

**Reckitt Benckiser Expatriate Services Limited**

Company registration number: 2987180

Report and Accounts  
for the year ended 31 December 2005



## **Reckitt Benckiser Expatriate Services Limited**

### **Report of the directors for the year ended 31 December 2005**

#### **Directors:**

F.A. Ruether  
C.R. Day  
S.J. Edwards  
M.R. Wilson

#### **Auditors**

The Auditors PricewaterhouseCoopers LLP have expressed their willingness to continue in office. A resolution will be proposed at the Annual General Meeting to re-appoint them and to authorise the Directors to set their remuneration.

#### **Responsibilities of directors for the preparation of financial statements**

The following statement, which should be read in conjunction with the auditors' report set out on page 3, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements.

The directors are required by the Companies Act 1985 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 for the financial year.

The directors consider that in preparing the financial statements the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors are also responsible for ensuring that reasonable procedures are being followed for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

#### **Principal activity**

The principal activity of the Company is the secondment of employees to companies within the Reckitt Benckiser plc group. The directors do not expect any changes to this activity during 2006.

#### **Results for the year and movement on reserves**

The accounts for 2005 show a loss for the year of £1,020,000 (2004 - £1,263,000) which has been transferred from reserves. The directors do not recommend the payment of a dividend (2004 - £nil).

## Reckitt Benckiser Expatriate Services Limited

### Report of the directors for the year ended 31 December 2005 (continued)

#### Interests of directors

No director had a notifiable interest in the shares of the Company at the beginning or at the end of the financial year, according to the register kept in accordance with s325 of the Companies Act 1985.

As permitted by statutory instrument, the register does not include any interest of those directors who are also directors of a holding company. Directors whose interests are disclosed in a holding company are given below:

C.R. Day	- Reckitt Benckiser plc
F.A. Ruether	- Reckitt Benckiser Corporate Services Limited
S.J. Edwards	- Reckitt Benckiser Investments Limited
M.R. Wilson	- Reckitt Benckiser Investments Limited

On behalf of the Board



E. Richardson  
Secretary

11 August 2006

## **Reckitt Benckiser Expatriate Services Limited**

### **Independent auditors' report to the members of Reckitt Benckiser Expatriate Services Limited**

We have audited the financial statements of Reckitt Benckiser Expatriate Services Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of movements in Shareholders' funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### **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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 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**

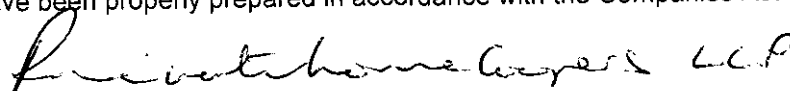
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**London**

*11 August 2006*

**Reckitt Benckiser Expatriate Services Limited**

**Profit and loss account**  
year ended 31 December 2005

	Notes	<b>2005</b> <b>£000</b>	<b>2004</b> <b>£000</b>
Turnover		4,235	4,236
<b>Gross Profit</b>		<u>4,235</u>	<u>4,236</u>
Administrative expenses		(5,265)	(5,499)
<b>Operating loss and loss on ordinary activities before taxation</b>	1	<u>(1,030)</u>	<u>(1,263)</u>
Tax credit on loss on ordinary activities	3	10	0
<b>Loss on ordinary activities after taxation and loss for the year</b>	4	<u>(1,020)</u>	<u>(1,263)</u>

**Notes:**

- 1) The Company had no recognised gains or losses other than the result for the year and therefore a statement of total recognised gains and losses has not been prepared.
- 2) The results for the year derive entirely from continuing operations.

**Reckitt Benckiser Expatriate Services Limited**

**Balance sheet**  
as at 31 December 2005

	Notes	2005 £000	2004 £000
<b>Current assets</b>			
Debtors due within one year	5	295	342
<b>Current liabilities</b>			
Creditors due within one year	6	(4,511)	(3,538)
<b>Net current liabilities, total assets</b>		<u>(4,216)</u>	<u>(3,196)</u>
<b>less current liabilities, and net liabilities</b>			
<b>Capital and Reserves</b>			
Called up share capital	7	0	0
Profit and loss account	4	(4,216)	(3,196)
<b>Total shareholders' deficit (equity interests)</b>		<u>(4,216)</u>	<u>(3,196)</u>

On behalf of the Board



M.R. Wilson  
Director

11 August 2006

**Reckitt Benckiser Expatriate Services Limited**

**Reconciliation of movements in shareholders' deficit**

	<b>Share Capital £000</b>	<b>Profit &amp; Loss Account £000</b>	<b>Total £000</b>
<b>At 1st January 2004</b>	0	(1,933)	(1,933)
Loss for the year	0	(1,263)	(1,263)
<b>At 31st December 2004</b>	0	(3,196)	(3,196)
Loss for the year	0	(1,020)	(1,020)
<b>At 31st December 2005</b>	0	(4,216)	(4,216)

# Reckitt Benckiser Expatriate Services Limited

## Notes to the accounts

### Accounting policies

#### Accounting convention:

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

#### Interest:

Interest payable is charged to the profit and loss account as incurred and interest receivable is credited as it falls due.

#### Taxation:

The tax charge is based on the profit for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax liabilities are provided for in full and deferred tax assets are recognised to the extent that they are considered recoverable.

Financial Notes	2005 £000	2004 £000
<b>1. <u>Operating loss is stated after charging the following</u></b>		
Administrative expenses:		
Wages and salaries	4,578	5,000
Pension and healthcare	646	579
Administration charges	21	13
	<hr/> 5,245	<hr/> 5,592
Foreign exchange loss/(gain)	20	(93)
	<hr/> 5,265	<hr/> 5,499
<b>2. <u>Number of staff</u></b>	Number	Number
The average number of persons employed during the year was		
Western Europe	0	0
North America	0	0
Latin America	1	3
Asia Pacific	5	8
Rest of World	24	23
	<hr/> 30	<hr/> 34
<b>3. <u>Tax credit on loss on ordinary activities</u></b>		
UK corporation tax charge at 30% (2004 - 30%)	10	0

# Reckitt Benckiser Expatriate Services Limited

## Notes to the accounts

### Financial Notes (continued)

#### 3. Tax on loss on ordinary activities (continued)

The current tax credit for the year is lower (2004 - lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2005 £000	2004 £000
Loss on ordinary activities before tax	(1,030)	(1,263)
Tax at standard rate of UK corporation tax 30% (2004 - 30%)	(309)	(379)
Effects of:		
Expenses not deductible for tax purposes	299	379
Total current tax (as above)	(10)	0

The tax charge/(credit) is expected to be impacted by items in the nature of those listed above for the foreseeable future.

#### 4. Profit and loss account

At beginning of year	(3,196)	(1,933)
Loss for the financial year	(1,020)	(1,263)
At balance sheet date	(4,216)	(3,196)

#### 5. Debtors due within one year

Amounts owed by group undertakings		
Fellow subsidiaries	271	277
Prepayments and accrued income	24	65
	295	342

The amounts owed by the fellow subsidiary companies are unsecured, interest free and have no fixed dates of repayment.

#### 6. Creditors due within one year

Amounts owed to group undertakings		
Immediate parent company	4,511	3,538

The amounts owed to the immediate parent company are unsecured, interest free and have no fixed dates of repayment.

# Reckitt Benckiser Expatriate Services Limited

## Notes to the accounts

### Financial Notes (continued)

	Number of Shares	2005 £'s	2004 £'s
7. <b><u>Called up share capital</u></b>			
Allotted, called up and fully paid:			
Equity capital:			
Ordinary shares of £1 each	2	2	2
Authorised share capital:			
Ordinary shares of £1 each	100	100	100

### 8. **Directors**

During the period the Company had 4 directors resident in the UK, none of whom received any emoluments from the Company (2004 - 4 directors - no emoluments). During the year 3 directors exercised options over Reckitt Benckiser plc shares (2004 - 3 directors). Details of directors' interests, who are also directors of other group companies in the group, are disclosed in financial statements of the following group companies:

C.R. Day	- Reckitt Benckiser plc
F.A Ruether	- Reckitt Benckiser Corporate Services Limited
S.J. Edwards	- Reckitt Benckiser Investments Limited
M.R. Wilson	- Reckitt Benckiser Investments Limited

### 9. **Ultimate parent company**

The ultimate parent company is Reckitt Benckiser plc, a company registered in England and Wales into whose group accounts the Company's accounts have been consolidated. Copies of the group accounts of Reckitt Benckiser plc can be obtained from 103-105 Bath Road, Slough, Berkshire, SL1 3UH.

The immediate parent of the Company is Reckitt Benckiser Corporate Services Limited.

### 10. **Related Party Transactions**

The Company is a wholly owned subsidiary of the Reckitt Benckiser Group. The Company has taken advantage of the exemption within Financial Reporting Standard No. 8 not to disclose related party transactions with other members of the Reckitt Benckiser Group.

### 11. **Cash flow statement**

Reckitt Benckiser plc has included a cash flow statement in its 2005 group financial statements. Therefore, as permitted by Financial Reporting Standard No. 1 (revised 1996) 'Cash Flow Statements', the directors have not produced a cash flow statement.

### 12. **Auditors' remuneration**

The auditors' remuneration is met by the ultimate parent company Reckitt Benckiser plc.

### 13. **Parental support**

The immediate parent company has indicated its willingness to continue to meet the liabilities of the Company as they fall due.