

COMPANY REGISTRATION NUMBER 3155229

AAH TWENTY SIX PLC
FINANCIAL STATEMENTS
31 DECEMBER 2006

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AAH TWENTY SIX PLC

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

CONTENTS	PAGE
The directors' report	1
Independent auditor's report to the shareholders	3
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

AAH TWENTY SIX PLC

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2006

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2006

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company's principal activity during the year was the generation of interest income from the provision of a loan to the immediate holding company Admenta UK plc

The level of income and the year end financial position are considered to be satisfactory. No change in the level of the current loan is anticipated as the loan is expected to rollover on maturity at 23 December 2007. There are no plans for further new loans to Admenta UK plc or any other group companies.

Principal risks and uncertainties

The key business financial risk affecting the company is interest rate risk. The directors, through consultation with Admenta UK plc group's central treasury function, reviews and agree the management of this risk.

Key performance indicators

Performance during the year, together with historical trend data, is set out in the table below

	2006	2005	
Interest receivable	£11,854,000	£12,730,000	The lower interest receivable is due to the lower rate of interest applied to the loan to Admenta UK plc in 2006
Interest rate applied	5.0%	5.3%	Lower interest rate applied due to the reduction in the LIBOR rate from 2005 to 2006

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £8,298,000 (2005: £8,911,000). Particulars of dividends paid are detailed in note 8 to the financial statements.

DIRECTORS

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

J Hood
P Smerdon

According to the register kept under section 325 of the Companies Act 1985, no director had a notifiable interest in the shares of the company or other group companies at any time during the year. As permitted, the register does not contain details of directors' interests in parent undertakings which are incorporated outside Great Britain.

AAH TWENTY SIX PLC

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2006

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 judgements 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,

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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

Signed on behalf of the directors



P Smerdon

DIRECTOR

Approved by the directors on 22 MARCH 2007

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AAH TWENTY SIX PLC

YEAR ENDED 31 DECEMBER 2006

We have audited the financial statements of AAH Twenty Six plc for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
AAH TWENTY SIX PLC *(continued)***

YEAR ENDED 31 DECEMBER 2006

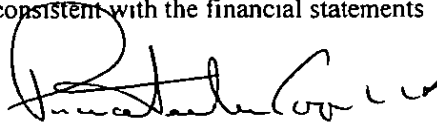
OPINION

In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended,

the financial statements have been properly prepared in accordance with the Companies Act 1985, and

the information given in the Directors' Report is consistent with the financial statements



PRICEWATERHOUSECOOPERS LLP
Chartered Accountants and Registered Auditors

Birmingham

28 Mar 2007

AAH TWENTY SIX PLC**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2006**

	Note	2006 £000	2005 £000
TURNOVER	2	—	—
OPERATING COSTS:		—	—
OPERATING PROFIT	4	—	—
Interest receivable	6	11,854	12,730
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		11,854	12,730
Tax on profit on ordinary activities	7	(3,556)	(3,819)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION, BEING PROFIT FOR THE FINANCIAL YEAR		<u>8,298</u>	<u>8,911</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

There is no material difference between the results above and the results on an unmodified historical
cost basis

The notes on pages 7 to 11 form part of these financial statements

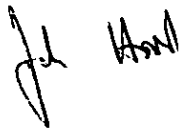
AAH TWENTY SIX PLC

BALANCE SHEET

31 DECEMBER 2006

	Note	£000	2006 £000	2005 £000
CURRENT ASSETS				
Debtors due within one year	9	239,533		242,498
CREDITORS: amounts falling due within one year	10	<u>(3,556)</u>		<u>(3,819)</u>
NET CURRENT ASSETS			<u>235,977</u>	<u>238,679</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>235,977</u>	<u>238,679</u>
CAPITAL AND RESERVES				
Called-up equity share capital	13		200,200	200,200
Profit and loss account	14		<u>35,777</u>	<u>38,479</u>
SHAREHOLDERS' FUNDS	15		<u>235,977</u>	<u>238,679</u>

These financial statements were approved by the directors on the ~~22~~ 22 March 07 and are signed on their behalf by



J Hood
DIRECTOR

The notes on pages 7 to 11 form part of these financial statements

AAH TWENTY SIX PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

1. ACCOUNTING POLICIES

Basis of accounting

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

Set out below is a summary of the more important accounting policies, which have been applied consistently except where stated otherwise

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards

-the presentation requirements of FRS 25 'Financial Instruments Disclosure and Presentation (IAS 32)'

FRS 25 'Financial Instruments Disclosure and Presentation (IAS 32)'

The effect of the change in policy is that distributions to holders of an equity instrument should be debited directly to equity, net of any related income tax benefit rather than booked through the profit and loss account

The equity dividends paid for the prior period have been accounted for directly in reserves and therefore are not shown on the face of the profit and loss account (as in the previous year financial statements)

The equity dividends paid for the current period have been debited directly to equity

Cash flow statement

The company is a wholly owned subsidiary of Celesio AG, a company registered in Germany, and is included in the financial statements of Celesio AG, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996)

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. Deferred tax liabilities are provided in full but deferred tax assets are recognised only to the extent it is considered more likely than not that the associated tax deduction can be utilised on their reversal. Deferred tax liabilities and assets are not discounted

AAH TWENTY SIX PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company
An analysis of turnover is given below

2006	2005
£000	£000

4 OPERATING PROFIT

Operating profit is stated after charging

2006	2005
£000	£000

Auditor's remuneration
- as auditor

-	-
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Auditors remuneration in 2006 and 2005 has been borne by Lloyds Pharmacy Limited, a fellow group company and not recharged

3. PARTICULARS OF EMPLOYEES

The company had no employees during the year, other than executive directors (2005 nil)

5. DIRECTORS' REMUNERATION

Mr Hood is paid by a fellow group company, Lloyds Pharmacy Limited, which makes no recharge to the company Mr Hood is a director of a number of group companies and it is not possible to make an accurate apportionment of their emoluments in respect of each of these companies Accordingly no emoluments in respect of Mr Hood are disclosed Mr Hood's emoluments are included in the aggregate of the directors' emoluments disclosed in the financial statements of Lloyds Pharmacy Limited

Mr Smerdon is employed by and is an employee of a fellow group company Lloyds Pharmacy Limited Lloyds Pharmacy Limited does not recharge any salary costs in relation to services provided as director of AAH Twenty Six plc and therefore there are no emoluments that should be disclosed

6. INTEREST RECEIVABLE

2006	2005
£000	£000
11,854	12,730

Interest from group undertakings

AAH TWENTY SIX PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2006 £000	2005 £000
Current tax		
UK Corporation tax based on the results for the year at 30% (2005 - 30%)	3,556	3,819
Total current tax	<u>3,556</u>	<u>3,819</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 30% (2005 - 30%)

	2006 £000	2005 £000
Profit on ordinary activities before taxation	<u>11,854</u>	<u>12,730</u>
Profit/(loss) on ordinary activities before tax multiplied by the standard rate of tax	3,556	3,819
Total current tax (note 7(a))	<u>3,556</u>	<u>3,819</u>

8. DIVIDENDS

Equity dividends

	2006 £000	2005 £000
Paid during the year		
Interim paid	<u>11,000</u>	<u>8,000</u>

9. DEBTORS

	2006 £000	2005 £000
Amounts owed by immediate parent company	<u>239,533</u>	<u>242,498</u>

The amounts owed by the parent company include an unsecured loan of £239,151,000 (2005 £236,605,000) due for repayment on 23 December 2007. The remaining balance represents interest accrued at the year end. The loan interest is payable at commercial interest rates based on LIBOR.

AAH TWENTY SIX PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

10. CREDITORS: amounts falling due within one year

	2006 £000	2005 £000
Other creditors including taxation		
Corporation tax	<u>3,556</u>	<u>3,819</u>

11. DEFERRED TAX

The company had no liability for deferred taxation at 31 December 2006 (2005- £nil)

12. RELATED PARTIES

The company has not disclosed transactions with fellow group companies, in accordance with the exemption under the terms of Financial reporting Standard 8

13. SHARE CAPITAL

Authorised share capital:

	2006 £000	2005 £000
400,000,000 Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£000	No	£000
Ordinary shares of £1 each	<u>200,200,000</u>	<u>200,200</u>	<u>200,200,000</u>	<u>200,200</u>

14. RESERVES

	Profit and loss account £000
Balance brought forward	38,479
Profit for the year	8,298
Equity dividends	(11,000)
Balance carried forward	<u>35,777</u>

AAH TWENTY SIX PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006	2005
	£000	£000
Profit for the financial year	8,298	8,911
Equity dividends paid	(11,000)	(8,000)
Net (reduction)/addition to shareholders' funds	(2,702)	911
Opening shareholders' funds	238,679	237,768
Closing shareholders' funds	235,977	238,679

16. ULTIMATE PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is Admenta UK plc. The company's ultimate parent undertaking and controlling party is Franz Haniel & Cie GmbH, a company registered in Germany, by virtue of its majority shareholding in the intermediate parent Celesio AG and its consolidation of the Celesio AG Group results into its own consolidated financial statements.

Consolidated financial statements for the largest group of undertakings are prepared by Franz Haniel & Cie GmbH and may be obtained from Franz Haniel Platz 1, D-47119 Duisburg, Ruhrort, Germany.

Consolidated accounts for the smallest group of companies are prepared by Celesio AG and may be obtained from Celesio AG, Neckartalstrasse 155, D-70376 Stuttgart, Germany.