

**Company Registration No. 03922046**

**Benefit Cosmetics Limited**

**Report and Financial Statements**

**31 December 2011**



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# **Benefit Cosmetics Limited**

## **Report and financial statements 2011**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Statement of directors' responsibilities</b>	<b>4</b>
<b>Independent auditor's report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Notes to the financial statements</b>	<b>8</b>

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# **Benefit Cosmetics Limited**

## **Report and financial statements 2011**

### **Officers and professional advisers**

#### **Directors**

Jean Danielson  
Jane Ford  
Hugues Dusseaux  
Jean-Andre Rougeot  
Andrea Lansbury

#### **Registered Office**

Greenwood House  
91-99 New London Road  
Chelmsford  
Essex  
CM2 0PP

#### **Bankers**

National Westminster Bank PLC  
City of London Office  
1 Princess Street  
London  
EC2R 8PA

#### **Solicitors**

Birketts LLP  
Brierly Place  
New London Road  
Chelmsford  
Essex  
CM2 0AP

#### **Auditor**

Deloitte LLP  
Chartered Accountants and Registered Auditors  
London

# Benefit Cosmetics Limited

## Directors' report

The directors present their report and financial statements for the year ended 31 December 2011

### Results and dividends

The profit for the year, after taxation, amounted to £1,646,520 (2010 profit £3,629,560) The directors did not recommend or pay a final ordinary dividend during the year (2010 £3,000,000)

### Principal activities and review of the business

The principal activity of the company during the year was the wholesale and distribution of cosmetic, skincare and fragrance products in the United Kingdom The company continued to provide logistics support for the expansion of wholesaling operations across Europe

The company's key financial and other performance indicators during the year were as follows

	2011 £'000	2010 £'000	Change %
Turnover	53,879	49,325	+9%
Operating profit	2,013	4,457	-55%
Profit before tax	1,997	4,911	-59%
Equity shareholder's funds	17,629	15,982	+10%
Current assets as % of current liabilities	237%	222%	+7%
Average number of employees	371	361	+3%

### Future developments

The company plans to continue to introduce strong new product lines and expand both its wholesale and retail operations in 2012 The company will increase the number of counters in large department stores by extending its offering of brow bar services The company will also reinvigorate and focus on marketing and digital media strategies to increase brand awareness and market share

### Going concern

Directors expect the company to continue to generate positive cash flows on its own account On the basis of assessment of the company's forecasted financial position the directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future, thus continue to adopt the going concern basis of accounting in preparing the financial statements

### Principal risks and uncertainties

The key commercial risks relate to the strength of other brands in the market place and the condition of the retail market, with interest rates and fiscal drivers influencing consumer spending

The company's credit risk is primarily attributable to its trade receivables The amounts presented in the balance sheet are net of allowances for doubtful receivables An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows

The company has no significant concentration of credit risk, with exposure spread over a large number of customers

### Directors of the company

The directors are shown on page 1

Nicolas Cordier resigned on 2 March 2011

Yongyi Ying resigned on 28 February 2012

Andrea Lansbury was appointed on 28 February 2012

# **Benefit Cosmetics Limited**

## **Directors' report (continued)**

### **Charitable donations**

During the year the company made charitable donations of £2,407 (2010, £3,776), principally to local charities serving the communities in which the company operates

### **Disabled employees**

The company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

### **Employee involvement**

Regular meetings are held between local management and employees to allow a free flow of information and ideas. These meetings also provide employees with an opportunity to give feedback or inquire about any topics of concern.

### **Auditor**

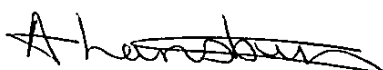
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



Andrea Lansbury  
Director

21 August 2012

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## **Benefit Cosmetics Limited**

### **Statement of 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). 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 judgements 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 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.

## **Independent auditor's report to the members of Benefit Cosmetics Limited**

We have audited the financial statements of Benefit Cosmetics Limited for the year ended 31 December 2011 which comprise the profit and loss account, the balance sheet and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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, 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 financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

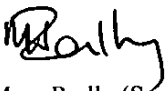
### **Opinion on matters prescribed by the Companies Act 2006**

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

### **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.

  
Mary Reilly (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

21st August 2012

## Benefit Cosmetics Limited

### Profit and loss account Year ended 31 December 2011

	Notes	2011 £	2010 £
<b>Turnover</b>	2	53,878,639	49,325,112
Cost of sales		(30,272,759)	(25,182,912)
<b>Gross profit</b>		<u>23,605,880</u>	<u>24,142,200</u>
Distribution costs		(1,456,290)	(1,274,134)
Administrative expenses		(20,136,836)	(18,410,595)
<b>Operating profit</b>	3	<u>2,012,754</u>	<u>4,457,471</u>
Dividends receivable		-	431,552
Interest receivable and similar income	6	18,291	24,170
Interest payable and similar charges	7	(34,467)	(2,569)
<b>Profit on ordinary activities before taxation</b>		<u>1,996,578</u>	<u>4,910,624</u>
Tax charge on profit on ordinary activities	8	(350,058)	(1,281,064)
<b>Profit retained for the financial year</b>	18	<u><u>1,646,520</u></u>	<u><u>3,629,560</u></u>

The above profit is from continuing operations

There are no recognised gains or losses other than as shown above



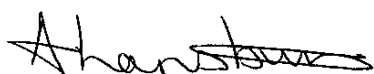
# Benefit Cosmetics Limited

## Balance sheet 31 December 2011

	Notes	2011 £	2010 £
<b>Fixed assets</b>			
Tangible assets	9	3,226,943	3,131,338
Investments	10	1	1
		<u>3,226,944</u>	<u>3,131,339</u>
<b>Current assets</b>			
Stocks	11	11,128,851	11,309,293
Debtors	12	13,491,188	11,465,387
Cash at bank		285,934	642,507
		<u>24,905,973</u>	<u>23,417,187</u>
<b>Creditors: amounts falling due within one year</b>	13	(10,504,162)	(10,556,291)
<b>Net current assets</b>		<u>14,401,811</u>	<u>12,850,896</u>
<b>Total assets less current liabilities</b>		<u>17,628,755</u>	<u>15,982,235</u>
<b>Capital and reserves</b>			
Called up share capital	16	2,000,100	2,000,100
Profit and loss account	18	15,628,655	13,982,135
<b>Shareholders' funds</b>	18	<u>17,628,755</u>	<u>15,982,235</u>

The financial statements of Benefit Cosmetics Limited, registered number 03922046 were approved by the Board of Directors on 21 August 2012

Signed on behalf of the Board of Directors



Andrea Lansbury  
Director

# Benefit Cosmetics Limited

## Notes to the financial statements Year ended 31 December 2011

### 1. Accounting policies

#### Basis of preparation

The financial statements of the company were approved for issue by the Board of Directors on 21 August 2012

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

#### Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report. The directors' report also describes the financial position of the company and the principal risks and uncertainties the company is exposed to.

The company is part of the LVMH Group which operates under an "Automatic Short-term Cash-pool system". The various companies of the LVMH Group pool their cash operations in order to rationalise the management of available funds and financial requirements existing within the Group. The effect of the Cash-pool system within the LVMH Group is that Benefit Cosmetics Ltd does not have an external third party overdraft.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facility.

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

#### Statement of cash flows

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a statement of cash flows in the financial statements on the grounds that the company is a wholly owned subsidiary and the group financial statements in which the company is included are publicly available.

#### Basis of consolidation

In accordance with the exemption allowed by section 400 of the Companies Act 2006, the company has not presented group financial statements. These financial statements therefore provide information about the company as an individual undertaking and not about its group.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Leasehold improvements	– Over the life of the lease
Store fittings	– 3 to 5 years
Office furniture and equipment	– 3 to 7 years
Motor vehicles	– 3 years

Assets under construction are not depreciated until brought into use.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

# **Benefit Cosmetics Limited**

## **Notes to the financial statements Year ended 31 December 2011**

### **1. Accounting policies (continued)**

#### **Intangible assets**

Intangible fixed assets are stated at cost less accumulated amortisation. Amortisation is provided to write off the value of the intangible fixed assets over a period of three years. The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable.

#### **Fixed asset investments**

The carrying values of fixed asset investments are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value less provision for impairment.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

#### **Taxation**

Current tax, including UK corporation tax, is provided at the 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 is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted,
- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

#### **Operating lease agreements**

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

#### **Pension costs**

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

# Benefit Cosmetics Limited

## Notes to the financial statements Year ended 31 December 2011

### 1. Accounting policies (continued)

#### Revenue recognition

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer

#### Returns policy

The company may accept the return of unsold or outdated products from their customers. Where this practice is applied, revenue and the corresponding trade receivables are reduced by the amount of such returns. The estimated rate of returns is based on statistics of historical returns.

### 2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and group undertakings in respect of sales of cosmetics, fragrances and services. All amounts relate to continuing activities and can be analysed as follows:

	United Kingdom		Rest of Europe		Total	
	2011	2010	2011	2010	2011	2010
	£	£	£	£	£	£
Third party	42,303,471	40,353,548	755,941	1,038,169	43,059,412	41,391,717
Group undertakings	-	-	10,819,227	7,933,395	10,819,227	7,933,395
	<u>42,303,471</u>	<u>40,353,548</u>	<u>11,575,168</u>	<u>8,971,564</u>	<u>53,878,639</u>	<u>49,325,112</u>

### 3. Operating profit

This is stated after charging:

	2011	2010
	£	£
Auditors' remuneration – audit services	24,800	24,000
– non audit services (tax services)	-	-
Depreciation of owned fixed assets	1,128,637	1,006,491
Foreign exchange loss	44,590	190,075
Loss on disposal of fixed assets	278,957	33,768
Operating lease rentals – land and buildings	797,013	729,931
– plant and machinery	<u>273,743</u>	<u>248,954</u>

### 4. Directors' emoluments

	2011	2010
	£	£
Aggregate remuneration in respect of qualifying services	<u>175,365</u>	<u>192,525</u>

During 2011, £NIL (2010: £21,250) was payable to one director as compensation for loss of office.

# Benefit Cosmetics Limited

## Notes to the financial statements Year ended 31 December 2011

### 5. Staff costs

	2011 £	2010 £
Wages and salaries	7,373,425	7,111,491
Social security costs	676,232	660,073
Staff pension contributions (note 14)	47,517	80,689
	<u>8,097,174</u>	<u>7,852,253</u>

The monthly average number of employees during the year was as follows

	2011 £	2010 £
Administrative staff	43	38
Sales staff	328	323
	<u>371</u>	<u>361</u>

### 6. Interest receivable and similar income

	2011 £	2010 £
Interest receivable from group undertakings	15,317	12,287
Interest receivable on overpayment of corporation tax	2,504	11,883
Other interest receivable	470	-
	<u>18,291</u>	<u>24,170</u>

### 7. Interest payable and similar charges

	2011 £	2010 £
Interest payable on underpayment of corporation tax	3,778	2,569
Interest payable to group undertakings	30,689	-
	<u>34,467</u>	<u>2,569</u>

# Benefit Cosmetics Limited

## Notes to the financial statements Year ended 31 December 2011

### 8. Tax

#### (a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2011 £	2010 £
Current tax		
UK corporation tax	634,558	1,301,032
Adjustments in respect of previous periods	(220,204)	(29,376)
Total current tax (note 8(b))	414,354	1,271,656
Deferred tax		
Origination and reversal of timing differences (note 8 (c))	(78,589)	(20,214)
Adjustment in respect of previous periods (note 8 (c))	14,293	29,622
Total deferred tax (note 8 (c))	(64,296)	9,408
Tax on profit on ordinary activities	350,058	1,281,064

#### (b) Factors affecting current tax charge

The differences are reconciled below

	2011 £	2010 £
Profit on ordinary activities before taxation	1,996,579	4,910,624
Profit on ordinary activities for the year multiplied by standard rate of corporation tax in the UK of 26.49% (2010 28%)	528,957	1,374,975
Disallowed expenses and non-taxable income	22,318	(94,906)
Capital allowances in arrears of depreciation	83,398	47,364
Adjustments in respect of previous periods	(220,204)	(29,376)
Other timing differences	(115)	(26,401)
Total current tax (note 8(a))	414,354	1,271,656

## Benefit Cosmetics Limited

### Notes to the financial statements Year ended 31 December 2011

#### 8. Tax (continued)

##### (c) Deferred tax

	2011 £	2010 £
Capital allowances in arrears of depreciation	166,417	101,434
Other timing differences	7,125	7,812
	<u>173,542</u>	<u>109,246</u>
Deferred tax asset (note 12)		
		£
At 31 December 2010		109,246
Profit and loss account (note 8 (a))		78,589
Adjustments in respect of prior years (note 8 (a))		<u>(14,293)</u>
At 31 December 2011		<u>173,542</u>

#### Budget announcements

The Finance Act 2011 included legislation to reduce the main rate of corporation tax from 27% to 25% from 1 April 2012. 25% was the substantively enacted rate by the balance sheet date and thus the rate used in measuring deferred tax assets and liabilities. The Budget announcement on 21 March 2012 announced that the rate reduction would be accelerated so that 24% will instead be applicable from 1 April 2012, and further reductions to the main rate have been proposed to reduce the rate by 1% per annum to 22% by 1 April 2014. However, none of these further reductions in the tax rate had been substantively enacted at the balance sheet date and, therefore, are not reflected in these financial statements.

# Benefit Cosmetics Limited

## Notes to the financial statements Year ended 31 December 2011

### 9. Tangible fixed assets

	Leasehold improvements £	Store fittings £	Office furniture and equipment £	Assets under construction £	Total £
<b>Cost</b>					
At 1 January 2011	462,870	6,385,587	409,875	24,169	7,282,501
Additions	40,159	1,170,108	54,421	103,189	1,367,877
Disposals	(1,150)	(268,522)	(56,649)	-	(326,321)
Transfers	-	24,169	-	(24,169)	-
At 31 December 2011	501,879	7,311,342	407,647	103,189	8,324,057
<b>Depreciation</b>					
At 1 January 2011	221,895	3,628,799	300,469	-	4,151,163
Provided during the year	38,875	1,035,180	54,582	-	1,128,637
Disposals	(301)	(137,124)	(45,261)	-	(182,686)
At 31 December 2011	260,469	4,526,855	309,790	-	5,097,114
<b>Net book value</b>					
At 31 December 2011	241,410	2,784,487	97,857	103,189	3,226,943
At 31 December 2010	240,975	2,756,788	109,406	24,169	3,131,338

### 10 Fixed asset investments

	£
<b>Cost</b>	
At 1 January 2011 and 31 December 2011	1

The above investment represents 100% of the issued ordinary share capital of Benefit Cosmetics Ireland Limited, a company registered in Ireland. Benefit Cosmetics Ireland's principal activity is the wholesale of cosmetics and skincare products within Ireland.

### 11. Stocks

	2011 £	2010 £
Finished goods	11,128,851	11,309,293

The difference between purchase price of stocks and their replacement cost is not material.



# Benefit Cosmetics Limited

## Notes to the financial statements Year ended 31 December 2011

### 12. Debtors

	2011 £	2010 £
Trade debtors	8,529,819	3,513,002
Amounts owed by group undertakings	3,957,994	5,597,704
Other taxes	32,046	1,429,666
Other debtors	797,787	815,769
Deferred tax asset (note 8(c))	173,542	109,246
	<u>13,491,188</u>	<u>11,465,387</u>

### 13. Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	370,465	460,423
Amounts owed to group undertakings	7,677,137	7,384,345
Corporation tax	46,637	701,032
Other taxation and social security	285,383	285,807
Other creditors	1,709,847	1,443,649
Accruals and deferred income	414,693	291,035
	<u>10,504,162</u>	<u>10,566,291</u>

### 14. Pensions

The company operates a defined contribution pension scheme for its directors and employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The unpaid contributions outstanding at the year end, included in 'Other creditors' (note 13), are £ 5,822 (2010 £5,742).

### 15. Commitments under operating leases

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as set out below:

	2011		2010	
	Land and buildings £	Plant and machinery (other) £	Land and buildings £	Plant and machinery (other) £
Operating leases which expire				
Within one year	-	36,460	-	43,848
In two to five years	379,616	175,330	204,266	204,594
In over 5 years	374,350	-	518,850	-
	<u>753,966</u>	<u>211,790</u>	<u>723,116</u>	<u>248,442</u>

# Benefit Cosmetics Limited

## Notes to the financial statements Year ended 31 December 2011

### 16. Issued share capital

	2011 £	2010 £
Allotted, called up and fully paid 2,000,100 ordinary shares of £1 each	<u>2,000,100</u>	<u>2,000,100</u>

### 17. Dividends and other appropriations

	2011 £	2010 £
<i>Declared and paid during the year</i>		
Equity dividends on ordinary shares		
Final dividend for 2010	<u>-</u>	<u>3,000,000</u>

### 18. Reconciliation of shareholders' funds and movements on reserves

	Share capital £	Profit and loss account £	Total shareholders' funds £
At 31 December 2009	2,000,100	13,352,575	15,352,675
Profit for the year	-	3,629,560	3,629,560
Dividends declared and paid (note 17)	-	(3,000,000)	(3,000,000)
	<u>2,000,100</u>	<u>13,982,135</u>	<u>15,982,235</u>
At 31 December 2010	2,000,100	13,982,135	15,982,235
Profit for the year	-	1,646,520	1,646,520
	<u>2,000,100</u>	<u>15,628,655</u>	<u>17,628,755</u>
At 31 December 2011	2,000,100	15,628,655	17,628,755

### 19. Ultimate parent undertaking and controlling party

The directors regard LVMH Moët Hennessy-Louis Vuitton SA, a company incorporated in France, as the ultimate parent undertaking and controlling party. In preparation of these financial statements advantage has been taken of the exemption in paragraph 3(c) of FRS 8 not to disclose transactions with other members of the group.

LVMH Moët Hennessy-Louis Vuitton SA is the parent undertaking of the largest group of which Benefit Cosmetics Limited is a member and for which group financial statements are drawn up. Copies of these group financial statements are available from 22 Avenue Montaigne, 75008 Paris, France.