

Company Registration No. 1406897

Wickes Properties Limited

Report and Financial Statements

For the 61 month period ending

31 December 2005



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Wickes Properties Limited

Report and financial statements 2005

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Wickes Properties Limited

Report and financial statements 2005

Officers and professional advisers

Directors

R S Bird
J Bird
J P Carter
G I Cooper
P N Hampden Smith
M W H Penny

Secretary

A S Pike

Registered Office

Lodge Way House
Lodge Way
Harlestone Road
Northampton
NN 5 7UG

Bankers

Royal Bank of Scotland

Solicitors

Clifford Chance
Hewitsons

Auditors

Deloitte & Touche LLP
Chartered Accountants
Birmingham

Wickes Properties Limited

Directors' report

The directors present their annual report and the audited financial statements for the 61 week period ended 31 December 2005.

On 11 February 2005 the company was acquired by Travis Perkins plc, which became the ultimate controlling party from that date. On 17 March 2005 the company changed its year end to 31 December 2005.

Principal activities and business review

The principal activity of the company is that of property management. The directors expect the company to continue to trade in a similar manner for the foreseeable future.

Results and dividends

The results for the year are shown on page 6.

Directors and their interests

The directors who held office during the period were as follows:

W E Archer (resigned 11 February 2005)
G C Wilson (resigned 11 February 2005)
R S Bird
J Bird
J P Carter (appointed 11 February 2005)
G I Cooper (appointed February 2005)
P N Hampden Smith (appointed 11 February 2005)
M W H Penny

None of the directors who hold office at the end of the financial period had any disclosable interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial period.

The board of directors who held office at the end of the financial period had the following interest in the shares of Travis Perkins plc, the ultimate parent company, according to the register of directors' interests. All such interests were beneficial.

		2005	2004
		No.	No.
Class of share			
J Bird	Ordinary share options	15,679	-
R Bird	Ordinary share options	21,777	-

The options held by the directors under the Travis Perkins 2001 Executive Share Option Scheme are exercisable after 3 years but before 10 years following the date of grant at a price of 1,435.0p.

Wickes Properties Limited

Directors' report

Directors and their interests (continued)

The following directors also held options under the Travis Perkins Sharesave Scheme 1992 at 31 December in each year as follows :-

	2005	2004
J Bird	1,389	-
R Bird	806	-
M W H Penny	806	-

These options are exercisable after 5 years following the date of grant at a price of 1,159.0p.

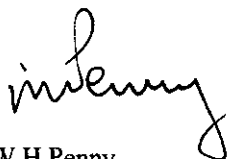
The interests of J P Carter, G I Cooper and P N Hampden Smith who are also directors of Travis Perkins plc, the ultimate parent company, are disclosed in the financial statements of that company.

The interests of WE Archer and GC Wilson who are also directors of Focus Wickes Group Limited, are disclosed in the financial statements of that company.

Auditors

On 22 March 2005 KPMG Audit plc resigned as auditors of the business and Deloitte & Touche LLP were appointed to fill the resulting vacancy. Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



M W H Penny
Finance Director

25 April 2006

Wickes Properties Limited

Statement of directors' responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WICKES PROPERTIES LIMITED

We have audited the financial statements of Wickes Properties Limited for the 61 week period ended 31 December 2005 which comprise the profit and loss account, the note of historical cost profits and losses, the balance sheet, the reconciliation of movement in shareholders' funds and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework 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 other transactions is not disclosed.*

We read the directors' report contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the 61 week period then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
Birmingham

27 April 2006

Wickes Properties Limited

Profit and loss account

61 week period ended 31 December 2005

	Note	61 weeks ended 31 December 2005 £000	53 weeks ended 31 October 2004 £000
Turnover	1	1,135	1,398
Cost of sales		(860)	(1,114)
Gross profit		275	284
Administrative expenses		(60)	(137)
Operating profit	2	215	147
Profit on sale of tangible fixed assets		-	656
Other interest receivable and similar income	5	-	6
Other finance costs	6	(12)	(22)
Profit on ordinary activities before taxation		203	787
Tax on profit on ordinary activities	7	(74)	(176)
Retained profit for the financial period	14	129	611

The above results derive from continuing operations in both periods.

The company has no recognised gains or losses during the current and previous periods other than the result for the periods reported above.

The accompanying notes are an integral part of this profit and loss account.

Wickes Properties Limited

Note of historical cost profits and losses 61 week period ended 31 December 2005

	61 weeks 2005 £000	53 weeks 2004 £000
Reported profit on ordinary activities before taxation	203	787
Difference between a historical cost depreciation charge and the actual depreciation charge for the year	1	1
Difference between historical cost profit on sale of fixed assets and the actual profit on sale of fixed assets calculated on the revalued amount	-	1,592
Historical cost profit on ordinary activities before taxation	204	2,380
Historical cost profit for the period retained after taxation	130	2,204

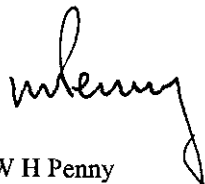
Wickes Properties Limited

Balance sheet 31 December 2005

	Note	31 December 2005		31 October 2004	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	8		633		659
Investments	9		258		258
			<u>891</u>		<u>917</u>
Current assets					
Debtors	10	19,424		22,313	
Cash at bank and in hand		351		249	
		<u>19,775</u>		<u>22,562</u>	
Creditors: amounts falling due within one year	11	<u>(14,504)</u>		<u>(17,172)</u>	
Net current assets			<u>5,271</u>		<u>5,390</u>
Total assets less current liabilities			<u>6,162</u>		<u>6,307</u>
Provisions for liabilities and charges	12		<u>(176)</u>		<u>(450)</u>
Net assets			<u>5,986</u>		<u>5,857</u>
Capital and reserves					
Called-up share capital	13		-		-
Revaluation reserve	14		37		37
Profit and loss account	14		5,949		5,820
Equity shareholders' funds			<u>5,986</u>		<u>5,857</u>

These financial statements were approved by the Board of Directors on 25 April 2006.

Signed on behalf of the Board of Directors



M W H Penny

Finance Director

The accompanying notes are an integral part of this balance sheet.

Wickes Properties Limited

Reconciliation of movements in shareholders' funds 61 week period ended 31 December 2005

	61 weeks ended 31 December 2005 £000	53 weeks ended 31 October 2004 £000
Profit for the financial period	129	611
Opening shareholders' funds	<u>5,857</u>	<u>5,246</u>
Closing shareholders' funds	<u><u>5,986</u></u>	<u><u>5,857</u></u>

Wickes Properties Limited

Notes to the accounts

61 week period ended 31 December 2005

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below, they have all been applied consistently throughout the year and the preceding year, with the exception of the adoption of FRS 21 - Events after the balance sheet date and the relevant paragraphs of FRS 25- Financial Instruments: Presentations and disclosure which have been adopted during the period and have no impact on the reported results.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost accounting rules, modified to include the revaluation of certain fixed assets.

The company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group accounts, as it is a subsidiary of Travis Perkins plc.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

On 11 February 2005, the entire issued share capital of Wickes Limited, the intermediate parent company, was acquired by Travis Perkins plc, prior to this date the company was a wholly owned subsidiary of Focus Wickes Group Limited. On 17 March 2005 the company changed its accounting reference date to 31 December.

As a wholly owned subsidiary of Focus Wickes Group Limited, the company has taken advantage of the exemption in Financial Reporting Standard Number 8 from disclosing transactions arising pre 11 February 2005 with members of the group headed by Focus Wickes Group Limited. As a wholly owned subsidiary of Travis Perkins plc from 11 February 2005, the company has taken advantage of the exemption in Financial Reporting Standard Number 8 from disclosing transactions from this date with members of the group headed by Travis Perkins plc.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold land	- not depreciated
Freehold buildings	- 4% straight line

Leases

Payments made under an arrangement which, in substance, is of a rental nature ("operating lease"), are charged to the profit and loss account on a straight line basis over the term of the operating lease.

Incentives received to enter into a lease agreement are recognised in the profit and loss account over the shorter of the life of the lease and the period to the next rent review.

Wickes Properties Limited

Notes to the accounts (continued) 61 week period ended 31 December 2005

1. Accounting policies (continued)

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more than likely that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Turnover

Turnover represents rental income received on properties leased by the company. Rental income is derived solely from UK properties.

2. Operating profit

Operating profit is stated after charging:

	61 weeks ended 31 December 2005 £000	53 weeks ended 31 October 2004 £000
Depreciation and amounts written off fixed assets	26	68
Operating lease rentals – land and buildings	1,055	1,235

Audit fees were borne by another group undertaking in both periods.

3. Directors remuneration, interests and transactions

The emoluments of W E Archer and G C Wilson are paid by other group companies. It is not practicable to determine the proportions of such emoluments which are attributable to the directors' services to the company. However, the total emoluments for these directors is taken into account in the disclosure of directors' emoluments in the financial statements of Focus Wickes Group Limited, the ultimate parent undertaking until 11 February 2005.

The emoluments of J P Carter, G I Cooper and P N Hampden-Smith are paid by other group companies. It is not practicable to determine the proportions of such emoluments which are attributable to the directors' services to the company. However, the total emoluments for these directors is taken into account in the disclosure of directors' emoluments in the financial statements of Travis Perkins plc, the ultimate parent undertaking since 11 February 2005.

Wickes Properties Limited

Notes to the accounts (continued)

61 week period ended 31 December 2005

3. Directors remuneration, interests and transactions (continued)

The emoluments of R S Bird, J Bird and M W H Penny are paid by other group companies. It is not practicable to determine the proportions of such emoluments which are attributable to the directors' services to the company. However, the total emoluments for these directors is taken into account in the disclosure of directors' emoluments in the financial statements of Wickes Building Supplies Limited.

4. Staff costs

No staff were directly employed by Wickes Properties Limited.

5. Other interest receivable and similar income

	61 weeks ended 31 December 2005 £000	53 weeks ended 31 October 2004 £000
Other interest	-	6

6. Other finance costs (net)

	61 weeks ended 31 December 2005 £000	53 weeks ended 31 October 2004 £000
Unwinding of discount	12	22

7. Tax on profit on ordinary activities

a) Analysis of tax charge for the period

	61 weeks 2005 £000	53 weeks 2004 £000
<i>Current tax</i>		
UK corporation tax on profits for the period	127	102
Adjustments in respect of prior period	-	74
Total current tax (see (b) below)	127	176
<i>Deferred tax</i>		
Origination and reversal of timing differences	(53)	-
Total tax charge	74	

Wickes Properties Limited

Notes to the accounts (continued)

61 week period ended 31 December 2005

7. Tax on profit on ordinary activities (continued)

b) Factors affecting tax charge for the period

The tax credit for the period is higher (2004: lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	61 weeks ended 31 December 2005 £000	53 weeks ended 31 October 2004 £000
Profit on ordinary activities before taxation	<u>203</u>	<u>787</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004: 30%)	61	236
Effects of:		
Expenses not deductible for tax purposes	15	314
Movement in other timing differences	51	(1)
Adjustment to tax charge in respect of prior periods	-	74
Effect of capital losses	-	(447)
Current tax charge for period (see (a) above)	<u>127</u>	<u>176</u>

8. Tangible fixed assets

	Freehold property £000
Cost	
At 1 November 2004 and 31 December 2005	<u>659</u>
Depreciation	
At 1 November 2004	-
Charge for period	<u>26</u>
At 31 December 2005	<u>26</u>
Net book value	
At 31 December 2005	<u>633</u>
At 31 October 2005	<u>659</u>

Freehold property includes land at a cost at £210,000 (2004: £210,000) which is not depreciated.

The valuations of freehold and leasehold properties were performed internally by qualified members of the company's property function with the input of external chartered surveyors, on an existing use basis during the year ended 28 October 2001 giving a valuation of £14,069,000. The revaluations were implemented to obtain the fair values of the assets acquired by Focus Wickes Group Limited when it acquired the shares of Wickes Limited on 26 September 2000. Freehold property and land has been sold since the date of the original valuation. The remaining element of the original valuation was £750,000 as at 31 December 2005.

Wickes Properties Limited

Notes to the accounts (continued) 61 week period ended 31 December 2005

9. Fixed asset investments

Shares in
subsidiary
undertakings
£000

Cost and net book value

At 1 November 2004 and 31 December 2005

258

The principal undertakings (excluding dormant companies) in which the Company's interest at the period end is more than 20% are as follows:

Subsidiary undertaking	Country of incorporation	Principal activity	Class and percentage of shares held
Wickes Developments Limited	UK	Property management	50% ordinary
Berners Street Properties Limited	UK	Dormant	100% ordinary

10. Debtors

	31 December 2005 £000	31 October 2004 £000
Amounts falling due within one year		
Trade debtors	660	189
Other debtors	9	8
Amounts owed by group undertakings	18,552	21,999
Deferred tax asset (see note 12)	53	-
Prepayments and accrued income	150	117
	<u>19,424</u>	<u>22,313</u>

11. Creditors: amounts falling due within one year

	31 December 2005 £000	31 October 2004 £000
Amounts owed to group undertakings	14,212	15,201
Corporation tax	133	6
Other taxes and social security	3	997
Accruals and deferred income	156	968
	<u>14,504</u>	<u>17,172</u>

Wickes Properties Limited

Notes to the accounts (continued) 61 week period ended 31 December 2005

12. Provisions for liabilities and charges

	Deferred tax (asset) £000	Property provision £000
At 1 November 2004	-	450
Credit for the period	(53)	(284)
Utilised during the period	-	(2)
Unwinding of discount	-	12
	<u>(53)</u>	<u>176</u>
At 31 December 2005	(53)	176

The property provision has been discounted to reflect the time value of money. The unwinding of the discount has been charged to the profit and loss account as other finance costs. This is in line with the requirements of FRS12.

The deferred tax asset recognised under FRS19 is set out below:

	31 December 2005 £000	31 October 2004 £000
Other timing differences	(53)	(104)
Timing differences not recognised	-	104
	<u>(53)</u>	<u>-</u>
Deferred tax liability	(53)	-

13. Called-up share capital

	31 December 2005 £	31 October 2004 £
Authorised:		
100,000 (2004: 100,000) ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Called-up, allotted and fully paid		
12 (2004: 12) ordinary shares of £1 each	<u>12</u>	<u>12</u>

14. Reserves

	Revaluation reserve £000	Profit and loss account £000
At 1 November 2004	37	5,820
Retained profit for the financial period	-	129
	<u>37</u>	<u>5,949</u>
At 31 December 2005	37	5,949

Wickes Properties Limited

Notes to the accounts (continued) 61 week period ended 31 December 2005

15. Financial commitments

Annual commitments under non-cancellable operating leases are as follows:

	Land and buildings	
	31 December	31 October
	2005	2004
	£000	£000
Operating leases which expire:		
Between two and five years	126	126
After five years	967	813
	1,093	939

16. Contingent liabilities

At 31 December 2005 the company, together with other subsidiaries in the Travis Perkins' group guaranteed the amount drawn under the £1.2 billion UK syndicated bank facility made available to its ultimate parent company Travis Perkins plc. At 31 December the amount drawn on the facility was £994 million.

Since the year end, the UK syndicated facility referred to above has been reduced by £230 million to £970 million using the proceeds received from a \$400 million US private placement. In addition to guaranteeing the £970 million UK syndicated facility, the company and other group subsidiaries have guaranteed the \$400 million advanced to Travis Perkins plc.

Further details of the group's borrowings are given in the accounts of Travis Perkins plc.

17. Ultimate parent company

The company is a subsidiary undertaking of Wickes Holdings Limited, a company registered in England and Wales.

On 11 February 2005, the entire issued share capital of Wickes Limited was acquired by Travis Perkins plc, prior to this date the company was a wholly owned subsidiary of Focus Wickes Group Limited.

The smallest and largest group of which the company was a member and for which group financial statements are drawn up prior to 11 February 2005 was that headed by Focus Wickes Group Limited, whose principal place of business is at Gawsorth House, Westmere Drive, Crewe, Cheshire, CW1 6XB. The consolidated financial statements are available at that address. From 11 February 2005, the smallest and largest group of which the company was a member and for which group financial statements were drawn up was that headed by Travis Perkins plc, whose principal place of business is at Lodgeway House, Lodgeway, Harlestone Road, Northampton, NN5 7UG. The consolidated financial statements are available at that address.

The company's ultimate holding company is Travis Perkins Plc, a company incorporated in England and Wales.