

**Company Registration No. 375793**

**Church & Dwight UK Limited**

**Report and Financial Statements**

**30 November 2005**



# **Church & Dwight UK Limited**

## **Report and financial statements**

<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>3</b>
<b>Independent auditors' report</b>	<b>4</b>
<b>Profit and loss account</b>	<b>5</b>
<b>Statement of total recognised gains and losses</b>	<b>5</b>
<b>Balance sheet</b>	<b>6</b>
<b>Notes to the accounts</b>	<b>7</b>

# **Church & Dwight UK Limited**

## **Report and financial statements**

## **Officers and professional advisers**

### **Directors**

A J L Huns  
H E Cocker  
P J Gilham

### **Secretary**

P J Gilham

### **Registered office**

Wear Bay Road  
Folkestone  
Kent  
CT19 6PG

### **Bankers**

Barclays Bank plc  
Folkestone  
Kent

### **Solicitors**

CMS Cameron McKenna  
Mitre House  
160 Aldersgate Street  
London  
EC1A 4DD

### **Independent auditors**

Deloitte & Touche LLP  
Chartered Accountants  
Crawley

# Church & Dwight UK Limited

## Directors' report (continued)

The directors present their annual report and the audited financial statements for the year ended 30 November 2005.

### Activities

The principal activity of the company is the manufacture and marketing of toiletries, proprietary medicines and pharmaceuticals.

### Review of developments

The company made a profit before tax of £4,618,000 (2004 restated - £3,495,000) on turnover of £40,244,000 (2004 - £38,323,000). The position of the company at the year end is shown in the balance sheet on page 6.

### Dividends

The directors recommend the payment of a dividend of £461,000 being £0.64 per ordinary share (2004 - £450,168 being £0.63 per ordinary share).

### Future prospects

The company will continue to operate in its market in the UK and overseas, and will seek to take advantage of expansion opportunities wherever it sees fit.

### Directors and their interests

The directors who held office throughout the year were as follows:

A J L Huns  
H E Cocker  
P J Gilham

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

### Employees

Decisions on recruitment, career development, training, promotion and other employment related issues are made solely on grounds of individual merit and ability. These principles operate regardless of sex, marital status, race, colour, nationality, ethnic origin or disability. The company supports the employment of disabled persons wherever possible.

Employees of the company are regularly consulted by the directors and managers and kept informed of matters affecting them and the overall development of the company.

### Donations

During the year the company made no political donations (2004 - £nil). Donations to UK charities amounted to £nil (2004 - £2,605).

### Auditors

A resolution to re-appoint Deloitte & Touche LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

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

P J Gilham  
Secretary



26 January

2007

### **Statement of directors' responsibilities**

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the 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.

## **Independent Auditors' Report to the Members of Church & Dwight UK Limited**

We have audited the financial statements of Church & Dwight UK Limited for the year ended 30 November 2005 which comprise the profit and loss account, the balance sheet and the related notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above period and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the 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.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 30 November 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche LLP**  
Chartered Accountants and Registered Auditors  
Crawley

30 January 2007

# Church & Dwight UK Limited

## Profit and loss account Year ended 30 November 2005

	Note	2005 £'000	2004 (As restated see Note 2) £'000
<b>TURNOVER</b>	3	40,244	38,323
Cost of sales		25,591	23,998
Gross profit		14,653	14,325
Distribution costs		9,076	8,924
Administrative expenses		1,206	2,070
<b>TRADING PROFIT</b>		4,371	3,331
Other operating income		67	-
<b>OPERATING PROFIT</b>	5	4,438	3,331
Other interest receivable and similar income	6	314	310
Interest payable and similar charges	7	(134)	(146)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		4,618	3,495
Tax on profit on ordinary activities	8	(573)	(1,304)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR</b>		4,045	2,191
Equity dividends	9	(461)	(450)
<b>Retained profit for the financial year</b>		3,584	1,741

All activities derive from continuing operations.

## Statement of total recognised gains and losses Year end 30 November 2005

	Note	2005 £'000	2004 (As restated see Note 2) £'000
Profit for the financial year		3,584	1,741
Actuarial gain/(loss) relating to the pension scheme	19	199	(1,001)
UK deferred tax attributable to actuarial loss		(60)	300
Total recognised gains and losses relating to the current year		3,723	1,040
Prior year adjustment	2	(5,180)	
<b>Total gains and losses recognised since the last annual report</b>		(1,457)	

# Church & Dwight UK Limited

## Balance sheet 30 November 2005

	Note	2005 £'000	2004 (As restated see Note 2) £'000
<b>FIXED ASSETS</b>			
Intangible assets	10	2,408	2,606
Tangible assets	11	5,063	3,649
Investments	12	-	-
		<hr/> 7,471	<hr/> 6,255
<b>CURRENT ASSETS</b>			
Stocks	13	6,789	6,329
Debtors	14	15,294	11,420
Cash at bank and in hand		4,525	8,173
		<hr/> 26,608	<hr/> 25,922
<b>CREDITORS: amounts falling due within one year</b>	15	(5,725)	(7,276)
<b>NET CURRENT ASSETS</b>		<hr/> 20,883	<hr/> 18,646
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/> 28,355	<hr/> 24,901
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	16	(445)	(318)
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		<hr/> 27,909	<hr/> 24,583
Net pension liability	19	(3,879)	(4,276)
<b>NET ASSETS INCLUDING NET PENSION LIABILITY</b>		<hr/> 24,030	<hr/> 20,307
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	716	716
Share premium account		208	208
Profit and loss account		23,106	19,383
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>	20	<hr/> 24,030	<hr/> 20,307

These financial statements were approved by the Board of Directors on *20th January* 2007.

Signed on behalf of the Board of Directors

*Howard Cocker*

H E Cocker  
Director



## Notes to the accounts Year ended 30 November 2005

### 1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently except for the adoption of FRS17 (Retirement Benefits), as described in note 2.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

The company has a subsidiary Denver Laboratories Limited which has not been consolidated as it is not material. These accounts therefore relate to the individual company and not the group.

#### Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Freehold buildings	2% per annum
Fixtures and fittings	10% - 14%
Plant and machinery	10% - 20%

No depreciation is provided on freehold land or assets in the course of construction.

#### Intangible fixed assets

Concessions, licences and trademarks purchased by the company prior to the introduction of Financial Reporting Standard 10 are amortised over 40 years based on the original acquisition plan. These assets have continued to perform in accordance with the original plan and consequently a 40 year useful life is still considered to be appropriate. Concessions, licences and trademarks acquired since 1997 together with non-competitive covenants and other intangibles amortised over 20 years, the presumed maximum life under Financial Reporting Standard 10.

#### Stocks

Stocks are stated at the lower of cost and net realisable value. For work in progress and finished goods manufactured by the company, cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

#### Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

## Notes to the accounts Year ended 30 November 2005

### 1. Accounting policies (continued)

#### Pension costs

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits are vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

#### Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year.

### 2. Prior year adjustment

FRS17, Retirement benefits, has been applied as a full accounting standard in the year ended 30 November 2005, as opposed to a disclosure only standard. The comparative figures in the primary statements and the notes have been restated to reflect the new policy.

The effects of the change are summarised below:

#### a) Balance sheet

	Prepayments and accrued income £'000	Pension liability £'000	Equity shareholders' funds £'000
2004 as previously reported	2,538	-	25,487
<b>Change of accounting policy:</b>			
At 1 December 2003	(539)	(3,899)	(4,438)
For the year ended 30 November 2004	(365)	(377)	(742)
Change of accounting policy			
Total impact at 30 November 2004	(904)	(4,276)	(5,180)
As restated at 30 November 2004	1,634	(4,276)	20,307

# Church & Dwight UK Limited

## Notes to the accounts Year ended 30 November 2005

### 2. Prior year adjustment (continued)

#### b) Profit and loss account

	Cost of sales £'000	Administrative expenses £'000	Interest payable and similar charges £'000	Tax on profit on ordinary activ
Year ended 30 November 2004 as previously reported	(23,664)	(1,408)	-	(1,443)
Change of accounting policy	(334)	(662)	(146)	139
Year ended 30 November 2004 as restated	<u>(23,998)</u>	<u>(2,070)</u>	<u>(146)</u>	<u>(1,304)</u>

In the year ended 30 November 2005, the adoption of FRS17 has resulted in an increase in cost of sales of £314,000, an increase in administrative expenses of £278,000, an increase in interest payable and similar charges of £134,000 and a decrease in the tax charge of £110,000.

### 3. Turnover

	2005 £'000	2004 £'000
<b>By geographical market:</b>		
United Kingdom	24,221	22,474
Europe	4,924	4,991
Middle East	3,130	2,858
Other	7,969	8,000
	<u>40,244</u>	<u>38,323</u>

All turnover is derived from the company's principal activity.

### 4. Information regarding directors and employees

	2005 £'000	2004 £'000
Directors' emoluments	<u>287</u>	<u>265</u>

#### Highest paid director:

The aggregate of emoluments of the highest paid director was £198,197 (2004 - £174,400). He is a member of a defined benefit scheme, under which the accrued pension to which he would be entitled from normal retirement date if he were to leave service at the period end was £83,911 per annum (2004 - £81,467 per annum).

	2005 No.	2004 No.
<b>Retirement benefits are accruing to the following number of directors under:</b>		
Defined benefit scheme	<u>2</u>	<u>2</u>

# Church & Dwight UK Limited

## Notes to the accounts Year ended 30 November 2005

### 4. Information regarding directors and employees (continued)

	2005 No.	2004 No.
<b>Average number of persons employed (including directors) during the year:</b>		
Marketing	16	16
Sales	17	18
Administration	18	18
Manufacturing	252	190
	<u>303</u>	<u>242</u>
	<b>£'000</b>	<b>£'000</b>
<b>Staff costs during the year:</b>		
Wages and salaries	5,962	5,208
Social security costs	481	420
Pension costs	726	1,077
	<u>7,169</u>	<u>6,705</u>

### 5. Operating profit

	2005 £'000	2004 (As restated see note 2) £'000
<b>Operating profit is stated after charging/(crediting):</b>		
Depreciation	544	459
Amortisation of concessions, licences and trademarks	198	145
Exchange losses/(gains)	8	(40)
Rentals payable under operating leases:		
hire of plant and machinery	93	99
hire of other assets	443	324
Auditors' remuneration:		
audit fees	45	45
other amounts paid to auditors	20	5
	<u></u>	<u></u>

### 6. Other interest receivable and similar income

	2005 £'000	2004 £'000
Bank interest	175	207
Other interest receivable - group	139	103
	<u>314</u>	<u>310</u>

# Church & Dwight UK Limited

## Notes to the accounts Year ended 30 November 2005

### 7. Interest payable and similar charges

	2005	2004 (As restated see note 2)
	£'000	£'000
Other finance charges – net interest expense on pension scheme assets and liabilities	134	146

### 8. Tax on profit on ordinary activities

#### (a) Analysis of tax charge on ordinary activities

	2005	2004 (As restated see note 2)
	£'000	£'000
<b>Current tax</b>		
United Kingdom corporation tax at 30% (2004 – 30%) based on the profit for the year	831	1,380
Adjustments in respect of prior years	(66)	-
	765	1,380
Group relief - current year	-	135
Group relief - prior year adjustment	(429)	-
Total current tax	336	1,515
<b>Deferred tax</b>		
Timing differences, origination and reversal	129	(72)
Adjustments in respect to prior years	(2)	-
FRS17 current year tax timing differences	110	139
	573	1,582

#### (b) Factors affecting current tax charge for the year

The tax assessed for the year is different than that resulting from applying the standard rate of corporation tax in the UK 30% (2004 – 30%). The differences are explained below:

	2005	2004 (As restated see note 2)
	£'000	£'000
Profit on ordinary activities before taxation	4,618	3,495
Tax at 30% thereon:	1,385	1,048
Effects of:		
Income disallowable/expenses not deductible for tax purposes	(180)	54
Capital allowances in excess of depreciation	(118)	(53)
Movement in short term timing differences	(11)	124
Group relief not paid for	(135)	-
Prior period adjustment	(495)	-
Effect of FRS17 restatement	-	341
FRS17 current year tax timing differences	(110)	-
Total actual amount of current tax	336	1,515

# Church & Dwight UK Limited

## Notes to the accounts Year ended 30 November 2005

### 9. Equity dividends

	2005 £'000	2004 £'000
Dividend of £0.64 per ordinary £1 share (2004 - £0.63) paid in instalments	461	450

### 10. Intangible fixed assets

	Other £'000	Non- competitive covenants £'000	Concessions, licences and trademarks £'000	Total £'000
<b>Cost</b>				
At 1 December 2004 and at 30 November 2005	16	75	4,035	4,126
<b>Accumulated amortisation</b>				
At 1 December 2004	-	75	1,445	1,520
Charge for the year	-	-	198	198
At 30 November 2005	-	75	1,643	1,718
<b>Net book value</b>				
At 30 November 2005	16	-	2,392	2,408
At 30 November 2004	16	-	2,590	2,606

### 11. Tangible fixed assets

	Freehold land £'000	Freehold buildings £'000	Plant, machinery, fixtures and fittings £'000	Assets in the course of construction £'000	Total £'000
<b>Cost</b>					
At 1 December 2004	32	1,433	8,869	546	10,880
Additions	-	4	1,415	539	1,958
Transfer to fellow group undertakings	-	-	(245)	-	(245)
At 30 November 2005	32	1,437	10,039	1,085	12,593
<b>Accumulated depreciation</b>					
At 1 December 2004	-	577	6,654	-	7,231
Charge for the year	-	57	487	-	544
Transfer to fellow group undertakings	-	-	(245)	-	(245)
At 30 November 2005	-	634	6,896	-	7,530
<b>Net book value</b>					
At 30 November 2005	32	803	3,143	1,085	5,063
At 30 November 2004	32	856	2,215	546	3,649

# Church & Dwight UK Limited

## Notes to the accounts Year ended 30 November 2005

### 12. Investments

	2005 £'000	2004 £'000
Investment in Denver Laboratories Limited	-	-

The company has a dormant subsidiary Denver Laboratories Limited, incorporated in the United Kingdom, which has not been consolidated as it is not material.

### 13. Stocks

	2005 £'000	2004 £'000
Raw materials and consumables	2,515	738
Work-in-progress	868	2,559
Finished goods and goods for resale	3,406	3,032
	<u>6,789</u>	<u>6,329</u>

### 14. Debtors

	2005 £'000	2004 (As restated see note 2) £'000
Trade debtors	6,953	5,831
Amounts owed by group undertakings	7,715	3,868
Corporation tax recoverable	137	34
Other debtors	50	53
Prepayments and accrued income	439	1,634
	<u>15,294</u>	<u>11,420</u>

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

	2005 £'000	2004 £'000
Trade creditors	2,224	2,291
Amounts owed to group undertakings	897	259
Current corporation tax	146	830
Group relief payable	-	429
Other taxes and social security	194	243
Accruals and deferred income	2,142	3,112
Dividend payable	122	112
	<u>5,725</u>	<u>7,276</u>

There is a contingent liability relating to 2 bonds in favour of H M Revenue and Customs totalling £120,000 (2004 - £120,000).

# Church & Dwight UK Limited

## Notes to the accounts Year ended 30 November 2005

### 16. Provisions for liabilities and charges

#### Deferred taxation

	£'000
Balance at 1 December 2004	318
Charge for the period in the profit and loss account	127
Balance at 30 November 2005	445

The amounts provided in the accounts for deferred taxation are as follows:

	2005 £'000	2004 £'000
Difference between accumulated depreciation and amortisation and capital allowances	503	387
Other short term timing differences	(58)	(69)
	445	318

### 17. Called up share capital

	2005 £'000	2004 £'000
Authorised, allotted, called up and fully paid 716,000 equity ordinary shares of £1 each	716	716

### 18. Financial commitments

	2005 £'000	2004 £'000
Capital commitments:		
Contracted for but not provided	264	950

	2005		2004	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Obligations under non-cancellable operating leases expiring:				
within one year	18	91	22	80
in the second to fifth years inclusive	60	160	71	410
over five years	137	-	301	41
	215	215	394	531



## Notes to the accounts

### Year ended 30 November 2005

#### 19. Pensions

The company operates two funded pension schemes providing benefits based on final pensionable pay namely the "Main Plan" and the "Senior Executive Plan". Contributions to the schemes are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by the schemes' qualified actuaries on the basis of regular valuations.

For the most recent valuation of the Main Plan, as at 28 February 2003, the Projected Unit Method was used. At that date, the market value of the Retirement Benefits Plan's assets was £8,426,000 which represented 59% of the benefits that had accrued to members of the Main Plan after allowing for expected future increases in earnings.

The Senior Executive Plan was set up with effect from 1 November 1989 to provide additional benefits to senior employees in the Main Plan. The most recent valuation for the Senior Executive Plan, as at 28 February 2005, used the Attained Age Method.

At the date of the latest valuation the market value of the Senior Executive Plan scheme's assets was £1,614,000 and the actuarial value of those assets represented 72% of the benefits that had accrued to members of the Senior Executive Plan after allowing for expected future increases in earnings.

On the basis of this valuation the Senior Executive Plan's actuaries have determined a past service deficit of £630,000, which is being accounted for over seventeen years, the average remaining service lives of the Senior Executive Plan's members.

In order to comply with the disclosure requirements of Financial Reporting Standards Number 17 – "Retirement Benefits"; the following information in respect of Carter-Wallace Limited Defined Benefit Pension Schemes (the Carter Products Limited Retirement Benefits Plan and the Carter Products Limited Senior Executive Plan) is presented as at 30 November 2005.

The following amounts have been disclosed on a combined basis. The valuations for both plans were updated to 30 November 2005 by a qualified actuary.

The major assumptions used by the actuary were in nominal terms:

	At year end 30 November 2005	At year end 30 November 2004	At year end 30 November 2003
Rate of increase in salaries	4.35%	4.25%	4.30%
Rate of increase of pensions in payment	2.85%	2.75%	2.80%
Rate of increase of pensions in deferment	2.85%	2.75%	2.80%
Discount rate	5.10%	5.30%	5.60%
Inflation assumption	2.85%	2.75%	2.80%

# Church & Dwight UK Limited

## Notes to the accounts Year ended 30 November 2005

### 19. Pensions (continued)

The assets in the Plans and the expected rates of return (net of Plan expenses) were:

	At year end 30 November 2005	At year end 30 November 2005 £'000	At year end 30 November 2004	At year end 30 November 2004 £'000	At year end 30 November 2003	At year end 30 November 2003 £'000
Equities	6.8%	12,554	7.1%	10,316	7.5%	8,647
Gilts	4.3%	2,930	4.6%	2,071	5.1%	3,073
Other Bonds	5.10%	482	5.3%	668	-	-
Other	4.5%	1,130	4.75%	790	6.50%	275
Property	6.8%	376	6.1%	323	4.00%	421
Total market value of assets		17,472		14,168		12,416
Actuarial value of liability		(23,013)		(20,276)		(17,986)
Recoverable deficit in the Plans		(5,541)		(6,108)		(5,570)
Related deferred tax asset		1,662		1,832		1,671
Net pension liability		<u>(3,879)</u>		<u>(4,276)</u>		<u>(3,899)</u>

### Reconciliation of scheme assets and liabilities to the balance sheet

	30 November 2005 £'000	30 November 2004 £'000	30 November 2003 £'000
Fair value of scheme assets	17,472	14,168	12,416
Present value of scheme liabilities	(23,013)	(20,276)	(17,986)
Deficit in scheme	(5,541)	(6,108)	(5,570)
Related deferred tax	1,662	1,832	1,671
Net pension liability	<u>(3,879)</u>	<u>(4,276)</u>	<u>(3,899)</u>

### Analysis of the amount charged to operating profit

	Year to 30 November 2005 £'000	Year to 30 November 2004 £'000
Current service cost	<u>592</u>	<u>631</u>

# Church & Dwight UK Limited

## Notes to the accounts Year ended 30 November 2005

### 19. Pensions (continued)

#### Analysis of amounts included as other finance cost

	Year to 30 November 2005 £'000	Year to 30 November 2004 £'000
Expected return on pension scheme assets	946	865
Interest on pension liabilities	(1,080)	(1,011)
Net finance charge	(134)	(146)

#### Analysis of amount recognised in statement of total recognised gains and losses (STRGL)

	Year to 30 November 2005 £'000	Year to 30 November 2004 £'000
Actual return less expected return on assets	1,653	155
Experience gains and losses on liabilities	(183)	(110)
Changes in assumptions	(1,271)	(1,046)
Actuarial gain/(loss) recognised in STRGL	199	(1,001)
Net gain/(loss) that would be recognised	199	(1,001)

#### Movement in deficit during the year

	Year to 30 November 2005 £'000	Year to 30 November 2004 £'000
Deficit in Plans at beginning of year	(6,108)	(5,570)
Movement in year:		
Current service cost	(592)	(631)
Contributions	1,094	1,240
Interest cost	(134)	(146)
Actuarial gain/(loss)	199	(1,001)
Deficit in Plans at end of year	(5,541)	(6,108)

The actuarial valuations at 30 November 2005 showed a decrease in the deficit from £6,108,000 to £5,541,000. Company cash contributions for the year were £1,094,000 (2004 - £1,240,000) to both plans.

# Church & Dwight UK Limited

## Notes to the accounts Year ended 30 November 2005

### 19. Pensions (continued)

#### History of experience gains and losses

	Year ended 30 November 2005	Year ended 30 November 2004	Year ended 30 November 2003	Year ended 30 November 2002
<b>Difference between expected and actual return on Plan assets:</b>				
amount (£'000)	1,653	155	231	(1,878)
percentage of Plan assets	9%	1%	2%	(17%)
<b>Experience gains and losses on Plan liabilities:</b>				
	(183)	(110)	(180)	(232)
percentage of Plan liabilities	(1%)	(1%)	(1%)	(1%)
<b>Total amount recognised in statement of total recognised gains and losses:</b>				
amount (£'000)	199	(1,001)	(1,163)	(1,455)
percentage of Plan liabilities	1%	(5%)	(6%)	(9%)

### 20. Combined reconciliation of movements in equity shareholders' funds and statement of movements on reserves

	Share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
Balance at 1 December 2004 (restated)	716	208	19,383	20,307
Profit for the financial year	-	-	4,045	4,045
Equity dividends	-	-	(461)	(461)
Net actuarial gain	-	-	139	139
Balance at 30 November 2005	<u>716</u>	<u>208</u>	<u>23,106</u>	<u>24,030</u>

### 21. Ultimate parent company

Church & Dwight UK Limited is a wholly owned subsidiary of Armkel UK Limited, incorporated in the United Kingdom, which is a fully owned subsidiary of Armkel Company (Netherlands) BV which in turn is a wholly owned subsidiary of Church & Dwight Co. Inc.

The company's ultimate parent undertaking is therefore Church & Dwight Co. Inc., incorporated in the state of Delaware, United States of America. The consolidated financial statements of this company are available to the public and may be obtained from 469 North Harrison Street, Princeton, New Jersey 08543-5297.

### 22. Related party transactions

The company has taken advantage of the exemption in FRS8 extended to subsidiary undertakings 90% or more of whose voting rights are controlled within a group, where the consolidated financial statements of the group are publicly available. Accordingly no disclosure has been made of transactions with entities that are part of the group.