

Pfizer Consumer Healthcare Limited

Directors' report and financial statements

For the year ended 30 November 2011

Registered number 00132018

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Pfizer Consumer Healthcare Limited

Directors' report and financial statements

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Pfizer Consumer Healthcare Limited

Directors and other information

Directors	A Verrinder I Franklin S Poulton J Smith I Tichias R Coles J Emms J Mount
Company secretary	J Mount
Registered office	Ramsgate Road Sandwich Kent CT13 9NJ
Independent auditor	KPMG LLP Chartered Accountants 15 Canada Square London E14 5GL
Registered number	00132018

Pfizer Consumer Healthcare Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 November 2011

Principal activity

During the year the principal activities of the company continued to be the marketing and distribution of over the counter medicines

Business review and future developments

The profit and loss account and balance sheet for the year are set out on pages 12 and 14 respectively. The development and performance of the company during the year was satisfactory, as was the position of the company at the year-end. It is anticipated this will continue into 2012. The company is managed on an integrated basis with other Pfizer Inc group companies worldwide as part of Pfizer Inc's global healthcare business. Accordingly, key performance indicators have not been given for the company itself. Further details are provided in the Pfizer Inc consolidated annual review and financial report which are available from Pfizer Inc, 235 East 42nd Street, New York, NY 10017, USA.

Subsequent to the year end Pfizer Consumer Healthcare Limited ("the company") purchased the share capital of Ferrosan Limited, a company involved in the sale of skin supplements. In July 2012 the retail business of Ferrosan Limited was then transferred to the company.

Risks and uncertainties

The principal risks and uncertainties for the company derive from the development, performance and position of the Pfizer Inc group (of which the company is a part). During the year the principal factors which could cause risk and uncertainty for the Pfizer Inc group included:

- The success of research and development activities
- Decisions by regulatory authorities regarding whether and when to approve Pfizer's drug applications as well as their decisions regarding labelling and other matters that could affect the availability or commercial potential of Pfizer's products
- The speed with which regulatory authorisations, pricing approvals, and product launches may be achieved
- The success of external business development activities
- Competitive developments, including the impact on Pfizer's competitive position of new product entrants, in-line branded products, generic products, private label products and product candidates that treat diseases and conditions similar to those treated by Pfizer's in-line products and product candidates
- The ability to successfully market both new and existing products
- Difficulties or delays in manufacturing
- Trade buying patterns
- The ability to meet generic and branded competition after the loss of patent protection for Pfizer's products and competitor products
- The impact of existing and future legislation and regulatory provisions on product exclusivity
- Trends toward managed care and health care cost containment

Pfizer Consumer Healthcare Limited

Directors' report *(continued)*

Risks and uncertainties *(continued)*

- Legislation or regulatory action affecting, amongst other things, pharmaceutical product pricing, reimbursement or access
- Contingencies related to actual or alleged environmental contamination
- Claims and concerns that may arise regarding the safety or efficacy of in-line products and product candidates
- The significant breakdown, infiltration or interruption of Pfizer's information technology systems and infrastructure
- Legal defence costs, insurance expenses, settlement costs and the risk of an adverse decision or settlement related to product liability, patent protection, government investigations, and other legal proceedings
- Pfizer's ability to protect its patents and other intellectual property
- Interest rate and foreign currency exchange rate fluctuations
- Governmental laws and regulations affecting operations, including tax obligations
- Changes in generally accepted accounting principles
- General economic, political, business, industry, regulatory and market conditions including, without limitation, any impact on Pfizer, its lenders, its customers, its suppliers and counterparties to its foreign-exchange and interest-rate agreements from weak global economic conditions and changes in global financial markets
- Any changes in business, political and economic conditions due to actual or threatened terrorist activity
- Growth in costs and expenses
- Changes in Pfizer's product, segment and geographic mix
- The impact of acquisitions, divestitures, restructurings, product withdrawals and other unusual items

Financial instruments

The overall objective of Pfizer's financial risk management programme is to seek to minimise the impact of foreign exchange rate movements and interest rate movements on its earnings. These financial exposures are managed through operational means and by using various financial instruments. These practices may change as economic conditions change.

Disabled employees

It is the policy of the company to give full and fair consideration to applications for employment made by persons with disability taking account of their particular abilities and aptitudes. Policies to actively eliminate discrimination and to ensure that all applicants are considered solely on their merits are promoted. Should any existing employee become disabled every effort is made to ensure continuity of employment after appropriate assessment of special needs, suitable adjustment to accommodate the disability, retraining, resettlement and continued support. The same opportunity for training and career development is given to disabled employees as is given to employees generally.

Employee involvement

The company seeks open and direct relations with its employees through the provision of efficient formal and informal channels for communication. These include the publication of magazines for employees, information and support services provided by e-mail, web and telephone as well as face to face, and consultation through a variety of committees, forums, surveys and regular departmental meetings. The company also participates in the Pfizer Europe Employee Forum.

Pfizer Consumer Healthcare Limited

Directors' report *(continued)*

Employee involvement *(continued)*

The company actively promotes an "open door" management policy and has a grievance escalation process. There is also an extensive performance management programme in place which facilitates open and regular dialogue between employees and their managers. Employees complete an annual integrity pledge and have direct access to a corporate compliance hotline and other facilities.

The Pfizer Share Ownership Plan, through which shares in the ultimate parent company, Pfizer Inc. may be purchased, encourages employees of the participating companies to take a direct interest in the performance of the world-wide group.

Political and charitable contributions

Charitable contributions made by the company under its UK community relations programme amounted to £nil (2010 £nil). No political donations were made during the year (2010 £nil).

Overseas branches

The audited financial statements for the year ended 30 November 2011 include the company's Irish branch. Subsequent to the year end, the company sold its Irish branch to a fellow group company.

Results and dividends

The audited financial statements for the year ended 30 November 2011 are set out on pages 9 to 23.

The company generated an after tax profit of £1,113,000 (2010 £487,000). No dividends were declared in 2011 (2010 £nil). The retained profit for the year of £1,113,000 (2010 profit £487,000) has been transferred to reserves.

Pfizer Consumer Healthcare Limited

Directors' report *(continued)*

Directors

The directors who held office from 1 December 2010 and to the date of this report, unless otherwise noted, were

A Verrinder

S Wallcraft (resigned 6 April 2011)

I Franklin

R Blackburn (resigned 1 January 2012)

S Poulton

J Smith

I Tichias

L Jones (resigned 29 February 2012)

R Coles (appointed 27 April 2011)

J Emms (appointed 1 January 2012)

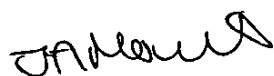
J Mount (appointed 24 February 2012)

Auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. The directors 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 auditor is aware of that information.

The company's auditor is KPMG LLP, UK

By order of the board



J Mount

Date: 9 August 2012

Director

Pfizer Consumer Healthcare Limited

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the member of Pfizer Consumer Healthcare Limited

We have audited the financial statements of Pfizer Consumer Healthcare Limited for the year ended 30 November 2011 set out on pages 9 to 23. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 November 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

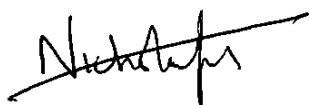
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the member of Pfizer Consumer Healthcare Limited *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



Nicholas Frost, Senior Statutory Auditor
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
United Kingdom

Date 24th August 2012

Pfizer Consumer Healthcare Limited

Statement of accounting policies

for the year ended 30 November 2011

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below

Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles under the historical cost convention, and comply with financial reporting standards of the Accounting Standards Board in the United Kingdom

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 consolidates the company's financial statements in its own published consolidated financial statements

Going concern

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue in operational existence in the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Research and development

Research and development expenditure is charged to the profit and loss account in the year in which it is incurred

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical purchase cost net of depreciation. Tangible fixed assets are depreciated by reference to cost at rates estimated to write off the cost of the relevant assets less residual value, by equal instalments over their estimated useful lives

Plant, machinery and vehicles	5-15 years
Furniture and fixtures	3-10 years

Residual value is calculated on prices prevailing at the date of acquisition. The net book value of fixed assets is written down to estimated recoverable amount, should any impairment be identified

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated normal selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate

Taxation

UK Corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

Statement of accounting policies (*continued*)

Deferred tax (*continued*)

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

Pension costs

The company participates in a group operated pension scheme for the benefit of the majority of its employees. The scheme has both a defined contribution section and a defined benefit section

The defined contribution section includes some members who benefit from a component that is based on a defined benefit in addition to defined contribution

The defined benefit section comprises two components dependant on employee status or criteria

- for some employees, the scheme provides benefits on a purely defined benefit basis
- for certain employees who previously met specific age and service criteria the scheme provides a defined contribution benefit with an additional component that is based on a defined benefit

The assets of the scheme are held in a separate fund administered by trustees

In respect of the defined benefit scheme, assets are measured using market value. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent terms and quality to the liability. The increase in the present value of the liabilities of the group's defined benefit pension section expected to arise from employee service in the period is charged to operating profit. The amount of pension contributions charged in the profit and loss account represents amounts payable in the year to the Group pension scheme by the participating group companies, less allocated charges to fellow group companies based on current headcount. The expected return on the scheme's assets and the increase during the year in the present value of the scheme's liabilities arising from the passage of time are included in other finance income. Actuarial gains and losses are recognised in the statement of total recognised gains and losses

The pension scheme is a multi-employer scheme and the company is not able to identify its share of the underlying assets and liabilities of the scheme. Therefore, in accordance with the multi-employer exemption available under FRS 17, the scheme has been accounted for as if it was a defined contribution scheme and the company has taken advantage of the multi-employer exemption in relation to the reporting of its pension funding arrangements

Foreign currency

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account

Statement of accounting policies (*continued*)

Foreign currency (*continued*)

The financial statements of the Irish branch are maintained in Euros. The results and balances are translated in Sterling on the last working day of each month at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

The company uses derivative financial instruments to reduce exposure to foreign exchange risk. The company does not hold or issue derivative financial instruments for speculative purposes. The company does not use hedge accounting or account for derivatives at fair value.

Leases

Rentals under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Turnover

Turnover represents amounts receivable for goods provided in the normal course of business, net of trade discounts, discounts given to customers for early settlement of amounts outstanding, returns, allowances and value added tax. Turnover is recognised at the time that the risk and rewards pass to the buyer.

Pfizer Consumer Healthcare Limited

Profit and Loss Account

for the year ended 30 November 2011

	Note	2011 £000	2010 £000
Turnover	1	31,400	34,420
Cost of sales		(16,337)	(18,094)
Gross profit		15,063	16,326
Distribution costs		(11,881)	(12,318)
Administrative expenses		(1,509)	(3,409)
Operating profit		1,673	599
Net interest receivable and similar income	5	81	8
Profit on ordinary activities before taxation	2	1,754	607
Tax on the profit on ordinary activities	6	(641)	(120)
Retained profit for the financial year	12	1,113	487

All activities derive from continuing operations

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents

Notes on pages 16 to 23 form part of the financial statements

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Pfizer Consumer Healthcare Limited

Statement of Total Recognised Gains and Losses *for the year ended 30 November 2011*

	<i>Note</i>	2011 £000	2010 £000
Profit for the financial year	12	1,113	487
Exchange adjustments offset in reserves (translation of overseas branch)		-	(80)
Total recognised gains and losses relating to the financial year		1,113	407

Notes on pages 16 to 23 form part of the financial statements

Pfizer Consumer Healthcare Limited

Balance Sheet

As at 30 November 2011

Registered Number 00132018

	<i>Note</i>	2011 £000	2010 £000
Fixed assets			
Tangible assets	7	2	10
Current assets			
Stocks	8	6,778	6,526
Debtors	9	27,070	28,280
Cash at bank and in hand		1,382	515
		35,230	35,321
Creditors: amounts falling due within one year	10	(32,460)	(33,672)
Net current assets		2,770	1,649
Total assets less current liabilities		2,772	1,659
Net assets		2,772	1,659
Capital and reserves			
Called up share capital	11	75	75
Profit and loss account	12	2,697	1,584
Shareholders' funds		2,772	1,659

Notes on pages 16 to 23 form part of the financial statements

These financial statements were approved by the board of directors on 9 August 2012 and were signed on its behalf by



J Mount
Director

Pfizer Consumer Healthcare Limited

Reconciliation of movements in shareholder's funds

for the year ended 30 November 2011

	<i>Note</i>	2011 £000	2010 £000
Opening equity shareholder's funds		1,659	1,252
Profit for the financial year / period	<i>12</i>	1,113	487
Exchange adjustments offset in reserves (translation of overseas branch and foreign investment)		-	(80)
Net increase to shareholder's funds		1,113	407
Closing shareholder's funds		2,772	1,659

Notes on pages 16 to 23 form part of the financial statements

Pfizer Consumer Healthcare Limited

Notes

(forming part of the financial statements)

1 Analysis of turnover

Contributions to turnover by geographical destination are as follows

	2011 £000	2010 £000
United Kingdom	26,858	30,715
Overseas	4,542	3,705
	<u>31,400</u>	<u>34,420</u>

Disclosures of segment information with regard to turnover by class of business would, in the opinion of the directors, be seriously prejudicial to the interests of the company

2 Profit on ordinary activities before taxation

	2011 £000	2010 £000
<i>Profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Depreciation of owned tangible fixed assets	8	25
Profit on disposal of tangible fixed assets	-	(4)
Operating lease charges – plant and machinery	-	9
Foreign exchange (gain) / loss	(67)	227
Auditor's remuneration:		
Audit of these financial statements	<u>36</u>	<u>36</u>

The lease rental in respect of the Vanwall Road property for 2011 was borne by Pfizer Limited with no recharge to the company

Pfizer Consumer Healthcare Limited

Notes (continued)

3 Directors' remuneration and emoluments

The remuneration of the directors in respect of qualifying services for 2011 was borne by Pfizer Limited

The remuneration of the directors in respect of qualifying services for 2010 was as follows

	2010 £000
Aggregate emoluments	196
Company contribution to money purchase pension schemes	13
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	209
	<hr/>

The number of directors who were members of the pension scheme were as follows

	2010
Money purchase schemes	1
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Seven of the directors received shares under long term incentive scheme (2010 8) and none of the directors exercised share options in the ultimate holding company Pfizer Inc during the period (2010 none)

4 Staff numbers and costs

	2011 £000	2010 £000
Staff costs		
Wages and salaries	653	1,548
Restructuring	1,179	125
Social security costs	52	164
Other pension costs (note 15)	47	365
	<hr/>	<hr/>
	1,931	2,202
	<hr/>	<hr/>

The average monthly number of persons (including executive directors) employed by the company during the year was 17 (2010 36)

By activity	2011 No.	2010 No
Marketing and administration	17	36
	<hr/>	<hr/>
	17	36
	<hr/>	<hr/>

Pfizer Consumer Healthcare Limited

Notes (continued)

5 Net interest receivable and similar income

	2011 £000	2010 £000
Interest from group undertakings	81	25
Interest payable on amounts owed to group undertakings	-	(17)
	<u>81</u>	<u>8</u>

6 Tax on the profit on ordinary activities

	2011 £000	2010 £000
<i>UK corporation tax</i>		
Current tax on income for the period	533	124
Adjustments in respect of prior periods	132	(39)
Total current tax charge	<u>665</u>	<u>85</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(30)	31
Adjustment in respect of prior periods	(5)	-
Effect of change in tax rate	11	4
Total deferred tax (credit)/charge (note 9)	<u>(24)</u>	<u>35</u>
Tax on the profit on ordinary activities	<u>641</u>	<u>120</u>

The tax assessed for the period is higher (2010 lower) than the applicable rate of corporation tax in the UK 26.66% (2010 28%). The difference is explained below

Pfizer Consumer Healthcare Limited

Notes (continued)

6 Tax on profit on ordinary activities (continued)

	2011 £000	2010 £000
Profit on ordinary activities before tax	1,754	607
Profit on ordinary activities multiplied by composite rate in the UK (26.66%) (2010 28%)	467	170
Effects of		
Permanent differences	36	(20)
Accelerated capital allowances	(18)	(22)
Other timing differences	48	(4)
Adjustments in respect of prior periods	132	(39)
Current tax charge for the year	665	85

The availability of group relief from other group companies for which no payment is expected to be made, may affect the tax charge in future periods

On 23 March 2011 the Chancellor announced that the main rate of UK corporation tax will reduce from 28% to 26% with effect from 1 April 2011 and to 25% from 1 April 2012. These tax charges became substantively enacted on 29 March 2011 and 19 July 2011 respectively and therefore the effect of the rate reductions on the deferred tax balances as at 30 November 2011 have been included in the figures above.

On 21 March 2012 the Chancellor announced a further reduction in the main rate of UK corporation tax to 24% with effect from 1 April 2012, to 23% from 1 April 2013 and to 22% from 1 April 2014. As these changes were not substantively enacted at the balance sheet date they are not included in the figures above.

7 Tangible assets

	Furniture and fixtures £000	Plant, machinery and vehicles £000	Total £000
Cost			
At beginning of financial year	193	211	404
At end of financial year	193	211	404
Accumulated depreciation			
At beginning of financial year	183	211	394
Charge for year	8	-	8
At end of financial year	191	211	402
Net book value			
At 30 November 2011	2	-	2
At 30 November 2010	10	-	10

Pfizer Consumer Healthcare Limited

Notes (continued)

8 Stocks

	2011 £000	2010 £000
Finished goods and goods for resale	6,778	6,526

9 Debtors

	2011 £000	2010 £000
Trade debtors	9,030	11,790
Amounts owed by group undertakings	17,903	15,879
Other debtors	-	84
Foreign VAT recoverable	-	414
Deferred tax assets	137	113
	27,070	28,280

All debtors fall due within one year

Amounts due from group undertakings are unsecured, interest free and repayable on demand, except for term deposits placed with fellow affiliates at commercial rates of interest

Deferred taxation

	2011 £000	2010 £000
Accelerated capital allowances	69	88
Other timing differences	68	25
	137	113

The company has recognised the potential deferred tax asset of £137,000 (2010 £113,000) as at the year-end, as the directors of the company consider it to be more likely than not that the asset will crystallise in the foreseeable future

	2011 £000	2010 £000
Opening balance	113	148
Credited / (Debited) to profit and loss account (note 6)	24	(35)
Closing balance	137	113

Pfizer Consumer Healthcare Limited

Notes (continued)

10 Creditors – amounts falling due within one year

	2011 £000	2010 £000
Trade creditors	476	569
Amounts due to group undertakings	28,012	26,878
Other tax and social security	1,800	1,466
Accruals and deferred income	2,172	4,759
	<u>32,460</u>	<u>33,672</u>

All creditors fall due within one year

Amounts due to group undertakings are unsecured, interest free and repayable on demand, except for intercompany loans from fellow affiliates at commercial rates of interest

11 Called up share capital

	2011 £000	2010 £000
Allotted, called up and fully paid		
75,000 (2010 75,000) ordinary shares of £1 each	<u>75</u>	<u>75</u>

12 Reserves

	Profit and loss account £000
At beginning of year	1,584
Profit for the financial year	1,113
	<u>2,697</u>
At end of year	2,697

13 Derivatives not included at fair value

The company has derivatives which are not included at fair value in these financial statements

	Fair value asset/ (liability)	
	2011 £000	2010 £000
Forward foreign exchange contracts	29	-

The company uses derivatives to hedge its exposures to changes in foreign currency exchange rates. As at the year end the company had open forward currency contracts in place with a fellow group company to sell €1,094,000 (2010 nil) and to buy €1,094,000 (2010 nil). The fair values of these contracts are based on market values of equivalent instruments at the balance sheet date.

Pfizer Consumer Healthcare Limited

Notes (continued)

14 Guarantees and other financial commitments

(a) Annual commitments under non-cancellable operating leases are as follows

	2011 Other £000	2010 Other £000
Operating leases which expire In the second to fifth years inclusive	-	9
	-	9

15 Pension scheme

The company participates within a group pension scheme in the UK, the Wyeth Group Pension and Life Assurance Scheme (1977) ("the Scheme"), which covers all employees of the companies within the group of which the parent company is American Home Products Holdings (U K) Limited

The latest full valuation for funding purposes was as at 31 December 2008. The combined ongoing funding level for the Defined Benefit and Defined Contribution sections was 86% of the accrued liabilities and the deficit revealed was £43,100,000.

The ongoing funding level for the Defined Benefit liabilities, which for this purpose includes both the Defined Benefit section and those parts of the Defined Contribution section that benefit from a Defined Benefit underpin, was 81%. On the basis of the improved position as at 31 December 2009, at which point there was estimated to be a surplus of £10,000,000, no additional contributions were required beyond the final 2005 deficit contribution £16,200,000 which was paid in February 2009. The next full actuarial valuation is due as at 31 December 2011. This valuation is on-going at the date of these financial statements.

The pension charge relating to the defined benefit liabilities has been assessed in accordance with the advice of an independent professionally qualified actuary using the projected unit method.

During the period, the group paid contributions at the age-related rates set out for the defined contribution section (the rates range from 3% to 12% of members' pensionable pay) and the Scheme receives age related rebates from the State.

The charge to the operating profit for the period was £47,347 (2010 £365,000), comprising of £41,727 (2010 £191,000) for the Defined Contribution section and £5,620 (2010 11,000) for the Defined Benefit section, plus £nil (2010 £163,000) for life assurance cover and administrative expenses.

Pfizer Consumer Healthcare Limited

Notes (continued)

16 Related party disclosures

The ultimate controlling company is Pfizer Inc , a company incorporated in the State of Delaware, United States of America

The company has taken advantage of the exemption in FRS No 8 Related Party Disclosures (FRS 8) from the requirement to disclose details of transactions with wholly owned group undertakings Other than transactions with related group undertakings there were no other related party transactions Details on the availability of group consolidated financial statements are given in note 17

17 Ultimate parent undertaking

Pfizer Consumer Healthcare Limited is part of the world-wide group of companies whose ultimate parent is Pfizer Inc , a company incorporated in the State of Delaware, United States of America Copies of the ultimate parent company's financial statements may be obtained from Pfizer Inc , 235 East 42nd Street, New York, NY10017 USA

The immediate holding company is American Home Products Holdings (U K) Limited, which is incorporated in Great Britain and registered in England and Wales

The smallest group in which the results of the company are consolidated is that headed by C P Pharmaceuticals International C V , Coolsingel 93, 3012 AE Rotterdam, Holland whose accounts are publicly available from the Chamber of Commerce, PO Box 450, 3001 AL Rotterdam, Holland

18 Post balance sheet event

Subsequent to the year end Pfizer Consumer Healthcare Limited ("the company") purchased the share capital of Ferrosan Limited, a company involved in the sale of skin supplements In July 2012 the retail business of Ferrosan Limited was then transferred to the company

On 2 April 2012 the company's Irish branch (selling over the counter consumer products) was transferred to Pfizer Healthcare Ireland Limited The transfer includes marketing authorisations, trademarks and stock of the branch but does not include cash The transfer does not impact the company's activities in the marketing and distribution of over the counter medicines