

Reckitt Benckiser Finance Company Limited

Company registration number: 4749202

Report and Accounts
for the period ended 30th December 2004



Reckitt Benckiser Finance Company Limited

Report of the directors for the period ended 30 December 2004

Directors:

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 period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for the financial period.

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 and review of the period

The principal activity of the Company is the financing of companies within the Reckitt Benckiser plc group. The directors do not foresee any changes in this activity during 2005.

The accounting reference date for the Company was changed to 30th December from 31st December 2003 for the prior period financial statements.

Results for the period and movement on reserves

The accounts for 2004 show a profit for the period of AUS\$ 18,036,000 (2003 – AUS\$ 10,330,000) that has been added to reserves. The directors do not propose to pay a dividend (2003 – AUS\$ nil).

Reckitt Benckiser Finance Company Limited

Report of the directors for the period ended 30 December 2004 (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 period, according to the register kept in accordance with s325 of the Companies Act 1985.

The beneficial interests of directors in the shares of Reckitt Benckiser plc, at the beginning or at the end of the period, according to the register kept in accordance with Section 325 of the Companies Act 1985, are shown below.

	Ordinary Shares		Options over ordinary shares			
	30 Dec 2004	31 Dec 2003	Executive Shares		Sharesave Scheme	
	30 Dec 2004	31 Dec 2003	30 Dec 2004	31 Dec 2003	30 Dec 2004	31 Dec 2003
M.R. Wilson	595	595	24,000	12,000	990	990
S.J. Edwards	1,511	6,511	66,000	67,500	1,967	1,967

Options over ordinary shares granted or exercised during the period were as follows :

	Executive Shares		Sharesave Scheme	
	Granted	Exercised	Granted	Exercised
M.R. Wilson	12,000	0	0	0
S. Edwards	12,000	13,500	0	0

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 – interests disclosed in Reckitt Benckiser plc

On behalf of the Board



E. Richardson
Secretary

11 August 2005

Reckitt Benckiser Finance Company Limited

**Independent auditors' report to the members of
Reckitt Benckiser Finance Company Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the reconciliation of movements in shareholders' funds and the related notes and the accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit opinion

We conducted our audit in accordance with auditing standards 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 judgements 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 of the state of the Company's affairs at 30 December 2004 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

11 August 2005

Reckitt Benckiser Finance Company Limited

Profit and loss account
for the period ended 30 December 2004

	Notes	8 months ended	
		2004	2003
		AUS\$ 000	AUS\$ 000
Bank interest receivable		76	122
Other finance income receivable from group undertakings		18,211	10,208
Profit on ordinary activities before taxation		<u>18,287</u>	<u>10,330</u>
Tax on profit on ordinary activities	1	(251)	0
Retained profit for the period	2	<u>18,036</u>	<u>10,330</u>

Notes

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

Reckitt Benckiser Finance Company Limited

Balance sheet
as at 30 December 2004

	Notes	2004 AUS\$ 000	2003 AUS\$ 000
Current Assets			
Debtors due within one year	3	10,161	10,208
Debtors due after more than one year	4	328,459	305,000
Cash on Deposit		0	5,122
Total current assets and net assets		<u>338,620</u>	<u>320,330</u>
Current Liabilities			
Creditors due within one year	5	<u>(254)</u>	<u>0</u>
Total current assets less liabilities and net assets		<u>338,366</u>	<u>320,330</u>
Capital and Reserves			
Called up share capital	6	310,000	310,000
Reserves	2	28,366	10,330
Total shareholders' funds		<u>338,366</u>	<u>320,330</u>

On behalf of the Board



M.R. Wilson
Director

11 August 2005

Reckitt Benckiser Finance Company Limited

Reconciliation of Movements in Shareholders' Funds

	Share Capital	Profit & Loss Account	Total
	AUS\$ 000	AUS\$ 000	AUS\$ 000
At 30th April 2003	0	0	0
Shares issued	310,000	0	310,000
Profit for the period	0	10,330	10,330
At 31st December 2003	310,000	10,330	320,330
Profit for the period	0	18,036	18,036
At 30th December 2004	310,000	28,366	338,366

Reckitt Benckiser Finance Company 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.

Reporting currency:

The local currency of the Company is Australian \$'s, being the currency of the primary economic environment in which the Company operates and generates cash flows. The exchange rate of the Australian \$ to Pounds Sterling at the balance sheet date was £1 = 2.4585.

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 period 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

1. Tax on profit on ordinary activities

	2004 AUS\$ 000	2003 AUS\$ 000
UK corporation tax charge at 30%	251	0

The current tax charge for the period is lower than the standard rate of corporation tax in the UK (30%).

The differences are explained below:

Profit on ordinary activities before tax	18,036	10,330
Tax at standard rate of UK corporation tax of 30%	5,411	3,099
Effects of:		
Non taxable finance income	(5,160)	(3,062)
Losses surrendered by fellow subsidiaries	0	(37)
Total current tax (as above)	251	0

It is envisaged that proposed changes in UK tax legislation if enacted could impact the tax charge in 2005.

Reckitt Benckiser Finance Company Limited

Notes to the accounts

Financial Notes (continued)

2. <u>Profit and loss account</u>	2004 AUS\$ 000	2003 AUS\$ 000
At beginning of period	10,330	0
Added during the period: Profit for the period	18,036	10,330
At balance sheet date	<u>28,366</u>	<u>10,330</u>

3. Debtors due within one year

Amounts owed by group undertakings:		
Fellow Undertaking	<u>10,161</u>	<u>10,208</u>

4. Debtors due after more than one year

Amounts owed by group undertakings:		
Ultimate parent undertaking	23,459	0
Fellow Undertaking	<u>305,000</u>	<u>305,000</u>
	<u>328,459</u>	<u>305,000</u>

On 27th May 2003 the Company issued 310,000,000 shares of AUS\$ 1 to its parent company for a total subscription price of AUS\$ 397,500,000. During 2003 the first two instalments (totalling AUS\$ 5,000,000) of the subscription price were paid to the Company.

5. Creditors due within one year

Amounts owed to group undertakings:		
Ultimate parent undertakings	251	0
Bank overdraft	<u>3</u>	<u>0</u>
	<u>254</u>	<u>0</u>

6. Called up share capital

	Number of Shares	2004 AUS\$ 000	2003 AUS\$ 000
Allotted, called up and fully paid:			
Equity capital:			
Ordinary shares of AUS\$ 1 each	<u>310,000,002</u>	<u>310,000</u>	<u>310,000</u>
Authorised share capital:			
Ordinary shares of AUS\$ each	<u>400,000,000</u>	<u>400,000</u>	<u>400,000</u>

Reckitt Benckiser Finance Company Limited

Notes to the accounts

Financial Notes (continued)

7. Directors

During the period the Company had 3 directors resident in the UK, none of whom received any emoluments from the Company. During the period 2 directors exercised options over Reckitt Benckiser plc shares. Details of directors' interests, who are also directors of other companies in the group, are disclosed in the financial statements of the following group companies:

S.J. Edwards	- Reckitt Benckiser Investments Limited
M.R Wilson	- Reckitt Benckiser Investments Limited
C.R. Day	- Reckitt Benckiser plc

8. 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.

9. 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.

10. Cash flow statement

Reckitt Benckiser plc has included a cash flow statement in its 2004 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.

11. Auditors' remuneration

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