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Company Registration No. 05872672 (England and Wales)



CREATIVITY ENTHUSIASM ENERGY VISION

FB LONDON LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

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FB LONDON LIMITED

COMPANY INFORMATION

Directors	D Arch P Hoolehan M Donnantuono J Arch
Secretary	P Hoolehan
Company number	05872672
Registered office	Acre House 11-15 William Road London NW1 3ER
Auditors	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom

FB LONDON LIMITED

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FB LONDON LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their strategic report on the group for the year ended 31 December 2013.

Review of the business

The principal activity of the group in the year under review was that of research, development, manufacture and distribution of oral healthcare products.

The group continues to manufacture, promote and distribute products of the oral and body hygiene market.

Results

The group made a pre-tax loss of £16,419,247 (2012 - profit £783,641) for the year on turnover of £8,230,588 (2012 - £8,890,106).

At 31 December 2013 the group had net liabilities of £637,125 (2012 - net assets of £15,795,126).

Principal risks and uncertainties

The principal risks and uncertainties facing the group relate to the continuance of its products as market leaders as well as current economic conditions. There are not currently any internal or external factors that represent a significant risk to the group's profitability.

Key performance indicators

In the opinion of the directors there are no Key Performance Indicators whose disclosure is necessary for an understanding of the development, performance or position of the business.

On behalf of the board



P Hoolehan

Director

Dated: *Aug 1, 2014*

FB LONDON LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and group financial statements for the year ended 31 December 2013.

Directors

The directors who served during the year were:

D Arch

P Hoolehan

M Donnantuono

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

The auditors, H W Fisher & Company, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the board



P Hoolehan

Director

Dated: *Aug 1, 2014*

FB LONDON LIMITED

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 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 group and of the profit or loss of the group 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;
- *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FB LONDON LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FB LONDON LIMITED

We have audited the group and parent company financial statements (the "financial statements") of FB London Limited for the year ended 31 December 2013 set out on pages 5 to 16. 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 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 explained more fully in the Directors' Responsibilities Statement 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 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 the 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 group's and the parent 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 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2013 and of the group's 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.

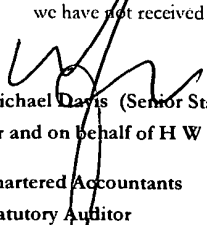
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.


Michael Davis (Senior Statutory Auditor)
for and on behalf of H W Fisher & Company

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

United Kingdom

NW1 3ER

Dated: 18/1/14

FB LONDON LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013


	Notes	2013 £	2012 £
Turnover	2	8,230,588	8,890,106
Cost of sales		(3,554,428)	(3,867,249)
Gross profit		4,676,160	5,022,857
Administrative expenses		(4,137,814)	(4,241,666)
Operating profit	3	538,346	781,191
Net loss on sale of an operation		(16,480,000)	-
(Loss)/profit on ordinary activities before interest		(15,941,654)	781,191
Other interest receivable and similar income		2,407	3,765
Interest payable and similar charges	5	(480,000)	(1,315)
(Loss)/profit on ordinary activities before taxation		(16,419,247)	783,641
Tax on (loss)/profit on ordinary activities	6	(13,004)	-
(Loss)/profit on ordinary activities after taxation		(16,432,251)	783,641

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

FB LONDON LIMITED**BALANCE SHEETS****AS AT 31 DECEMBER 2013**

	Notes	Group 2013 £	2012 £	Company 2013 £	2012 £
Fixed assets					
Intangible assets	8	1,467,950	21,147,950	-	-
Tangible assets	9	50,244	64,685	-	-
Investments	10	-	-	3,120,000	22,800,000
		<u>1,518,194</u>	<u>21,212,635</u>	<u>3,120,000</u>	<u>22,800,000</u>
Current assets					
Stocks	11	255,708	194,742	-	-
Debtors	12	3,153,975	2,787,255	2,169,677	2,610,225
Cash at bank and in hand		1,026,894	1,462,825	-	-
		<u>4,436,577</u>	<u>4,444,822</u>	<u>2,169,677</u>	<u>2,610,225</u>
Creditors: amounts falling due within one year	13	<u>(1,791,896)</u>	<u>(1,862,331)</u>	<u>(469,562)</u>	<u>(910,110)</u>
Net current assets		<u>2,644,681</u>	<u>2,582,491</u>	<u>1,700,115</u>	<u>1,700,115</u>
Total assets less current liabilities		<u>4,162,875</u>	<u>23,795,126</u>	<u>4,820,115</u>	<u>24,500,115</u>
Creditors: amounts falling due after more than one year	14	<u>(4,800,000)</u>	<u>(8,000,000)</u>	<u>(4,800,000)</u>	<u>(8,000,000)</u>
		<u>(637,125)</u>	<u>15,795,126</u>	<u>20,115</u>	<u>16,500,115</u>
Capital and reserves					
Called up share capital	15	2	2	2	2
Share premium account	16	16,479,998	16,479,998	16,479,998	16,479,998
Profit and loss account	16	(17,117,125)	(684,874)	(16,459,885)	20,115
Shareholders' funds	17	<u>(637,125)</u>	<u>15,795,126</u>	<u>20,115</u>	<u>16,500,115</u>

Approved by the Board and authorised for issue on June 11, 2014

P Hoolchan
Director

FB LONDON LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	£	2013 £	£	2012 £
Net cash outflow from operating activities	18		(19,646,604)		(208,475)
Returns on investments and servicing of finance					
Interest received		2,407		3,765	
Interest paid		(480,000)		(1,315)	
Net cash (outflow)/inflow for returns on investments and servicing of finance			(477,593)		2,450
Taxation			8,266		(197)
Capital expenditure					
Receipts from sales of intangible fixed assets		19,680,000		-	
Net cash inflow for capital expenditure			19,680,000		-
Net cash outflow before financing			(435,931)		(206,222)
Decrease in cash in the year	20, 19		(435,931)		(206,222)

FB LONDON LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2013. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Goodwill

Acquired goodwill is reviewed annually for impairment by the Directors with any losses charged to the profit and loss account.

1.6 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit, which has been estimated as 10 years. However, during 2012 it was decided that no future economic benefits would be generated by this product and therefore development costs were fully amortised in the year.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% on reducing balance
---------------------	-------------------------

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition.

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

1.10 Deferred taxation

Deferred tax 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 the accounts. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets. 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.

1.11 Foreign currency translation

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

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are taken to profit and loss account.

FB LONDON LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

2 Turnover

The total turnover of the group for the year has been derived from its principal activity.

Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below:

	2013	2012
	£	£
Geographical segment		
UK	8,176,486	8,816,824
Rest of World	54,102	73,282
	<u>8,230,588</u>	<u>8,890,106</u>

3 Operating profit

	2013	2012
	£	£
<i>Operating profit/(loss) is stated after charging:</i>		
Amortisation of intangible assets	-	113,924
Depreciation of owned tangible assets	14,441	18,592
Loss on foreign exchange transactions	359	159
Fees payable to the group's auditor for the audit of the group's annual accounts (company £1,250; 2012: £1,250)	<u>28,525</u>	<u>24,504</u>

4 Employees

Number of employees

There were no employees during the year apart from the directors

5 Interest payable

	2013	2012
	£	£
On amounts payable to group companies	<u>480,000</u>	<u>1,315</u>

FB LONDON LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

6	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	13,004	-
	Current tax charge	13,004	-
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	(16,419,247)	783,641
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2012 - 24.50%)	(3,283,849)	191,992
	Effects of:		
	Non deductible expenses	198	200
	Depreciation add back	2,888	4,555
	Capital allowances	(2,233)	-
	Tax losses utilised	-	(113,191)
	Other short term timing differences	(743,890)	-
	Unrelieved tax losses carried forward	-	(167,434)
	Other tax adjustments	4,039,890	83,878
		3,296,853	(191,992)
	Current tax charge	13,004	-

7 Loss for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	2013 £	2012 £
Holding company's loss for the financial year	(16,480,000)	-

FB LONDON LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

8 Intangible fixed assets Group

	Goodwill	Development Costs	Total
	£	£	£
Cost			
At 1 January 2013 & at 31 December 2013	21,333,107	126,582	21,459,689
Amortisation			
At 1 January 2013	185,157	126,582	311,739
Charge for the year	19,680,000	-	19,680,000
At 31 December 2013	19,865,157	126,582	19,991,739
Net book value			
At 31 December 2013	1,467,950	-	1,467,950
At 31 December 2012	21,147,950	-	21,147,950

9 Tangible fixed assets Group

	Plant and machinery
	£
Cost	
At 1 January 2013 & at 31 December 2013	185,930
Depreciation	
At 1 January 2013	121,245
Charge for the year	14,441
At 31 December 2013	135,686
Net book value	
At 31 December 2013	50,244
At 31 December 2012	64,685

FB LONDON LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

10 Fixed asset investments

Company	Shares in group undertakings
	£
Cost	
At 1 January 2013 & at 31 December 2013	22,800,000
Provisions for diminution in value	
At 1 January 2013	-
Charge for the year	19,680,000
At 31 December 2013	19,680,000
Net book value	
At 31 December 2013	3,120,000
At 31 December 2012	22,800,000

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Fresh Breath Limited	United Kingdom	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Fresh Breath Limited	Development and distribution of oral healthcare products

Fresh Breath Limited own 100% of the shareholdings in Dentyl PH Limited (company number 3766382). This remained dormant in the year.

Fresh Breath Limited also owned 100% of the shareholdings in Dentyl Active Limited (company number 8824625). This was incorporated on 23 December 2013 and had not commenced trading as at 31 December 2013.

Following the sale of the Dentyl trade and assets for £3,800,000 on 31 December 2013 to Dentyl Active Limited, an impairment of Fresh Breath Limited was recognised for £19,680,000.

FB LONDON LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

11 Stocks

	Group 2013	2012	Company 2013	2012
	£	£	£	£
Finished goods and goods for resale	255,708	194,742	-	-

12 Debtors

	Group 2013	2012	Company 2013	2012
	£	£	£	£
Trade debtors	1,711,871	1,729,785	-	-
Amounts owed by group undertakings	1,023,685	1,023,685	2,169,677	2,610,225
Other debtors	160,012	16,608	-	-
Prepayments and accrued income	258,407	17,177	-	-
	3,153,975	2,787,255	2,169,677	2,610,225

13 Creditors : amounts falling due within one year

	Group 2013	2012	Company 2013	2012
	£	£	£	£
Trade creditors	515,417	372,363	-	-
Amounts owed to group undertakings	428,795	428,795	428,795	428,795
Interest payable to group undertakings	40,767	481,315	40,767	481,315
Corporation tax	13,004	(8,266)	-	-
Taxes and social security costs	53,595	43,020	-	-
Other creditors	10,626	-	-	-
Accruals and deferred income	729,692	545,104	-	-
	1,791,896	1,862,331	469,562	910,110

FB LONDON LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

14 Creditors : amounts falling due after more than one year

	Group 2013	2012	Company 2013	2012
	£	£	£	£
Amounts owed to group undertakings	4,800,000	8,000,000	4,800,000	8,000,000
Analysis of loans				
Wholly repayable within five years	4,800,000	8,000,000	4,800,000	8,000,000
	4,800,000	8,000,000	4,800,000	8,000,000
Loan maturity analysis				
In more than five years	8,000,000	8,000,000	8,000,000	8,000,000
	8,000,000	8,000,000	8,000,000	8,000,000

15 Share capital

	2013	2012
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

FB LONDON LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

16 Statement of movements on reserves Group

	Share premium account	Profit and loss account
	£	£
Balance at 1 January 2013	16,479,998	(684,874)
Loss for the year	-	(16,432,251)
Balance at 31 December 2013	16,479,998	(17,117,125)

Company

	Share premium account	Profit and loss account
	£	£
Balance at 1 January 2013	16,479,998	20,115
Loss for the year	-	(16,480,000)
Balance at 31 December 2013	16,479,998	(16,459,885)

17 Reconciliation of movements in shareholders' funds Group

	2013 £	2012 £
(Loss)/Profit for the financial year	(16,432,251)	783,641
Opening shareholders' funds	15,795,126	15,011,485
Closing shareholders' funds	(637,125)	15,795,126

FB LONDON LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

18	Reconciliation of operating profit to net cash outflow from operating activities	2013 £	2012 £
	Operating profit	538,346	781,191
	Depreciation of tangible fixed assets	14,441	18,592
	Amortisation of intangible fixed assets	-	113,924
	Exceptional items	(16,480,000)	-
	Increase in stocks	(60,966)	(101,221)
	Increase in debtors	(366,720)	(1,008,497)
	Decrease in creditors	(3,291,705)	(12,464)
	Net cash outflow from operating activities	(19,646,604)	(208,475)

19	Reconciliation of net cash flow to movement in net debt	2013 £	2012 £
	Decrease in cash in the year	(435,931)	(206,222)
	Movement in net debt in the year	(435,931)	(206,222)
	Opening net debt	1,462,825	1,669,047
	Closing net debt	1,026,894	1,462,825

20	Analysis of net funds	1 January 2013 £	Cash flow £	Other non-cash changes £	31 December 2013 £
	Net cash:				
	Cash at bank and in hand	1,462,825	(435,931)	-	1,026,894
	Net funds	1,462,825	(435,931)	-	1,026,894

21 Related party transactions

During the year, management fees of £148,036 (2012: £138,743), were charged by Blistex Inc, the ultimate controlling party. The net amount due from Blistex Inc at the year-end was £574,775 (2012: £574,775).

Included within creditors greater than one year is an amount of £4,800,000 (2012: £8,000,000) owed to Blistex Inc, relating to a loan made to FB London Limited in 2007. At the year-end, £3,200,000 of this loan was waived. Interest of £480,000 (2012: £1,315) was charged on this loan in the year.

Included within creditors is an amount of £40,767 (2012: £481,315) relating to interest payable to Blistex Inc.

22 Controlling parties

The ultimate controlling party is Blistex Inc., a company incorporated in the United States of America.