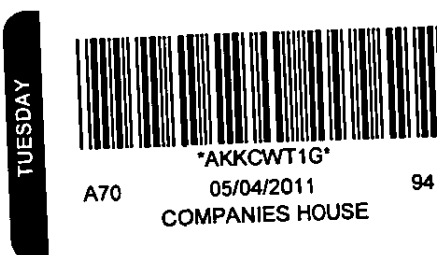


Simple Health & Beauty Group Limited

**Directors' report and financial
statements**

Registered number 4883233

**For the 9 month period ended 30 September
2010**



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Directors and advisors

Directors

A L Pike
D Penn
T Monaghan
R Hynes
R Nicoletti
G P Schmidt
M Halliwell

Independent auditors

KPMG LLP
3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX

Registered office

4th Floor
Chadwick House
Blenheim Court
Solihull
West Midlands
B91 2AA

Bankers

Bank of Scotland
Citymark
150 Fountainbridge
Edinburgh
EH3 9DE

Directors' report

The directors present their directors' report and financial statements for the 9 month period ended 30 September 2010. Following the acquisition of the company by Alberto-Culver UK Products Ltd on 18 December 2009, the Company changed its year end to 30 September in order to align its accounting reference date with its parent undertaking.

Principal activities and business review

The principal activity of Simple Health & Beauty Group Limited (the "Company") is to act as a holding company for subsidiaries engaged in the distribution of health and beauty products.

In September 2010, Unilever, a worldwide consumer goods company, made a formal offer to acquire all the shares of the ultimate parent company, Alberto-Culver Company, a US based organisation. As of the date of these financial statements, the offer has been accepted by Alberto-Culver Company shareholders, but not yet completed.

Results and dividends

The profit for the period attributable to shareholders amounts to £2,835,000 (2009 £14,024,000 loss). The Directors recommended and paid an interim dividend of £9,000,000 in the period (2009 £Nil).

During the period, dividends of £9,000,000 were received from Accantia Group Holdings Ltd.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of Alberto-Culver UK Products Limited, which include those of the Company, are discussed in the Directors' Report to the Group's annual report which does not form part of this report.

Charitable and political contributions

The Company made no charitable or political contributions during the period (2009 Nil).

Directors

The Directors of the Company at the date of this report are those listed on page 1. The Directors who served during the period were as follows:

P J Hatherly (Resigned 26 October 2010)
G M Percy (Resigned 31 August 2010)
A L Pike
D Penn
T Monaghan
R Hynes
R Nicoletti
G P Schmidt
M Halliwell

Directors' report *(continued)*

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors

On 11 August 2010, PricewaterhouseCoopers LLP resigned as auditors and KPMG LLP were appointed in their place Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



M Halliwell
Director

4th Floor
Chadwick House
Blenheim Court
Solihull
West Midlands
B91 2AA

25 March 2011

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP

3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX
United Kingdom

Independent auditor's report to the members of Simple Health & Beauty Group Limited

We have audited the financial statements of Simple Health & Beauty Group Limited for the period ended 30 September 2010 set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2010 and of its profit for the period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditor's report to the members of Simple Health & Beauty Group Limited *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



A C Campbell-Orde (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX

25 March 2011

Profit and loss account
for the period ended 30 September 2010

	<i>Note</i>	9 months 2010 £000	12 months 2009 £000
Interest receivable and similar income	4	3	-
Interest payable and similar charges	5	(6,168)	(14,024)
Dividends received		9,000	-
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation	2	2,835	(14,024)
Tax on profit/(loss) on ordinary activities	6	-	-
		<hr/>	<hr/>
Profit/(loss) for the financial period	13	2,835	(14,024)
		<hr/>	<hr/>

There is no recognised gains and losses other than those in the profit and loss account above, and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical cost equivalents

The notes on pages 9 to 13 form part of these financial statements

Balance Sheet
at 30 September 2010

	<i>Note</i>	30 September 2010 £000	31 December 2009 £000
Fixed assets			
Investments	7	202,494	202,494
		<u>202,494</u>	<u>202,494</u>
Current assets			
Debtors due within one year	8	45	45
Cash at bank and in hand		47	52
		<u>92</u>	<u>97</u>
Creditors amounts falling due within one year	9	(1,295)	(164,927)
Net current liabilities		<u>(1,203)</u>	<u>(164,830)</u>
Total assets less current liabilities		<u>201,291</u>	<u>37,664</u>
Creditors , amounts falling due after more than one year	10	(169,792)	-
Net assets		<u>31,499</u>	<u>37,664</u>
Capital and reserves			
Called up share capital	11	54	54
Share premium account	12	500	200,388
Profit and loss account	13	30,945	(162,778)
Total shareholders' funds	14	<u>31,499</u>	<u>37,664</u>

The notes on pages 9 to 13 form part of these financial statements

These financial statements were approved by the board of directors on 25 March 2011 and were signed on its behalf by



M Halliwell
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

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

Basis of preparation

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

The company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements, as it is a wholly owned subsidiary that is included in the accounts of a larger group. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

Cashflow preparation

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that more than 90% of the voting rights in the company are controlled within the group headed by the company's ultimate parent undertaking, which includes the company in its own published consolidated financial statements.

Related party transactions

The company has taken advantage of the exemption available under Financial Reporting Standard 8, from the requirement to disclose transactions with entities that are part of the group headed by the company's ultimate parent undertaking or investees of that group qualifying as related parties, on the grounds that all of the voting rights in the company are controlled within the group and the company's ultimate parent undertaking includes the company in its own published consolidated financial statements.

Share capital

Ordinary share capital is classified as equity if it is non-redeemable by the shareholder and any dividends are discretionary. Dividends are recognised as distributions within equity.

2 Profit on ordinary activities before taxation

The audit fee is borne by other group undertakings.

3 Remuneration of directors

The Company has no employees other than the Directors. The Directors of the Company were paid by other group undertakings.

Notes (continued)

4 Interest receivable and similar income

	9 months 2010 £000	12 months 2009 £000
Bank interest receivable	3	-

5 Interest payable and similar charges

	9 months 2010 £000	12 months 2009 £000
Interest payable to group undertakings	(6,168)	(14,024)

6 Taxation

Analysis of charge in the period

	9 months 2010 £000	12 months 2009 £000
Current tax		
UK Corporation tax on result of the period	-	-

There is no recognised or unrecognised deferred tax in either period

Factors affecting tax charge for the period

The tax assessed for the period is lower (2009 higher) than the average standard rate of corporation tax in the UK which is 28% (2009 28%) The differences are explained below

Current tax reconciliation

	9 months 2010 £000	12 months 2009 £000
Profit/(loss) on ordinary activities before taxation	2,835	(14,024)
Multiplied by the standard rate of corporate tax in the UK of 28% (2009 28%)	794	(3,927)
Effects of:		
Group relief	1,726	3,927
Dividends received	(2,520)	-
Current tax charge	-	-

Notes (continued)

7 Investments

Shares in subsidiary undertakings:

	£000
Cost	
At 1 January 2010 and 30 September 2010	301,494
Provision for impairment	
At 1 January 2010 and 30 September 2010	(99,000)
Net book amount	
At 31 December 2009 and 30 September 2010	202,494

Details of the principal subsidiary companies at the period end are as follows

	Country of registration and incorporation	Nature of business	Proportion of shares held by group %	Type of shares
Accantia Employee Benefits Limited	England and Wales	Trustee	100	£1 ordinary
Accantia Group Holdings	England and Wales	Holding company	100	1p ordinary
Accantia Limited *	England and Wales	Dormant	100	£1 ordinary 0 5p ordinary A
Accantia (Holdings) Limited *	England and Wales	Dormant	100	£1 ordinary
Accantia (Overseas) Limited *	England and Wales	Dormant	100	Limited by guarantee
Accantia Health & Beauty Limited *	England and Wales	Dormant	100	25p ordinary
Simple Toiletries Limited *	England and Wales	Sale of health & beauty products	100	£1 ordinary
Simple Health & Beauty Limited*	England and Wales	Agency company	100	£1 ordinary £1 convertible preferred ordinary £1 cumulative irredeemable preference

* Indirect holdings

The directors consider the value of the investments to be supported by their underlying values

8 Debtors: amounts falling due within one year

	2010 £000	2009 £000
Corporation Tax	45	45

Notes (continued)

9 Creditors: amounts falling due within one year

	2010 £000	2009 £000
<i>Other creditors</i>		
Amounts owed to group undertakings	(1,295)	(164,927)

Amounts due to Group undertakings are repayable on demand

10 Creditors: amounts falling due after more than one year

	2010 £000	2009 £000
<i>Other creditors</i>		
Amounts owed to group undertakings	(169,792)	-

Amounts due to Group undertakings are repayable in full on 31 July 2012. The loans are subject to a 5% per annum interest charge.

11 Called up share capital

	2010 £000	2009 £000
<i>Allotted, called up and fully paid</i>		
5,357,607 Ordinary shares of 1p each	54	54

12 Share premium account

	2010 £000	2009 £000
Balance at beginning of period	200,388	1,084
Premium on share issue	-	199,304
Reduction during the period	(199,888)	-
Balance at end of period	500	200,388

Notes (continued)

13 Profit and loss account

	2010 £000
Balance at 1 January 2010	(162,778)
Profit for the financial period	2,835
Share premium reduction	199,888
Dividends paid	(9,000)
Balance at 30 September 2010	30,945

In the prior period, on 29 December 2009 the Company issued 4,357,607 ordinary shares for a consideration of £199,348,000 giving rise to a share premium of £199,304,000. On 2 September 2010 the Company reduced its share premium account by £199,888,000 and applied this amount to retained earnings reserve to eliminate the deficit on this account.

14 Reconciliation of movement in total shareholders' funds

	2010 £000	2009 £000
Profit for the period	2,835	(14,024)
Issue of ordinary shares	-	199,349
Cash cancellation of share warrants	-	(3,977)
Dividends paid	(9,000)	-
Net addition to shareholders' funds	(6,165)	181,348
Opening shareholders' funds	37,664	(143,684)
Closing shareholders' funds	31,499	37,664

15 Contingent liabilities

There were no contingent liabilities at 30 September 2010 (31 December 2009 – Nil)

16 Immediate parent company and ultimate controlling party

The immediate parent undertaking is Alberto-Culver UK Products Limited, a company incorporated in Great Britain and registered in England and Wales. The ultimate parent undertaking and controlling party is Alberto-Culver Company, a company incorporated in the United States of America. Copies of the group financial statements for Alberto-Culver Company can be obtained from Alberto-Culver Company, 2525 Armitage Avenue, Melrose Park, IL 60160, USA.