

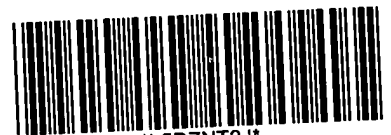
Pfizer Consumer Healthcare Limited

Directors' report and financial statements

For the year ended 30 November 2015

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 D Noseworthy J Mount H Nordkamp
Company secretary	J Mount
Registered office	Pfizer 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

Strategic report

Business Review

The audited financial statements for the year ended 30 November 2015 are set out on pages 8 to 21.

The company generated an after tax loss of £2,399,000 (2014: profit of £411,000). No dividends were declared in 2015 (2014: £nil). The retained loss for the year of £2,399,000 (2014: profit of £411,000) has been transferred to reserves.

The profit and loss account and balance sheet for the year are set out on pages 11 and 12 respectively. The development and performance of the company during the year was satisfactory in light of the competitive environment and costs associated with product launches during the year, as was the position of the company at the year-end. It is anticipated that the sales levels will increase in 2016 as the company continues to invest in its brands. 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. The focus of the business is innovation in the medicines that are integral to good healthcare, with a central task being the discovery and development of more new medicines for patients. 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.

Events occurring post year end

Subsequent to the year end in January 2016, the company has acquired a 100% shareholding in Treerly Health Co. Limited, a company selling dietary supplements incorporated in China.

Also in January 2016, as part of a Pfizer group reorganisation, the company has acquired a 100% shareholding in Wyeth Pharmaceutical Co. Limited, a manufacturing company incorporated in China.

Principal 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.
- Legislation or regulatory action affecting, amongst other things, pharmaceutical product pricing, reimbursement or access.
- Contingencies related to actual or alleged environmental contamination.

Strategic report *(continued)*

Principal risks and uncertainties *(continued)*

- 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.

By order of the board



JA Mount
Director
Ramsgate Road
Sandwich
Kent
CT13 9NJ

Date: 12th August 2016

Pfizer Consumer Healthcare Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 November 2015.

A review of the performance of the company's business during the year, the principal risks and uncertainties facing the company and its future prospects are included in the Strategic report set out on pages 2 to 3 which should be read in conjunction with the Directors' report.

Principal activity

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

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.

Political contributions

No political donations were made during the year (2014: £nil).

Directors

The directors who held office from 1 December 2014 and to the date of this report, unless otherwise stated, were:

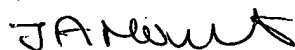
A Verrinder	
I Franklin	
J Smith	(resigned 25 February 2015)
RA Coles	(resigned 24 July 2015)
D Noseworthy	(appointed 24 July 2015)
JC Emms	(resigned 31 January 2015)
J Mount	
H Nordkamp	(appointed 25 February 2015)
P Caldini	(resigned 15 May 2016)

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.

By order of the board



JA Mount

Date: 12th August 2016

Director
Ramsgate Road
Sandwich
Kent
CT13 9NJ

**Statement of directors' responsibilities in respect of the Strategic report,
Directors' report and the financial statements**

The directors are responsible for preparing the Strategic report, 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, subject to any material departures disclosed and explained in the financial statements; 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 members of Pfizer Consumer Healthcare Limited

We have audited the financial statements of Pfizer Consumer Healthcare Limited for the year ended 30 November 2015 set out on pages 8 to 21. 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 5, 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 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 Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2015 and of its loss 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 Strategic report and 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 members 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.

George Richards

George Richards (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
United Kingdom

Date: 12th August 2016

Pfizer Consumer Healthcare Limited

Statement of accounting policies *for the year ended 30 November 2015*

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

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.

The company is exempt by virtue of S401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

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

The financial statements have been prepared on a going concern basis as the Company has entered into a financial arrangement with a fellow group undertaking to provide financial support for the foreseeable future. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing its reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Goodwill and intangible assets

Purchased goodwill, representing the excess of the fair value of purchase consideration over the fair value of the separable net assets acquired, is capitalised and amortised in instalments of up to 20 years, based on the directors' estimate of its useful economic life.

Goodwill and intangible assets are subsequently measured at cost less accumulated amortisation and are stated net of any provisions for impairment.

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.

Furniture and fixtures	3-10 years
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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.

Statement of accounting policies *(continued)*

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 substantively 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.

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.

Statement of accounting policies *(continued)*

Pension costs *(continued)*

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.

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 point at which the significant risks and rewards are transferred to the buyer, in line with contract terms, typically on date of goods despatch.

Pfizer Consumer Healthcare Limited

Profit and loss account for the year ended 30 November 2015

	Note	2015 £000	2014 £000
Turnover	1	35,660	32,497
Cost of sales		(15,907)	(18,766)
Gross profit		19,753	13,731
Distribution costs		(22,407)	(13,256)
Administrative expenses		(177)	(388)
(Loss)/profit on ordinary activities before interest		(2,831)	87
Net interest payable and similar expenses	5	(45)	(64)
(Loss)/profit on ordinary activities before taxation	2	(2,876)	23
Tax on the (loss)/profit on ordinary activities	6	477	388
Retained (loss)/profit for the financial year	14	(2,399)	411

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.

There are no recognised gains or losses other than those reported in the profit and loss account for each year and accordingly no statement of total recognised gains and losses is presented.

The notes on pages 14 to 21 and the accounting policies on pages 8 to 10 form part of these financial statements.

Pfizer Consumer Healthcare Limited

Balance sheet

As at 30 November 2015

Registered Number: 00132018

	Note	2015 £000	2014 £000
Fixed assets			
Intangible fixed assets	7	1,361	1,445
Tangible fixed assets	8	-	-
		<u>1,361</u>	<u>1,445</u>
Current assets			
Stocks	9	9,805	10,152
Debtors	10	15,144	9,555
Cash at bank and in hand		702	41
		<u>25,651</u>	<u>19,748</u>
Creditors: amounts falling due within one year	11	<u>(16,785)</u>	<u>(17,908)</u>
Net current assets		<u>8,866</u>	<u>1,840</u>
Total assets less current liabilities		<u>10,227</u>	<u>3,285</u>
Creditors: amounts falling due after more than one year	12	<u>(9,341)</u>	<u>-</u>
Net assets		<u>886</u>	<u>3,285</u>
Capital and reserves			
Called up share capital	13	75	75
Profit and loss account	14	811	3,210
Shareholders' funds		<u>886</u>	<u>3,285</u>

The notes on pages 14 to 21 and the accounting policies on pages 8 to 10 form part of these financial statements.

These financial statements were approved by the board of directors and were signed on its behalf on 12th August 2016 by:



JA Mount
Director

Pfizer Consumer Healthcare Limited

Reconciliation of movements in shareholder's funds for the year ended 30 November 2015

	<i>Note</i>	2015 £000	2014 £000
Opening equity shareholder's funds		3,285	2,874
(Loss)/profit for the financial year	<i>14</i>	(2,399)	411
Net (reduction) /increase to shareholder's funds		(2,399)	411
Closing shareholder's funds		886	3,285

The notes on pages 14 to 21 and the accounting policies on pages 8 to 10 form part of these 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:

	2015 £000	2014 £000
United Kingdom	35,158	31,569
Overseas	502	928
	<u>35,660</u>	<u>32,497</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 (Loss)/profit on ordinary activities before taxation

	2015 £000	2014 £000
<i>(Loss)/profit on ordinary activities before taxation is stated after charging/ (crediting):</i>		
Goodwill amortisation	84	84
Auditor's remuneration for the audit of these financial statements	31	31
Loss on forgiveness of intercompany debtors	134	180
Foreign exchange loss/(gain)	62	(980)
	<u></u>	<u></u>

Loss on forgiveness of intercompany debtors relates to forgiveness of an amount due from fellow group companies.

3 Directors' remuneration and emoluments

The remuneration of the directors in respect of qualifying services for 2015 and 2014 was borne by Pfizer Limited.

Six of the directors received shares under long term incentive scheme (2014: six) and five of the directors exercised share options in the ultimate holding company Pfizer Inc. during the period (2014: two).

Pfizer Consumer Healthcare Limited

Notes (continued)

forming part of the financial statements

4 Staff numbers and costs

	2015 £000	2014 £000
Staff costs		
Wages and salaries	-	-
Social security costs	3	3
Other pension costs (note 15)	6	5
	<u>9</u>	<u>8</u>

The average monthly number of persons (including executive directors) employed by the company during the year was 1 (2014: 1).

By activity	2015 No.	2014 No.
Marketing and administration	<u>1</u>	<u>1</u>

In addition to the above the company utilises the services of employees contracted to a fellow group company. These employees are involved in marketing/administration. The cost of these services recharged to the company in the year was £3,941,370 (2014: £4,194,385).

5 Net interest payable and similar expenses

	2015 £000	2014 £000
Interest payable to group undertakings	<u>45</u>	<u>64</u>

Pfizer Consumer Healthcare Limited

Notes (continued)

forming part of the financial statements

6 Tax on the (loss)/profit on ordinary activities

	2015 £000	2014 £000
<i>UK corporation tax</i>		
Current tax (credit) on (loss)/profit for the period	(476)	(43)
Adjustments in respect of prior periods	(6)	(350)
	<hr/>	<hr/>
Total current tax credit	(482)	(393)
	<hr/>	<hr/>
<i>Deferred tax</i>		
Origination and reversal of timing differences	4	5
Effect of change in tax rate	1	-
	<hr/>	<hr/>
Total deferred tax charge (note 10)	5	5
	<hr/>	<hr/>
Tax credit on the (loss)/profit on ordinary activities	(477)	(388)
	<hr/>	<hr/>

The tax assessed for the period is lower (2014: lower) than the applicable rate of corporation tax in the UK 20.33% (2014: 21.66%). The difference is explained below.

	2015 £000	2014 £000
(Loss)/profit on ordinary activities before tax	(2,876)	23
	<hr/>	<hr/>
(Loss)/profit on ordinary activities multiplied by composite rate in the UK 20.33% (2014: 21.66%)	(585)	5
Effects of:		
Permanent differences	112	(43)
Accelerated capital allowances	(4)	(5)
Adjustments in respect of prior periods	(6)	(350)
	<hr/>	<hr/>
Current tax credit for the year	(482)	(393)
	<hr/>	<hr/>

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. The deferred tax liability at 30.11.2015 has been calculated based on these rates.

An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge and deferred tax liability accordingly.

Pfizer Consumer Healthcare Limited

Notes (continued)

forming part of the financial statements

7 Intangible fixed assets

	Goodwill £000
Cost	
At beginning and end of year	1,676
Amortisation	
At beginning of year	231
Charge for the year	84
At end of year	315
Net realisable value	
At 30 November 2015	1,361
At 30 November 2014	1,445

Goodwill relates to the acquisition of a skin supplement business from Ferrosan Limited in 2012.

8 Tangible fixed assets

	Furniture and fixtures £000	Total £000
Cost		
At beginning and of financial year	11	11
Accumulated depreciation		
At beginning and end of financial year	11	11
Net book value		
At 30 November 2015	-	-
At 30 November 2014	-	-

9 Stocks

	2015 £000	2014 £000
Finished goods and goods for resale	9,805	10,152

Pfizer Consumer Healthcare Limited

Notes (continued)

forming part of the financial statements

10 Debtors

	2015 £000	2014 £000
Trade debtors	9,137	8,914
Amounts owed by group undertakings	5,283	444
Group relief debtor	48	66
UK corporation tax	476	43
Prepayments	183	66
Deferred tax assets	17	22
	<u>15,144</u>	<u>9,555</u>

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

	2015 £000	2014 £000
Depreciation in excess of capital allowances	17	22
	<u>17</u>	<u>22</u>

The company has recognised the potential deferred tax asset of £16,737 (2014: £21,742) 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.

	2015 £000	2014 £000
Opening balance	22	27
(Debited) to profit and loss account (note 6)	(5)	(5)
Closing balance	<u>17</u>	<u>22</u>

Pfizer Consumer Healthcare Limited

Notes (continued)

forming part of the financial statements

11 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	266	285
Amounts due to group undertakings	15,126	16,249
Other tax and social security	1,309	1,297
Accruals and deferred income	84	77
	<u>16,785</u>	<u>17,908</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.

12 Creditors: amounts falling due after more than one year

	2015 £000	2014 £000
Amounts owed to group undertakings	<u>9,341</u>	<u>-</u>

Amounts owed to group undertakings fall due for repayment between two and five years. The interest rate charged is equal to LIBOR.

13 Called up share capital

	2015 £000	2014 £000
Allotted, called up and fully paid 75,000 (2014: 75,000) ordinary shares of £1 each	<u>75</u>	<u>75</u>

14 Reserves

	Profit and loss account £000
At beginning of year	3,210
Loss for the financial year	(2,399)
At end of year	<u>811</u>

Pfizer Consumer Healthcare Limited

Notes (continued)

forming part of the financial statements

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").

The latest full valuation for funding purposes was as at 31 December 2014. The combined ongoing funding level for the Defined Benefit and Defined Contribution Sections was 106% of the accrued liabilities and the surplus revealed was £26,000,000. 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 component, was 108%. The next full actuarial valuation is due as at 31 December 2017.

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 accrued benefit actuarial method.

During the year, the sponsoring company paid contributions at the rates set out for the defined contribution section.

The charge to the operating profit for the year was £5,548 (2014: £4,993), comprising of £5,548 (2014: £4,993) for the Defined Contribution section and £nil (2014: £nil) for the Defined Benefit section.

16 Derivatives not included at fair value

	Fair value asset/(liability)	
	2015 £000	2014 £000
Forward foreign exchange contracts	19	(4)

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 buy and sell EUR and USD. The fair values of these contracts are based on market values of equivalent instruments at the balance sheet date.

17 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 18.

Pfizer Consumer Healthcare Limited

Notes (continued)

forming part of the financial statements

18 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 Pfizer Pharmaceuticals B.V. a company incorporated and registered in the Netherlands.

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.

19 Events occurring post year end

Subsequent to the year end in January 2016, the company has acquired a 100% shareholding in Treerly Health Co. Limited, a company selling dietary supplements incorporated in China. The cost of the investment was \$144 million with a further \$34 million due, contingent on future events.

Also in January 2016, as part of a Pfizer group reorganisation, the company has acquired a 100% shareholding in Wyeth Pharmaceutical Co. Limited, a manufacturing company incorporated in China, for a cost of \$104 million.