

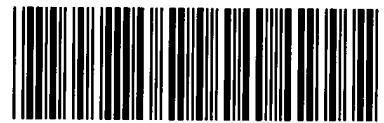
Registration number: 01406897

# Wickes Properties Limited

Annual report and financial statements

for the period from 1 January 2017 to 30 December 2017

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## **Wickes Properties Limited**

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## **Wickes Properties Limited**

### **Company information**

<b>Directors</b>	J.P. Carter M.R. Meech A.R. Williams
<b>Company secretary</b>	TPG Management Services Limited
<b>Registered office</b>	Lodge Way House Lodge Way Harlestone Road Northampton NN5 7UG
<b>Auditors</b>	KPMG LLP Statutory Auditor One Snowhill Snow Hill Queensway Birmingham B4 6GH

## **Wickes Properties Limited**

### **Directors' report for the period from 1 January 2017 to 30 December 2017**

The Directors present their Annual report and the audited financial statements for the period from 1 January 2017 to 30 December 2017.

The Directors' report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006.

The Company has taken advantage of the exemption under section 414B of the Companies Act 2006 to not prepare a strategic report.

#### **Principal activity**

The principal activity of the Company continues to be that of property management.

#### **Business review and future developments**

The profit and loss account is set out on page 7.

The Company made a pre-tax profit of £49,000 for the year ended 30 December 2017 (2016: pre-tax loss of £222,000) and has net assets of £5,957,000 (2016: £5,917,000).

The Directors believe the company is satisfactorily placed to enable it to trade profitably in future.

#### **Directors of the Company**

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

A.D. Buffin (resigned 11 July 2017)

J.P. Carter

M.R. Meech

A.R. Williams (appointed 11 July 2017)

#### **Directors liabilities**

The Company made qualifying third party indemnity provisions for the benefits of its Directors during the year, which remain in force at the date of this report. This is a qualifying provision for the purposes of the Companies Act 2006.

#### **Going concern**

The Directors have a reasonable expectation that the Company has the resources to continue in operational existence for the twelve months from the date of signing these financial statements. Thus it continues to adopt the going concern assumption in preparing the annual financial statements. Further details regarding the going concern basis can be found in note 2 to the financial statements.

#### **Dividends**

The Directors do not recommend the payment of a dividend (2016: £nil).

## **Wickes Properties Limited**

### **Directors' report for the period from 1 January 2017 to 30 December 2017 (continued)**

#### **Disclosure of information to the auditors**

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Approved by the Board on 13/09/18 and signed on its behalf by:



.....  
A.R. Williams  
Director

## **Wickes Properties 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting standard applicable in the UK and Republic of Ireland*. 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 profit or loss of the Company 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **Independent Auditor's Report to the Members of Wickes Properties Limited**

### **Opinion**

We have audited the financial statements of Wickes Properties Limited ('the Company') for the period from 1 January 2017 to 30 December 2017, which comprise the profit and loss account and total comprehensive income, balance sheet, statement of changes in equity, and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 December 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities are described below. We have fulfilled our other ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### **Directors' report**

The Directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

## **Independent Auditor's Report to the Members of Wickes Properties Limited (continued)**

### **Matters on which we are required to report by exception**

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view, such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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 auditor's 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.



.....  
Greg Watts (Senior Statutory Auditor)  
For and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

Date: 13/09/2018



## Wickes Properties Limited

### Profit and loss account and total comprehensive income for the period from 1 January 2017 to 30 December 2017

		52 weeks ended 30 December 2017 £000	53 weeks ended 31 December 2016 £000
	Note		
Turnover	4	503	407
Administrative expenses		<u>(454)</u>	<u>(629)</u>
<b>Operating profit/(loss)</b>	5	<u>49</u>	<u>(222)</u>
<b>Profit/(loss) before taxation</b>		49	(222)
Tax charge on profit	9	<u>(9)</u>	<u>(15)</u>
<b>Profit/(loss) and total comprehensive income/(loss) for the financial period</b>		<u>40</u>	<u>(237)</u>

The above results were derived from continuing operations.

The Company has no recognised gains or losses for the period other than the results above.

## Wickes Properties Limited

### Balance sheet as at 30 December 2017

	Note	30 December 2017 £000	31 December 2016 £000
<b>Current assets</b>			
Debtors	11	20,283	20,249
<b>Creditors:</b> amounts falling due within one year	12	<u>(14,089)</u>	<u>(14,095)</u>
<b>Total assets less current liabilities</b>		6,194	6,154
Provisions	13	<u>(237)</u>	<u>(237)</u>
<b>Net assets</b>		<u>5,957</u>	<u>5,917</u>
<b>Capital and reserves</b>			
Called up share capital	14	-	-
Profit and loss account	15	<u>5,957</u>	<u>5,917</u>
<b>Total equity</b>		<u>5,957</u>	<u>5,917</u>

The notes on pages 10 to 17 form an integral part of these financial statements.

The financial statements of Wickes Properties Limited, registered number 01406897, were approved and authorised by the Board on 13/09/18 and signed on its behalf by:



.....  
A.R. Williams  
Director

# **Wickes Properties Limited**

## **Statement of changes in equity for the period from 1 January 2017 to 30 December 2017**

	<b>Share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total £000</b>
At 26 December 2015	-	6,154	6,154
Loss for the financial year and total comprehensive loss	-	(237)	(237)
At 31 December 2016	-	5,917	5,917
Profit for the financial year and total comprehensive income	-	40	40
<b>At 30 December 2017</b>	<b>-</b>	<b>5,957</b>	<b>5,957</b>

## **Wickes Properties Limited**

### **Notes to the financial statements for the period from 1 January 2017 to 30 December 2017**

#### **1 General information**

The Company is a private company limited by share capital, incorporated in the United Kingdom under the Companies Act 2006.

The address of its registered office is given on page 1.

#### **2 Accounting policies**

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

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 '*The Financial Reporting Standard applicable in the UK and Republic of Ireland*'.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

##### **Summary of disclosure exemptions**

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

##### **Going concern**

After reviewing the Company's forecasts and projections, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the 12 months from the date of signing these financial statements. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

##### **Financial instruments**

###### ***Recognition and measurement***

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Investments in subsidiary undertakings are stated at cost less provision for impairment where appropriate.

##### **Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in operating profit in the profit and loss account as a charge to administrative expenses.

## **Wickes Properties Limited**

### **Notes to the financial statements for the period from 1 January 2017 to 30 December 2017 (continued)**

#### **2 Accounting policies (continued)**

##### ***a) Non-financial assets***

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in a previously recognised impairment loss, the prior impairment loss is tested to determine whether a reversal is required. An impairment loss is reversed on an individual impaired asset (other than goodwill) to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### ***b) Financial assets***

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

#### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in the profit or loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge, including UK corporation tax and foreign tax, is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

The tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

## **Wickes Properties Limited**

### **Notes to the financial statements for the period from 1 January 2017 to 30 December 2017 (continued)**

#### **2 Accounting policies (continued)**

##### **Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation at the reporting date as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

#### **3 Critical accounting judgements and key sources of estimation uncertainty**

##### **Critical accounting judgements and key sources of estimation uncertainty**

These financial statements have been prepared in accordance the Company's accounting policies, which are described in note 2. The preparation of financial statements requires the Directors to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Future events and their effects cannot be determined with certainty. Therefore, the determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions. The Directors frequently re-evaluate these significant factors and make adjustments where facts and circumstances dictate.

Some financial information is produced by finance systems that were first implemented by the Group over 30 years ago, which as the business has grown, have been amended to cope with significantly higher transaction levels and more complicated ways of doing business. This has made the systems unwieldy and frequently requires management to make judgements about the accuracy of information calculated by those systems in areas such as supplier income, inventory and goods received not invoiced accruals.

#### **4 Turnover**

Turnover represents rental income received from UK-located properties leased out by the Company.

#### **5 Operating profit**

Operating profit is stated after charging

	<b>1 January 2017 to 30 December 2017 £000</b>	<b>27 December 2015 to 31 December 2016 £000</b>
Impairment of fixed asset investments	-	258
Operating lease charges - property	<u>455</u>	<u>487</u>

## **Wickes Properties Limited**

### **Notes to the financial statements for the period from 1 January 2017 to 30 December 2017 (continued)**

#### **6 Auditors' remuneration**

The analysis of auditor's remuneration is as follows:

	<b>1 January 2017 to 30 December 2017 £</b>	<b>27 December 2015 to 31 December 2016 £</b>
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<u>3,000</u>	<u>2,000</u>

These fees were borne by another group company. Auditor's remuneration for non-audit services is disclosed within the Travis Perkins plc Annual Report. No non-audit services were provided by the auditor directly to the Company in either the current or prior year.

#### **7 Directors' remuneration**

Four (2016: three) of the Directors are paid by other group companies and received total emoluments (including non-performance related bonuses) of £3,926,000 (2016: £2,510,000), pension contributions of £5,000 (2016: £17,000) and performance-related bonus of £nil (2016: £144,000) during the year, but it is not practicable to allocate their remuneration from other group companies for services rendered. In addition, of these Directors, none (2016: none) are accruing benefits under the Travis Perkins Pensions and Dependents' Benefit Scheme, which is a defined benefit pension scheme, and one (2016: one) is contributing towards the Travis Perkins Pension Plan, which is a defined contribution scheme, in respect of their service to other group companies.

Four Directors paid by another group company exercised share options during the year (2016: three).

#### **8 Staff costs**

No staff were directly employed by Wickes Properties Limited in either financial period.

## Wickes Properties Limited

### Notes to the financial statements for the period from 1 January 2017 to 30 December 2017 (continued)

#### 9 Tax

Tax charged/(credited) in the profit and loss account

	1 January 2017 to 30 December 2017 £000	27 December 2015 to 31 December 2016 £000
<b>Current taxation</b>		
UK corporation tax	9	7
UK corporation tax adjustment to prior periods	-	8
	<u>9</u>	<u>15</u>

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK (2016: higher than the standard rate of corporation tax in the UK) of 19.25% (2016: 20%).

The differences are reconciled below:

	1 January 2017 to 30 December 2017 £000	27 December 2015 to 31 December 2016 £000
Profit/(loss) before tax	<u>49</u>	<u>(222)</u>
Corporation tax at standard rate	9	(44)
Effect of expenses not deductible for tax purposes	-	51
Increase in UK current tax from adjustment for prior periods	-	8
Total tax charge	<u>9</u>	<u>15</u>

The tax rate for the current period is lower than the prior period due to changes in the UK Corporation tax rate which decreased from 20% to 19% from 1 April 2017.

This reduction to the UK Corporation tax rate was substantively enacted as part of the Summer Finance Bill 2015 on 26 October 2015 and the 2016 Finance Bill on 15 September 2016. A further reduction will reduce the main rate to 17% from 1 April 2020. The deferred tax assets and liabilities at the balance sheet date have been measured using these enacted rates in these financial statements.



## Wickes Properties Limited

### Notes to the financial statements for the period from 1 January 2017 to 30 December 2017 (continued)

#### 10 Fixed asset investments

	30 December 2017 £000	31 December 2016 £000
At 1 January 2017 / 27 December 2015	-	258
Impairment	-	(258)
At 30 December 2017	-	-

#### Details of undertakings

Details of the investments in subsidiary undertakings are as follows:

Subsidiary Undertaking	Holding	Percentage of shares held	Nature of business
Wickes Developments Limited	Ordinary shares	100%	Property Management

The registered office of all subsidiary undertakings is Lodge Way House, Lodge Way, Harlestone Road, Northampton, England, NN5 7UG.

#### 11 Debtors

	30 December 2017 £000	31 December 2016 £000
Amounts owed by group undertakings	19,916	20,033
Prepayments and accrued income	367	216
	<u>20,283</u>	<u>20,249</u>

Amounts owed by group undertakings include loans and trade balances. The loans are interest free and have no fixed date for repayment.

## Wickes Properties Limited

### Notes to the financial statements for the period from 1 January 2017 to 30 December 2017 (continued)

#### 12 Creditors: amounts falling due within one year

	30 December 2017 £000	31 December 2016 £000
<b>Due within one year</b>		
Amounts due to group undertakings	14,080	14,095
Corporation tax liability	9	-
	<u>14,089</u>	<u>14,095</u>

Amounts owed by group undertakings include loans and trade balances. The loans are interest free and have no fixed date for repayment.

No security has been given in relation to any creditors.

#### 13 Provisions for liabilities

	Property £000
At 1 January 2017	<u>237</u>
At 30 December 2017	<u>237</u>

The property provision represents dilapidation amounts and is expected to be utilised by the end of 2018.

#### 14 Share capital

##### Allotted, called up and fully paid shares

	No.	2017 £	No.	2016 £
Ordinary shares of £1 each	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>

##### Rights, preferences and restrictions

There were no changes to share capital during the year.

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

#### 15 Reserves

The profit and loss account represents cumulative profits or losses.

## **Wickes Properties Limited**

### **Notes to the financial statements for the period from 1 January 2017 to 30 December 2017 (continued)**

#### **16 Commitments**

##### **Operating leases**

The Company had the following future minimum lease payments under non-cancellable operating leases:

	<b>30 December 2017 £000</b>	<b>31 December 2016 £000</b>
Not later than one year	343	458
Later than one year and not later than five years	269	539
	<u>612</u>	<u>997</u>

#### **17 Related party transactions**

The Company has taken advantage of the exemption contained within FRS 102 and not disclosed transactions or balances with companies that are fellow wholly-owned subsidiaries of Travis Perkins plc.

#### **18 Parent and ultimate parent undertaking**

The immediate parent undertaking is Wickes Holdings Limited.

The ultimate parent undertaking, controlling party and smallest and largest group to consolidate these financial statements is Travis Perkins plc, a company registered in England and Wales. Copies of the Travis Perkins plc group financial statements are available from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.