REGISTERED NUMBER: 03944055 (England and Wales)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

FOR

PRESTIGE BRANDS (UK) LIMITED

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FOR THE YEAR ENDED 31 MARCH 2017

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017

DIRECTORS:	Mr R Lombardi Ms C Sacco Mr W P'Pool
REGISTERED OFFICE:	46 High Street Yatton Somerset BS49 4HJ
REGISTERED NUMBER:	03944055 (England and Wales)
AUDITORS:	Seymour Taylor Audit Limited, Statutory Auditor 57 London Road High Wycombe Buckinghamshire HP11 1BS
BANKERS:	The Royal Bank of Scotland 5-10 Great Tower Street London EC3P 3HX

PRESTIGE BRANDS (UK) LIMITED (REGISTERED NUMBER: 03944055)

BALANCE SHEET
31 MARCH 2017

		2017		2016	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	4		37,687		50,249
Tangible assets	5		5,674		-
Investments	6		1		1
			43,362		50,250
CURRENT ASSETS					
Stocks		638,510		607,164	
Debtors	7	1,678,779		1,038,681	
Cash at bank		1,682,657		1,799,205	
		3,999,946		3,445,050	
CREDITORS					
Amounts falling due within one year	8	984,282		873,522	
NET CURRENT ASSETS			3,015,664		2,571,528
TOTAL ASSETS LESS CURRENT LIABILITIES			3,059,026		2,621,778
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Capital contribution reserve	10		251,240		251,240
Share based payments reserve	10		138,355		126,849
Retained earnings	10		2,669,331		2,243,589
SHAREHOLDERS' FUNDS			3,059,026		2,621,778

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 30 November 2017 and were signed on its behalf by:

Ronald Lombardi

Mr R Lombardi - Director

The notes on pages 3 to 9 form part of these financial statements

1. STATUTORY INFORMATION

Prestige Brands (UK) Limited is a private company limited by shares and incorporated in England and Wales. The address of the company's registered office is 46 High Street, Yatton, Somerset, BS49 4HJ. The principal place of business is Unit 5 and 6, Pineapple Business Park, Salwayash, Bridport, Dorset, DT6 5DB. The registered number is 03944055.

The principal activity of the company is that of packaging and selling healthcare products.

The presentation currency of these financial statements is Sterling (£), being the currency of the primary economic market in which the entity operates. All amounts in these financial statements have been rounded to the nearest pound unless stated otherwise.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (effective September 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover
Turnover from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be reliably measured, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

This is usually when the goods have been delivered and legal title has passed.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 2000, is being amortised evenly over its estimated useful life of twenty years.

Goodwill arising on the acquisition of businesses is capitalised, classified as an asset at the balance sheet date and amortised on a straight line basis over its estimated useful life. The period chosen for the amortisation of goodwill is 20 years.

The directors review for impairment annually and subsequently a provision is recognised if required

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimate useful life:

Plant and machinery - straight line - 33%

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Investments in subsidiaries
Investments in subsidiaries are carried at cost less impairment.

Impairment of assets
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Impairment of non-financial and financial assets
At each period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

If the recoverable amount of an asset is estimated to be less that its carrying amount, the carrying amount is reduced to its recoverable amount, with the impairment recognised immediately in the income statement.

Stocks
Stocks are stated at the lower of cost and net realisable value.

Cost incurred in bringing each product to its present location and condition is based on standard cost, set by the US parent undertaking on a first-in, first-out basis, including transport.

Net realisable value is based on estimated normal selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Differences between accumulated depreciation and tax allowances for the cost of a fixed asset, if and when all conditions for retaining the tax allowances have been met, are not provided for. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities at the period end denominated in a foreign currency are translated into Sterling at the rate of exchange ruling at the balance sheet date. Exchange differences are taken into account when arriving at the operating profit.

Hire purchase and leasing commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Share based payments

The cost of equity-settled share-based payment transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by an external valuer using a Black-Scholes option pricing model.

At each balance sheet date before vesting, the cumulative expense is calculated and recognised in the income statement, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest. In the case of an instrument subject to a market condition, this will be treated as vesting as described above.

The financial effect of awards by the parent company of options over its equity shares to the employees of subsidiary undertakings are recognised by the parent company in its individual financial statements. In particular the parent company records an increase in its investment in subsidiaries with a credit to equity equivalent to the cost in the subsidiary undertakings.

2. **ACCOUNTING POLICIES - continued**

Financial instruments
The company has applied the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instrument Issues" of FRS 102 (effective September 2015) to its financial statements.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Preparation of consolidated financial statements
The financial statements contain information about Prestige Brands (UK) 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 parent, Prestige Brands Holdings, Inc, a company registered in USA.

Transition to FRS 102
The entity transitioned from previous UK GAAP to Section 1A of FRS 102 (effective September 2015) as at 1 April 2015 Details of how Section 1A of FRS 102 (effective September 2015) has affected the reported financial position and financial performance are given in note 15.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 4.

4. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 April 2016	
and 31 March 2017	251,240
AMORTISATION	
At 1 April 2016	200,991
Charge for year	12,562
At 31 March 2017	213,553
NET BOOK VALUE	
At 31 March 2017	37,687
At 31 March 2016	50,249

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
COST			
At 1 April 2016	19,145	989	20,134
Additions	-	6,304	6,304
At 31 March 2017	19,145	7,293	26,438
DEPRECIATION			
At 1 April 2016	19,145	989	20,134
Charge for year	-	630	630
At 31 March 2017	19,145	1,619	20,764
NET BOOK VALUE			
At 31 March 2017	-	5,674	5,674
At 31 March 2016	-	-	-

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2016 and 31 March 2017	1
NET BOOK VALUE	
At 31 March 2017	1
At 31 March 2016	1

7. DEBTORS

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	880,849	889,273
Amounts owed by group undertakings	796,096	149,408
	1,676,945	1,038,681
Amounts falling due after more than one year:		
Other debtors	1,834	-
Aggregate amounts	1,678,779	1,038,681

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	276,150	462,088
Amounts owed to group undertakings	232,560	1
Taxation and social security	171,720	167,716
Other creditors	303,852	243,717
	984,282	873,522

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
100	Ordinary	£1	100	100

10. RESERVES

	Retained earnings	Capital contribution reserve	Share based payments reserve	Totals
	£	£	£	£
At 1 April 2016	2,243,589	251,240	126,849	2,621,678
Profit for the year	425,742	-	-	425,742
Share Based Payments	-	-	11,506	11,506
At 31 March 2017	2,669,331	251,240	138,355	3,058,926

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Simon Turner BA (Hons) HND FCA (Senior Statutory Auditor)
for and on behalf of Seymour Taylor Audit Limited, Statutory Auditor

12. PENSION COMMITMENTS

The company operates a defined contributions scheme. The assets of the scheme are held separately from those of the company in an independently administrated fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £41,415 (2016 - £39,600). Contributions totalling £Nil (2016 - £Nil) were payable to the fund at the balance sheet date and are included within creditors.

13. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Section 1A of Financial Reporting Standard 102 (effective September 2015) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

14. SHARE-BASED PAYMENT TRANSACTIONS

Restricted Shares

Prestige Brands Inc granted restricted shares to employees of Prestige Brands (UK) Limited. Restricted shares generally vest in 3 years, contingent on attainment of group performance goals, including revenue and earnings before income taxes, depreciation and amortisation targets, or the certain time vesting thresholds. The restricted share awards provide for accelerated vesting if there is a change in control, as defined in the plan or document pursuant to which awards were made. The fair value of non-vested restricted shares is determined as the closing price of Prestige Brands Inc common stock on the day preceding the grant date.

Options

The option plan outlines that the exercise price of the option granted shall be no less than the fair market value of the parent company's common stock on the date the option is granted. Options granted have a term of 10 years from the grant date and vest in accordance with a schedule determined at the time the option is granted, generally 3 years. The option awards provide for accelerated vesting if there is a change in control.

The company has taken advantage of exemption, under the terms of Section 1A of Financial Reporting Standard 102 (effective September 2015) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose the requirement of Section 26 Share-based payments as the equivalent disclosures required by this requirement are included in the consolidated financial statements of the group in which the company is consolidated.

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The directors consider the ultimate parent undertaking and controlling party to be Prestige Brands Holdings, Inc.

The largest and smallest group of which the company is a member and for which consolidated financial statements are prepared is that headed by Prestige Brands Holdings, Inc., a company incorporated in the state of Delaware, USA. Copies of the group financial statements, which include the company, can be obtained from 660 White Plains Road, Suite 205, Tarrytown Office Park, Tarrytown, New York, 10591, USA.

16. TRANSITION TO FRS 102

These are the first financial statements that comply with Section 1A of FRS 102 (effective September 2015). The company transitioned to Section 1A of FRS 102 (effective September 2015) on 1 April 2015.

No transitional adjustments were required on equity or profit or loss for the period.