICAL COST PROFITS AND LOSSES
 for the year ended 31 October 2005
NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2005	2004
	£	£
Reported (loss)/profit on ordinary activities before taxation	(67,297)	259,000
Difference between a historical cost depreciation charge and the actual charge calculated on the revalued amount	<u>13,315</u>	<u>12,356</u>
Historical cost (loss)/profit on ordinary activities before taxation	<u>(53,982)</u>	<u>271,356</u>
Historical cost (loss)/profit for the year retained after taxation and dividends	<u>(59,987)</u>	<u>154,273</u>

The notes on pages 8 to 17 form part of these accounts.

BALANCE SHEET
 at 31 October 2005

	Note	£	2005 £	2004 £
FIXED ASSETS				
Tangible assets	11		3,510,210	4,144,729
Investments	12		10,000	46,665
			<u>3,520,210</u>	<u>4,191,394</u>
CURRENT ASSETS				
Stocks	13	3,521,194		3,242,069
Debtors	14	20,168,334		21,993,359
Cash at bank		77,752		368,879
			<u>23,767,280</u>	<u>25,604,307</u>
CREDITORS: amounts falling due within one year	16	<u>24,579,156</u>		<u>26,650,122</u>
NET CURRENT LIABILITIES			(811,876)	(1,045,815)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,708,334</u>	<u>3,145,579</u>
CREDITORS: amounts falling due after more than one year				
	17		<u>1,233,523</u>	<u>1,597,466</u>
			<u>1,474,811</u>	<u>1,548,113</u>
CAPITAL AND RESERVES				
Called-up equity share capital	23		150,000	150,000
Revaluation reserve	24		465,061	478,376
Profit and loss account			859,750	919,737
SHAREHOLDERS' FUNDS	25		<u>1,474,811</u>	<u>1,548,113</u>



 R H Logan
 Director

2 August 2006

NOTES TO THE ACCOUNTS

for the year ended 31 October 2005

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold property, and in accordance with applicable accounting standards.

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEC and in accordance with section 228 of the Companies Act 1985, is not required to produce, and has not published, consolidated accounts.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the accounts on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Related parties transactions

The company is a wholly owned subsidiary of Vanilla Group Limited, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the Vanilla Group Limited group.

Turnover

The turnover shown in the profit and loss account represents the value of goods and services provided during the year, stated net of value added tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold property	— 2% on revalued amount
Fixtures & fittings	— 8 years
Motor vehicles	— 3 – 4 years
Improvement expenditure	— 5 years

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Costs include all direct expenditure.

NOTES TO THE ACCOUNTS

for the year ended 31 October 2005

1. ACCOUNTING POLICIES *(continued)***Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Pension costs

The company participates in a group money purchase pension scheme together with the other subsidiaries of Vanilla Group Limited. Contributions payable for the year in respect of the company's employees are charged to the profit and loss account.

Deferred taxation

Deferred taxation is provided on all timing differences, without discounting, calculated at the rate at which it is estimated that tax will be payable, except where otherwise required by accounting standards.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. All exchange differences are taken to the profit and loss account.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company and arise wholly within the United Kingdom.

3. OPERATING PROFIT

Operating profit is stated after charging:

	2005	2004
	£	£
Depreciation of owned fixed assets	697,569	425,621
Depreciation of assets held under hire purchase agreements	175,899	388,924
Loss on disposal of fixed assets	59,273	15,994
Auditors' remuneration		
- as auditors	51,500	39,750
Operating lease costs:		
- vehicles	102,056	—

NOTES TO THE ACCOUNTS

for the year ended 31 October 2005

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2005	2004
	No	No
Selling and production	157	148
Administration	59	52
Management	10	10
Research	5	—
	<u>231</u>	<u>210</u>

The aggregate payroll costs of the above were:

	2005	2004
	£	£
Wages and salaries	9,024,186	7,198,841
Social security costs	1,025,899	830,442
Other pension costs	319,919	188,973
	<u>10,370,004</u>	<u>8,218,256</u>

5. DIRECTORS' EMOLUMENTS

	2005	2004
	£	£
Emoluments	<u>1,449,793</u>	<u>1,735,810</u>
Value of company pension contributions to money purchase schemes	<u>38,128</u>	<u>26,994</u>
Emoluments of highest paid director:		
	2005	2004
	£	£
Total emoluments (excluding pension contributions)	278,146	926,615
Value of company pension contributions to money purchase schemes	6,481	7,208
	<u>284,627</u>	<u>933,823</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2005	2004
	No	No
Money purchase schemes	<u>4</u>	<u>4</u>

6. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2005	2004
	£	£
Income from group undertakings	<u>36,665</u>	<u>—</u>

NOTES TO THE ACCOUNTS
for the year ended 31 October 2005
7. ADMINISTRATIVE EXPENSES

Certain administrative expenses, such as wages and salaries, are borne by the company and recharged to other group companies by way of a management recharge.

8. AMOUNTS WRITTEN OFF INVESTMENTS

	2005	2004
	£	£
Amounts written off investments	36,665	—

9. INTEREST PAYABLE AND SIMILAR CHARGES

	2005	2004
	£	£
Interest payable on bank borrowing	1,196,678	995,704
Finance charges	28,796	30,269
	<u>1,225,474</u>	<u>1,025,973</u>

10. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2005	2004
	£	£
Current tax		
In respect of the year:		
UK Corporation tax based on the results for the year at 30% (2004 - 30%)	70,666	117,083
Total current tax	70,666	117,083
Deferred tax		
Origination and reversal of timing differences	(64,661)	—
Tax on (loss)/profit on ordinary activities	<u>6,005</u>	<u>117,083</u>

NOTES TO THE ACCOUNTS

for the year ended 31 October 2005

10. TAXATION ON ORDINARY ACTIVITIES *(continued)***(b) Factors affecting current tax charge**

The tax assessed on the (loss)/profit on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 30% (2004 - 30%).

	2005	2004
	£	£
(Loss)/profit on ordinary activities before taxation	<u>(67,297)</u>	<u>259,000</u>
Profit on ordinary activities multiplied by rate of tax	(20,189)	77,700
Effects of:		
Expenses not deductible for tax purposes	44,055	46,658
Timing differences on fixed assets	57,923	(7,275)
Short term timing differences	63,723	—
Adjustments in respect of previous periods	<u>(74,846)</u>	<u>—</u>
Total current tax (note 10(a))	<u>70,666</u>	<u>117,083</u>

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & fittings £	Motor vehicles £	Improvement expenditure £	Total £
Cost or valuation					
At 1 November 2004	2,294,796	2,305,596	2,003,473	186,062	6,789,927
Additions	—	364,205	656,161	35,732	1,056,098
Disposals	—	—	(1,517,189)	—	(1,517,189)
At 31 October 2005	<u>2,294,796</u>	<u>2,669,801</u>	<u>1,142,445</u>	<u>221,794</u>	<u>6,328,836</u>
Depreciation					
At 1 November 2004	334,412	1,490,238	679,777	140,771	2,645,198
Charge for the year	46,604	357,278	445,171	24,415	873,468
On disposals	—	—	(700,040)	—	(700,040)
At 31 October 2005	<u>381,016</u>	<u>1,847,516</u>	<u>424,908</u>	<u>165,186</u>	<u>2,818,626</u>
Net book value					
At 31 October 2005	<u>1,913,780</u>	<u>822,285</u>	<u>717,537</u>	<u>56,608</u>	<u>3,510,210</u>
At 31 October 2004	<u>1,960,384</u>	<u>815,358</u>	<u>1,323,696</u>	<u>45,291</u>	<u>4,144,729</u>

NOTES TO THE ACCOUNTS

for the year ended 31 October 2005

11. TANGIBLE FIXED ASSETS *(continued)*

In respect of freehold property stated at valuations, the comparable historical cost and depreciation values are as follows:

	2005 £	2004 £
Net book value at end of year	<u>1,913,780</u>	<u>1,960,384</u>
Historical cost	<u>1,664,428</u>	<u>1,664,428</u>
Depreciation:		
At 1 November 2004	182,421	149,132
Charge for year	<u>33,289</u>	<u>33,289</u>
At 31 October 2005	<u>215,710</u>	<u>182,421</u>
Net historical cost value:		
At 31 October 2005	<u>1,448,718</u>	<u>1,482,007</u>
At 1 November 2004	<u>1,482,007</u>	<u>1,515,296</u>

Hire purchase agreements

Included within the net book value of £3,510,210 is £617,430 (2004 - £1,005,221) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £175,899 (2004 - £388,924).

12. INVESTMENTS

	Subsidiary undertakings £
Cost	
At 1 November 2004 and 31 October 2005	<u>197,191</u>
Amounts written off	
At 1 November 2004	150,526
Written off in year	<u>36,665</u>
At 31 October 2005	<u>187,191</u>
Net book value	
At 31 October 2005	<u>10,000</u>
At 31 October 2004	<u>46,665</u>

The company owns 100% of the issued share capital of Mistroft Limited, a non-trading company with aggregate capital and reserves of £10,000.

13. STOCKS

	2005 £	2004 £
Finished goods and goods for resale	<u>3,521,194</u>	<u>3,242,069</u>

NOTES TO THE ACCOUNTS

for the year ended 31 October 2005

14. DEBTORS

	2005	2004
	£	£
Trade debtors	1,476,680	1,354,516
Amounts owed by group undertakings	17,935,736	19,774,409
Other debtors	48,474	24,898
Prepayments and accrued income	642,783	839,536
Deferred taxation (note 15)	64,661	—
	<u>20,168,334</u>	<u>21,993,359</u>

15. DEFERRED TAXATION

The deferred tax included in the balance sheet is as follows:

	2005	2004
	£	£
Included in debtors (note 14)	<u>64,661</u>	<u>—</u>

The movement in the deferred taxation account during the year was:

	2005	2004
	£	£
Profit and loss account movement arising during the year	<u>64,661</u>	<u>—</u>
Balance carried forward	<u>64,661</u>	<u>—</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2005	2004
	£	£
Other timing differences	<u>64,661</u>	<u>—</u>
	<u>64,661</u>	<u>—</u>

16. CREDITORS: amounts falling due within one year

	2005	2004
	£	£
Bank loans and overdrafts	956,835	768,410
Trade creditors	1,491,533	1,916,072
Amounts owed to group undertakings	19,955,830	21,693,704
Corporation tax	145,512	191,929
Other taxation and social security	323,967	379,267
Hire purchase agreements	304,420	394,954
Other creditors	408,670	70,758
Accruals and deferred income	992,389	1,235,028
	<u>24,579,156</u>	<u>26,650,122</u>

Other creditors include contributions payable of £215,537 arising from the company's participation in a group defined contribution pension scheme.

NOTES TO THE ACCOUNTS

for the year ended 31 October 2005

17. CREDITORS: amounts falling due after more than one year

	2005	2004
	£	£
Bank loans and overdrafts	879,110	1,138,517
Hire purchase agreements	133,260	161,067
	<u>1,012,370</u>	<u>1,299,584</u>
Accruals and deferred income	221,153	297,882
	<u>1,233,523</u>	<u>1,597,466</u>

The bank loans and overdraft, both under and over one year, are secured by a fixed and floating charge over the assets of the company and legal mortgage on the deeds relating to the company's freehold property at Ripponden.

18. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Creditors include finance capital which is due for repayment as follows:

	2005	2004
	£	£
Amounts repayable:		
In one year or less or on demand	159,838	169,248
In more than one year but not more than two years	159,838	169,248
In more than two years but not more than five years	479,514	507,744
In more than five years	239,758	423,123
	<u>1,038,948</u>	<u>1,269,363</u>

The company's bank loan is due for repayment over the 8 years to May 2012. Interest is payable at 1.5% above the base rate.

19. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2005	2004
	£	£
Amounts payable within 1 year	304,420	394,954
Amounts payable between 2 and 5 years	133,260	161,067
	<u>437,680</u>	<u>556,021</u>

NOTES TO THE ACCOUNTS

for the year ended 31 October 2005

20. COMMITMENTS UNDER OPERATING LEASES

At 31 October 2005 the company had annual commitments under non-cancellable operating leases as set out below:

	Motor vehicles	
	2005	2004
	£	£
Operating leases which expire:		
Within 1 year	37,809	—
Within 2 to 5 years	215,828	—
	<u>253,637</u>	<u>—</u>

21. CONTINGENCIES

The company makes use of bank facilities agreed on a group wide basis together with other companies under the control of Vanilla Group Limited, whereby each company guarantees the borrowings of the others. Full details of the group's assets and liabilities are disclosed in the accounts of Vanilla Group Limited.

22. RELATED PARTY TRANSACTIONS

J Laithwaite, S Laithwaite and G Wilkinson, directors of the company, are also directors of Laundry FM Partners Limited. As these directors are common to both parties they are considered to be related parties under FRS8.

Laundry FM Partners Limited have entered into an agreement with JLA Limited whereby JLA Limited provide maintenance and servicing on their laundry equipment. Included in the profit and loss account for the period is income of £395,244 (2004 - £114,917) in relation to this agreement.

23. SHARE CAPITAL

Authorised share capital:

	2005	2004
	£	£
150,000 Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>

NOTES TO THE ACCOUNTS

for the year ended 31 October 2005

24. REVALUATION RESERVE

	2005	2004
	£	£
Balance brought forward	478,376	591,436
Transfer to the profit and loss account on realisation	(13,315)	(113,060)
Balance carried forward	<u>465,061</u>	<u>478,376</u>

25. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005	2004
	£	£
(Loss)/profit for the financial year	(73,302)	141,917
Opening equity shareholders' funds	1,548,113	1,406,196
Closing equity shareholders' funds	<u>1,474,811</u>	<u>1,548,113</u>

26. ULTIMATE PARENT COMPANY

The company's immediate and ultimate holding company is Vanilla Group Limited, which is incorporated in Great Britain and registered in England and Wales. Copies of the group accounts of Vanilla Group Limited are available from Companies House, Crown Way, Cardiff CF14 3UZ.