

Registered Number 4883233

SIMPLE HEALTH & BEAUTY GROUP LIMITED
REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

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Simple Health & Beauty Group Limited

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Simple Health & Beauty Group Limited

Registered number: 4883233

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2013**

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Mr R C Hazell

Ms A J K Elphick

Mr C J Leighton - Davies

Mrs A L Pike

(resigned on 4 April 2014)

Mr N S Fletcher

(resigned on 21 March 2013)

SECRETARY

The New Hovema Limited

(resigned on 14 November 2013)

Ms A K Conway

(appointed on 13 March 2014)

Mr R C Hazell

(appointed on 13 March 2014)

Mr J Thurston

(appointed on 13 March 2014)

REGISTERED OFFICE

Unilever House

100 Victoria Embankment

London

EC4Y 0DY

United Kingdom

REGISTERED OFFICE OF ULTIMATE PARENT COMPANY

Unilever PLC

Port Sunlight

Wirral

Merseyside CH62 4ZD

United Kingdom

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

1 Embankment Place

London WC2N 6RH

United Kingdom

Simple Health & Beauty Group Limited**Directors' Report for the year ended 31 December 2013**

The Directors submit their report and the audited financial statements of the Company for the year ended 31 December 2013.

Directors

The Directors of the Company who served during the year and up to the date of signing the financial statements are shown on page 1.

Principal activities, review of business and future developments

The principal activity of the Company is to act as a holding company. All of its out of pocket expenses, including the remuneration of auditors, were borne by the parent company or a fellow subsidiary.

The loss for the financial year attributable to shareholders amounts to (£104,998,000) (2012 profit: £23,437,000).

The Directors consider that, in the conditions prevailing during the year, the development of the Company's business and its financial position at the end of the year were satisfactory. The Directors do not expect any development in the Company's business in the coming year which is significantly different from its present activities.

Key Performance Indicators

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Principal Risks and Uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to relate to the deterioration of the underlying businesses that support the investments held. Additional risks that this Company and the Unilever Group are subject to, and how they are managed, in the context of the Unilever Group as a whole is provided in the Unilever Group published annual report.

Simple Health & Beauty Group Limited**Directors' Report for the year ended 31 December 2013 (continued)****Dividends**

The Directors paid a dividend of £nil in the year (2012: £25,000,000).

Statement of Directors' responsibilities

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 year. Under that law the Directors have prepared 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 accounting 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.

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.

Statement of Provision of Information to Auditors

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

1. So far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
2. 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 auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Simple Health & Beauty Group Limited**Directors' Report for the year ended 31 December 2013 (continued)****Going Concern**

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of the intermediate parent company Unilever UK Group Limited. This support is expected to continue for the foreseeable future. The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Strategic Report

The Company has taken advantage of disclosure exemptions available to small companies under Section 414B of Companies Act 2006, and not prepared a Strategic Report.

Independent Auditors

Next year, KPMG LLP will be in office as auditors of the Company in accordance with the provisions of Section 487(2) of the Companies Act 2006.

By Order of the Board



Ms A K Conway
Company Secretary

Date: 16 September 2014

Simple Health & Beauty Group Limited

Independent Auditors' Report to the Members of Simple Health & Beauty Group Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- Give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its loss 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Simple Health & Beauty Group Limited, comprise:

- The Balance Sheet as at 31 December 2013;
- The Profit and Loss Account for the year then ended;
- The accounting policies; and
- The notes to the financial statements, which include other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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.

Simple Health & Beauty Group Limited**Independent Auditors' Report to the Members of Simple Health & Beauty Group Limited (continued)**

In addition, we read all the financial and non-financial information in the report and accounts for the year ended 31 December 2013 (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception**Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Simple Health & Beauty Group Limited**Independent Auditors' Report to the Members of Simple Health & Beauty Group Limited (continued)****Responsibilities for the financial statements and the audit****Our responsibilities and those of the directors**

As explained more fully in the Statement of Directors' responsibilities set out on page 3, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.



Nicholas Campbell-Lambert (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date: 18 September 2014

Simple Health & Beauty Group Limited
Profit and Loss Account for the year ended 31 December 2013

	<u>Notes</u>	2013 £000	2012 £000
Impairment of investments	(1)	<u>(105,000)</u>	-
Operating (loss)/ profit		(105,000)	-
Income from investment in subsidiaries	(2)	<u>-</u>	<u>25,000</u>
(Loss)/profit on ordinary activities before interest		(105,000)	25,000
Interest payable and similar charges	(6)	-	(2,078)
Interest receivable and similar income	(7)	<u>2</u>	<u>-</u>
(Loss)/profit on ordinary activities before taxation		(104,998)	22,922
Taxation on (loss)/profit on ordinary activities	(8)	<u>-</u>	<u>515</u>
(Loss)/profit for the financial year		<u>(104,998)</u>	<u>23,437</u>

The notes on pages 12 to 18 are an integral part of these financial statements.

All operations in the year are, and in the comparative year were, continuing.

There are no material differences between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial year stated above and their historical cost equivalents.

The (loss)/profit for each financial year represents the total recognised (losses)/gains of that year and therefore no separate statement of total recognised gains and losses has been presented.

Simple Health & Beauty Group Limited

Balance Sheet as at 31 December 2013

	<u>Notes</u>	2013 £000	2012 £000
Fixed assets			
Investments	(9)	97,494	202,494
Current assets			
Debtors: (Debtors amounts falling due after more than one year £2,303k (2012: £nil))	(10)	2,818	2,836
Creditors: amounts falling due within one year	(11)	<u>(181,393)</u>	<u>(181,413)</u>
Net current liabilities		(178,575)	(178,577)
Total assets less current liabilities		(81,081)	23,917
Net (liabilities)/assets		<u>(81,081)</u>	<u>23,917</u>
Capital and reserves			
Called up share capital	(13)	54	54
Share premium account		500	500
Profit and loss account	(14)	<u>(81,635)</u>	<u>23,363</u>
Total shareholders' (deficit)/funds	(15)	<u>(81,081)</u>	<u>23,917</u>

The notes on pages 12 to 18 are an integral part of these statements.

The financial statements on pages 8 to 18 were approved by the Board of Directors on 16 September 2014 and were signed on its behalf by:



Ms A Elphick
Director

Simple Health & Beauty Group Limited**Principal Accounting Policies**

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and the applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of preparation

The financial statements contain information about Simple Health & Beauty Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Unilever PLC, a company incorporated in England and Wales.

Cash Flow Statement

The Company is a wholly-owned subsidiary of Unilever PLC and its cash flows are included in the consolidated financial statements of Unilever PLC, which are publicly available. Consequently the Company is exempt under the terms of Financial Reporting Standard 1 'Cash flow statements' (revised 1996) from publishing a cash flow statement.

Fixed Asset Investments

Investments in Group undertakings are entities controlled by the Company, where control is the power directly or indirectly to govern the financial and operating policies of the entity so as to obtain benefit from its activities. Associated company investments are entities in which the Group has a long-term interest and over which the Group has directly or indirectly significant influence, where significant influence is the ability to influence the financial and operating policies of the entity. Other investments include investment in companies in which the entity's influence is less than significant.

Fixed asset investments are carried at cost. A review is performed annually to assess for triggering events that indicate impairment and if required the net realisable value is assessed using a discounted cash flow (DCF) method.

Where the value of an investment is considered to have been permanently impaired, a carrying value below cost method is employed and any impairment charge is taken to the Profit and Loss Account. The reversal of past impairment losses is recognised when the recoverable amount of an investment in a subsidiary, an associate or a joint venture has increased because of a change in economic conditions.

Simple Health & Beauty Group Limited**Principal Accounting Policies (continued)****Current Taxation**

The charge for current income tax is based on the results for the year as adjusted for items which are not taxed or which are disallowed. It is calculated using tax rates in legislation that has been enacted or substantively enacted by the balance sheet date.

Dividends

Final dividends are only recognised when they have been approved by the shareholders and interim dividends are only recognised when paid.

Under FRS 21 'Events after the Balance Sheet Date', proposed dividends do not meet the definition of a liability until such time as they have been approved by shareholders at the Annual General Meeting. Therefore, we do not recognise a liability in any period for dividends that have been proposed but will not be approved until after the balance sheet date. This holds for external dividends as well as intra-group dividends paid to the parent company.

Simple Health & Beauty Group Limited**Notes to the Accounts for the year ended 31 December 2013****(1) Impairment of investments**

	2013	2012
	£000	£000
Impairment of investments	<u>(105,000)</u>	-

As a result of the transfer of trade from Simple Toiletries Limited (a subsidiary of Accantia Group Holdings) to Unilever UK Limited, an impairment review of Accantia Group Holdings has been carried out and as a result a total impairment loss of £105,000,000 was recognised, being the difference between the carrying value and the value in use of this investment.

(2) Income from investment in subsidiaries

	2013	2012
	£000	£000
Income from dividends received		
Accantia Group Holdings	<u>-</u>	<u>25,000</u>

(3) Directors' Emoluments

No remuneration (2012: £nil) was received by the Directors from the Company. They are employed as managers by Unilever U.K. Central Resources Limited and are remunerated by that company in respect of their services to the Unilever Group as a whole.

(4) Auditors Remuneration

The fees for PricewaterhouseCoopers LLP in respect of the statutory audit for the current and prior year are borne by a fellow Unilever Group company, Unilever U.K. Central Resources Limited and amounts to £5,250 (2012: £nil).

(5) Employee Information

No employees were employed by the Company during 2013 (2012: nil), no employee costs were incurred by the Company (2012: £nil).

Simple Health & Beauty Group Limited**Notes to the Accounts for the year ended 31 December 2013 (continued)****(6) Interest payable and similar charges**

	2013	2012
	£000	£000
Interest payable on loans from group undertakings	-	(2,078)

(7) Interest receivable and similar income

	2013	2012
	£000	£000
Interest on loans from group undertakings	2	-

(8) Taxation on (Loss)/Profit on Ordinary Activities

The taxation charge is made up as follows:

	2013	2012
	£000	£000
On (loss)/profit for the year		
UK Corporation tax	-	515

The current UK corporate tax rate that has been used for the year is a hybrid rate of 23.25%. This is on the basis that the tax rate changed from 24% to 23% as of 1 April 2013. A tax rate change to 20% (which has effect from 1 April 2015) has been factored into the UK deferred tax calculations. There is no effect of these rate changes as the Company has no deferred tax balance at the balance sheet date.

In addition, further reductions to the main rate are proposed to reduce the rate to 21% from 1 April 2014 and 20% with effect from 1 April 2015. These further changes have not been substantively enacted at the balance sheet date and therefore have not been included in these financial statements. There are no reconciling items relating to intra group transfer pricing adjustments in the tax reconciliation for 2013 (none for 2012) as no intra group payment will be made for losses claimed or surrendered relating to such amounts.

The current tax assessed for the year is higher (2012: lower) to the average standard rate of corporation tax in the UK which is 23.25% (2012: 24.8%). The differences are explained below:

Simple Health & Beauty Group Limited

Notes to the Accounts for the year ended 31 December 2013 (continued)

(8) Taxation on Profit / (Loss) on Ordinary Activities

	2013 £000	2012 £000
<i>Current tax reconciliation:</i>		
(Loss)/profit on ordinary activities before taxation	<u>(104,998)</u>	<u>22,922</u>
 (Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.8%)	 24,412	 (5,685)
<i>Effects of:</i>		
Non-deductable impairment of investments	(24,412)	-
Non taxable dividends received	<u>-</u>	<u>6,200</u>
 Current tax credit	 <u>-</u>	 <u>515</u>

(9) Investments

	Shares in Group Undertakings £000
<u>Cost 1 January 2013</u>	301,494
31 December 2013	<u>301,494</u>
<u>Provision for impairment</u>	
1 January 2013	(99,000)
Impairment charge (note 1)	<u>(105,000)</u>
31 December 2013	<u>(204,000)</u>
<u>Net Book Value at</u>	
31 December 2013	<u>97,494</u>
31 December 2012	<u>202,494</u>

There are no investments in listed shares.

Investments in Group undertakings

The investments are in subsidiary undertakings of the Company. Their names together with their country of incorporation/registration are listed below. A description of the shares and the proportion held are also shown below:

Simple Health & Beauty Group Limited**Notes to the Accounts for the year ended 31 December 2013 (continued)****(9) Investments (continued)**

Name of Company and Country of Incorporation/Registration		Description of Shares Held	Proportion of Nominal Value of Shares held and of Voting Rights		Principal Activity
			Direct %	Indirect %	
Accantia Group Holdings	England and Wales	Ordinary £1	100%	-	Holding Company
Accantia (Holdings) Limited	England and Wales	Ordinary £1	-	100%	Dormant – in liquidation
Accantia Health & Beauty Limited	England and Wales	Ordinary £1	-	100%	Dormant
Simple Toiletries Limited	England and Wales	Ordinary £1	-	100%	Dormant
Accantia (Overseas) Limited	England and Wales	Ordinary £1	-	100%	Dormant – in liquidation
Simple Health & Beauty Limited	England and Wales	Ordinary £1	-	100%	Agency company – in liquidation
Accantia Limited	England and Wales	Ordinary £1	-	100%	Dormant – in liquidation

In the opinion of the Directors, the value of other investments consisting of shares and amounts owing, is not less than the amount at which the investment is stated in the balance sheet.

Simple Health & Beauty Group Limited**Notes to the Accounts for the year ended 31 December 2013 (continued)****(10) Debtors**

	2013 £000	2012 £000
Amounts falling due within one year		
Amounts due from Group undertakings	-	2,321
Corporation tax	515	515
	<u>515</u>	<u>2,836</u>
Amounts falling due after more than one year		
Amounts due from Group undertakings	2,303	-
	<u>2,303</u>	<u>-</u>
Total debtors	<u>2,818</u>	<u>2,836</u>

Amounts due from Group undertakings after more than one year include balances with Unilever U.K. Central Resources Limited and Simple Toiletries Limited which are non- interest bearing, are unsecured and repayable on demand.

(11) Creditors: amounts falling due within one year

	2013 £000	2012 £000
Amounts falling due within one year		
Amounts due to Group undertakings	(181,393)	(181,413)

Amounts due to Group undertakings include balances with Accantia Group Holdings and Accantia Health & Beauty Limited which are non-interest bearing, are unsecured and repayable on demand.

(12) Dividends

	2013 £000	2012 £000
Ordinary Shares		
Final paid	-	25,000
(2012: £4.67 per share)		

Simple Health & Beauty Group Limited**Notes to the Accounts for the year ended 31 December 2013 (continued)****(13) Called up Share Capital**

	2013 £000	2012 £000
Authorised		
5,357,607 (2012: 5,357,607) Ordinary shares of £0.01 each	54	54
Allotted and fully paid		
5,357,607 (2012: 5,357,607) Ordinary shares of £0.01 each	54	54

(14) Profit and Loss Account

	2013 £000
At 1 January 2013	23,363
Loss for the financial year	(104,998)
At 31 December 2013	(81,635)

(15) Reconciliation of movements in Total Shareholders' (deficit)/funds

	2013 £000	2012 £000
(Loss)/profit for the financial year	(104,998)	23,437
Dividends paid	-	(25,000)
Net reduction to shareholders' (deficit)/funds	(104,998)	(1,563)
Opening shareholders' funds	23,917	25,480
Closing shareholders' (deficit)/funds	(81,081)	23,917

Simple Health & Beauty Group Limited**Notes to the Accounts for the year ended 31 December 2013 (continued)****(16) Related Party Transactions and Ultimate Parent Company**

The ultimate parent company and controlling party is Unilever PLC and the immediate holding company is Unilever UK Group Limited both companies incorporated in the United Kingdom. The Company has not disclosed transactions with fellow, wholly owned subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard 8 "Related party disclosures" as the ultimate parent company produces publicly available consolidated accounts. These accounts are both the smallest and largest group to consolidate these financial statements. Copies of Unilever Group accounts can be publicly obtained from Unilever PLC, Corporate Relations Department, 100 Victoria Embankment, London EC4Y 0DY and www.unilever.com.

(17) Parent company support

The intermediate parent undertaking, Unilever UK Group Limited, has indicated its willingness to continue to provide support to allow the Company to continue at its current level of operations for the foreseeable future.