

PROCTER & GAMBLE Co
Form 11-K
March 27, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 11-K

- x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011, OR
.. TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ to

Registration number: 333-128859

- A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
The Gillette Company Global Employee Stock Ownership Plan.
- B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive
office: c/o The Procter & Gamble Company, One Procter & Gamble Plaza, Cincinnati, Ohio
45202.

REQUIRED INFORMATION

The following audited financial statements are enclosed with this report:

1. Statement of Net Assets Available for Plan Benefits as of December 31, 2011 and December 31, 2010.
2. Statement of Changes in Net Assets Available for Plan Benefits for the years ended December 31, 2011, 2010 and 2009.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Trustees (or other persons who administer the employee benefit plan) have duly caused this Annual Report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 27, 2012

THE GILLETTE COMPANY GLOBAL
EMPLOYEE STOCK OWNERSHIP PLAN

By: /s/ Susan Carver
Susan Carver
Trustee
The Gillette Company Global
Employee Stock Ownership Plan

EXHIBITS:

23 Consent of the Deloitte & Touche LLP

The Gillette Company
Global Employee Stock
Ownership Plan

Financial Statements as of December 31, 2011 and December 31, 2010,
and for the Years Ended December 31, 2011, 2010 and 2009, and
Reports of Independent Registered Public Accounting Firms

THE GILLETTE COMPANY GLOBAL EMPLOYEE STOCK OWNERSHIP PLAN

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees of The Gillette Company Global Employee Stock Ownership Plan:

We have audited the accompanying Statement of Net Assets Available for Plan Benefits of The Gillette Company Global Employee Stock Ownership Plan (the "Plan") as of December 31, 2011, 2010 and the related Statement of Changes in Net Assets Available for Plan Benefits for the years ended December 31 2011, 2010 and 2009. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for plan benefits of the Plan as of December 31, 2011 and 2010, and the changes in net assets available for plan benefits for the years ended December 31, 2011, 2010 and 2009, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte LLP
Deloitte LLP

Newcastle upon Tyne, United Kingdom

March 27, 2012

THE GILLETTE COMPANY GLOBAL EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
AS OF DECEMBER 31, 2011 AND
DECEMBER 31, 2010

	2011		2010
ASSETS:			
Investments — at fair value:			
The Procter & Gamble Company common stock (cost \$1,682,260 and \$1,937,684 in 2011 and 2010 respectively)	\$ 2,576,540	\$	2,899,546
Total investments	2,576,540		2,899,546
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ 2,576,540	\$	2,899,546

See notes to financial statements.

THE GILLETTE COMPANY GLOBAL EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2011, 2010 and 2009

	2011	2010	2009
Contributions:			
Employee contributions	\$ -	\$ -	\$ -
Employer contributions	-	-	-
Total contributions	-	-	-
Investment income/(loss):			
Dividends on common stock	72,443	77,730	309,380
Realized gain on investments sold	156,949	195,724	225,031
Net depreciation in fair value of The Procter & Gamble Company common stock	(67,482)	(19,314)	(378,722)
Net investment income	161,910	254,140	155,689
DEDUCTIONS:			
Benefits paid to participants	484,916	653,715	986,253
Administrative expenses	-	-	10,083
Transfer to other Procter & Gamble Company Plans (Note 1) (including unrealized (depreciation)/ appreciation of \$NIL in 2011, \$NIL in 2010 and \$2,981,496 in 2009)	-	-	10,472,493
Total deductions	484,916	653,715	11,468,829
DECREASE IN NET ASSETS	(323,006)	(399,575)	(11,313,140)
NET ASSETS AVAILABLE FOR PLAN BENEFITS:			
Beginning of year	2,899,546	3,299,121	14,612,261
End of year	\$ 2,576,540	\$ 2,899,546	\$ 3,299,121

See notes to financial statements.

THE GILLETTE COMPANY GLOBAL EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS AS OF

DECEMBER 31, 2011 AND DECEMBER 31, 2010, AND FOR THE YEARS ENDED DECEMBER 31, 2011, 2010 AND 2009

1. DESCRIPTION OF THE PLAN

The Gillette Company Global Employee Stock Ownership Plan (the “Plan” or the “GESOP”) is a stock ownership plan sponsored by The Gillette Company (“Gillette”), a subsidiary of The Procter & Gamble Company (“Procter & Gamble”), (collectively, the “Company”). The following provides only general information. Participants should refer to the plan document for a more complete description of the Plan’s provisions.

General — The Plan was adopted by the Board of Directors of Gillette on December 16, 1993 to become effective June 1, 1994 and is not subject to the provisions of the Employee Retirement Income Security Act of 1974. The Plan is not subject to income taxation. The Plan was initially established to provide eligible Gillette employees the opportunity to purchase common stock of Gillette through payroll deductions and contributions from Gillette.

On January 27, 2005, and in connection with Procter & Gamble’s acquisition of Gillette, Procter & Gamble entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Gillette providing that, upon the terms and subject to the conditions set forth in the Merger Agreement, the Plan would merge with and into the Procter & Gamble International Stock Ownership Plan or other Procter & Gamble international plans (collectively “ISOP”).

Since 2006, as Company subsidiaries in countries harmonized business systems with the Procter & Gamble systems, the Plan extended to employees who continued with Procter & Gamble, the choice of transferring their participant accounts to the ISOP or to receive a total distribution in the form of cash or shares. Once the employee’s choice was finalized and the transfer or distribution was processed, the employee’s Plan account was closed. As each country adopts the Procter & Gamble benefit plans that include the ISOP, their participation in the Plan is terminated. For Gillette employees who will not continue employment with the Company, the employee must receive a total distribution from the Plan, either in cash or shares. If no election is made, employees will receive cash. The harmonization will continue until all funds have transferred to ISOP or have been distributed to participants.

Effective January 1, 2008, participants of the Plan were eligible to make contributions to ISOP and ceased making contributions to the Plan.

All Plan assets were held by the Plan fiduciary, RBC Dexia Investor Services Bank S.A. through to March 2008. Buck Consultants LLC was the recordkeeper for the Plan through to March 2008. For the remainder of 2008 and all of 2009 and 2010, Mercer (Ireland) Ltd. was the Plan fiduciary and CIBC World Markets was the custodian for the Ireland accounts. Capita Plan Share Services is the Plan fiduciary and BMO Capital Markets is the custodian for the United Kingdom accounts.

As of December 31, 2011, the United Kingdom was the only remaining country participating in the Plan and the Company continues to evaluate the options for the United Kingdom. During 2010, the residual shares that were held in Ireland on December 31, 2009, were transferred out of the Plan for the benefit of the participant, following the completion of the harmonization of that country into the ISOP.

Contributions — Effective January 1, 2008 contributions were frozen as per note 5.

Participant Accounts — Individual accounts have been maintained for each Plan participant. Each participant's account was credited with the participant's contribution, the Company's matching contribution, allocations of Company discretionary contributions, if any, and Plan earnings, and charged with withdrawals and an allocation of Plan losses. Allocations were based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participant accounts remaining in the Plan continue to have individual accounts maintained with Plan earnings or losses allocated based on earnings and account balances as defined.

As of December 31, 2011, the Plan has a total of 246 participants participating in the Plan solely in the United Kingdom.

Investments — Sales of the Company's common stock for distributions generally are made on two specified dates in each month and subsequently converted into the applicable local currencies for payment to employees. Any dividends on shares of the Company's common stock are invested in additional shares of the Company's common stock.

Vesting — In general, participants were immediately vested in all shares of the Company's common stock credited to their respective Plan accounts.

Payment of Benefits — Prior to the Merger Agreement, distributions of account balances were made when the employment of a participant ceased, unless upon retirement the participant's account was credited with at least 100 shares of the Company's common stock, and the participant elected to defer payment. If an election was made to defer the distribution, retirees could have made up to two requests a year for distributions of all or a portion of their account balance.

For those retirees who do not elect to defer payment and for all other participants who terminate employment for reasons other than retirement, a distribution of the participant's account was made in the form of a lump-sum payment.

All distributions were made in cash, unless the participant (or beneficiary, in the event of a participant's or retiree's death) elected to receive the account balance in the form of shares of the Company's common stock.

While employed, participants could have elected to take up to two in-service withdrawals from their account balances during a calendar year. Effective October 1, 2005, upon a change in control of the Plan sponsor, all shares in the Plan became mature and immediately available for sale. Since then participants have been able to elect cash, share certificate, or electronic transfer of shares to the ISOP for both in-service and termination withdrawals. Only whole shares were processed for in-service withdrawals.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

The Plan invests in common stock of the Company which represents a concentration in investments. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts repo