

Reckitt Benckiser (UK) Limited

Report and Financial Statements

Year ended

31 December 2021

Company Number 03982446

FRIDAY



ABDNA7AZ

A05

30/09/2022

#352

COMPANIES HOUSE

Reckitt Benckiser (UK) Limited
Company Information

Directors	Stephanie Lilley Robert Ian Barratt Luis Zafra
Company Secretary	James Edward Hodges
Registered Number	03982446
Registered Office	103-105 Bath Road Slough Berkshire SL1 3UH
Independent Auditor	KPMG LLP 15 Canada Square London E14 5GL

Reckitt Benckiser (UK) Limited

Contents

	Page no.
Strategic Report	1 – 3
Directors' Report	4 – 6
Statement of directors' responsibilities	7
Independent Auditor's Report to the members of Reckitt Benckiser (UK) Ltd	8 – 10
Statement of Comprehensive Income	11
Balance Sheet	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14 – 28

Reckitt Benckiser (UK) Limited

Strategic Report

For the year ended 31 December 2021

The Directors of Reckitt Benckiser (UK) Limited (the "Company") present their Strategic Report for the year ended 31 December 2021.

Principal activities

The principal activity of the Company, which is a member of the Reckitt group of companies (the "Group") is the manufacture and sale of branded consumer products for sale to other Group companies. The Company manufactures household cleaning and surface care products to sell to other Group companies. In the view of the Directors, the Company's future development will continue to centre on the main categories of household cleaning, surface care and fabric care products in which it operates.

Review of business and key performance indicators ("KPIs")

The Financial Statements for the year ended 31 December 2021 show a profit for the financial year of £22,415k (2020: £250,911k). The company has net assets of £1,915,997k (2020: £1,893,983k).

During the year, the Directors paid interims dividends of nil (2020: £590,946k).

The Directors of Reckitt Benckiser Group plc manage the Group's operations on a geographical and category basis. For this reason, the Directors believe analysis using KPIs for the Company is not necessary, or appropriate for an understanding of the development, performance or position of the business. The development, performance and position of the Hygiene and Personal Care category of Reckitt Benckiser Group plc, that includes the Company, is discussed in the Group's Financial Statements which does not form part of this report.

Statement under section 172 of the Companies Act 2006

This statement, which forms part of the Strategic Report, is intended to show how the Directors have approached and met their responsibilities under section 172 of the Companies Act 2006 during 2021. The statement has been prepared in response to the obligations as set out in the Companies (Miscellaneous Reporting) Regulations 2018.

As required by section 172 of the Companies Act 2006, a Director of a Company must act in a way s/he considers, in good faith, would most likely promote the success of the company for the benefit of its shareholders. In doing this, the Director must have regard, amongst other matters, to the:

- likely consequences of any decisions in the long term;
- interests of the Company's employees;
- need to foster the Company's business relationships with suppliers, customers and others;
- impact of the Company's operations on the community and environment;
- Company's reputation for high standards of business conduct; and
- need to act fairly as between members of the Company.

In discharging our section 172 duties we have regard to the factors set out above. In addition, we also have regard to other factors which we consider relevant to the decision being made. As a Board our aim is always to uphold the highest standards of governance and conduct, taking decisions in the interests of the long-term sustainable success of the Company, generating value for our shareholders and contributing to wider society. We recognise that our business can only grow and prosper over the long term by understanding the views and need of our stakeholders.

Understanding our stakeholders is key to ensuring the Board can have informed discussions and factor stakeholder interests into decision-making. Those factors, for example, include the interests and views of the Company's workforce, customers, consumers, suppliers, regulators, other members of our Group and the local communities in which the Company operates. By considering the Company's purpose and values, together with its strategic priorities and having a process in place for decision-making, we aim to make sure that our decisions are consistent and appropriate in all the circumstances. In particular:

The strategy of the Group applies to the Company, as a member of the Group, and shapes the Company's business operations and activities. Details of the Group's long-term strategy can be found on pages 22 to 33 of the Group 2021 Annual Report, which is available at www.reckitt.com.

Reckitt Benckiser (UK) Limited

Strategic report (continued)

For the year ended 31 December 2021

- We understand the importance of engaging with, and understanding the perspectives of, our workforce. Amidst the ongoing COVID-19 pandemic, ensuring continued wellbeing for employees, both physical and mental, has been a high priority. We also recognise the benefits of personal interaction and informal discussions in learning more about the day-to-day operations; the development and execution of strategy and gathering direct insight into our culture and workforce engagement. For further details on how the Company has engaged with employees, please see page 4-6 of the Directors' Report.
- The Company is committed to responsible and ethical corporate behaviour. This includes high standards of business conduct in our relationships. The Company operates under documented policies approved by the Group, including the Group's Code of Business Conduct, Global Anti-Bribery Policy, Data Privacy Policies and Global Anti-Money Laundering Policy and processes are in place to ensure compliance therewith.

As is normal for large companies, we delegate authority for day-to-day management of the Company to executives and then engage management in setting, approving and overseeing execution of the business strategy and related policies. We, in conjunction with our executive management team, regularly review quality including health and safety matters, financial and operational performance and legal and regulatory compliance. We also review other areas over the course of the financial year including the Company's business strategy, key risks, stakeholder-related matters, diversity and inclusivity, corporate responsibility and governance, compliance and legal matters. Board meetings are held periodically where the Directors consider the Company's activities and make decisions. As a part of those meetings the Directors receive information on section 172 matters when making relevant decisions. The directors then consider a range of factors. These include matters affecting the long-term viability of the company; its expected cash flow and financing requirements; the ongoing need for strategic investment in our business and the expectations of the Group.

Principal Risks

The principal risks and uncertainties of the Company are integrated with the principal risks of the Group. Accordingly, the principal risks and uncertainties of Reckitt Benckiser Group plc, which include those of the Company, are discussed in the Group's financial statements which do not form part of this report.

Financial risk management

The Company's financing and financial risk management activities are centralised into the Group Treasury Centre. Details of the Group's risk management activities are disclosed in the Reckitt Benckiser Group plc Annual Report.

Liquidity and interest rate risk

The Company's arrangements with the Reckitt Benckiser Group plc, as described above, ensure it can access the funds needed to meet its liquidity requirements as cash can be obtained through Group funding. Interest receivable/payable on loans with other Group companies is calculated at non-interest bearing and floating rates of interest. The Company's liquidity requirements and interest rate risks are managed at a Group level.

Currency risk

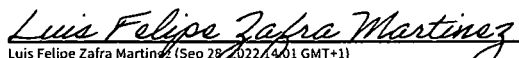
The Company's functional currency is Sterling and its Financial Statements are also presented in Sterling. Some transactions undertaken by the Company are denominated in currencies other than Sterling. The Company purchases derivatives to manage its exposure to currency risk on such transactions.

Reckitt Benckiser (UK) Limited
Strategic report (continued)
For the year ended 31 December 2021

Credit risk

The Company has no significant concentrations of credit risk. Financial Institution counterparties are subject to approval under the Group's counterparty risk policy and such approval is limited to financial institutions with a BBB rating or above. The amount of exposure to any individual counterparty is subject to a limit defined within the counterparty risk policy, which is reassessed annually by the Board of Reckitt Benckiser Group plc. Amounts owing from companies in the Group are usually remitted within the Company's standard credit terms. The credit history of counterparties and external trade debtors is also monitored regularly.

This report was approved by the board and signed on its behalf on 27 September 2022.


Luis Felipe Zafra Martinez (Sep 28 2022 14:01 GMT+1)

Luis Zafra
Director
103-105 Bath Road
Slough
Berkshire
SL1 3UH

Reckitt Benckiser (UK) Limited

Directors' Report

For the year ended 31 December 2021

The Directors present their report and the audited Financial Statements for the year ended 31 December 2021.

Directors

The Directors of the Company who held office during the year and up to the date of signing of the Financial Statements, unless otherwise stated, were:

Rohit Chandarana (Resigned on 21 June 2021)

John Dixon (Resigned on 6 June 2022)

Stephanie Lilley (Appointed on 6 July 2022)

Robert Ian Barratt

Luis Zafra (Appointed on 21 June 2021)

Directors' indemnity

On 28 July 2009, Reckitt Benckiser Group plc executed a deed poll of indemnity for the benefit of each individual who is, at any time on, or after 28 July 2009, an officer of Reckitt Benckiser Group plc and/or any company within the Group in respect of costs of defending claims against them and third party liabilities. This was in force during the financial period and at the date of approval of the financial statements.

Employment of disabled persons

The Company recognises its responsibilities to disabled persons and endeavours to assist them to make a full contribution at work. Where employees become disabled, every practical effort is made to allow them to continue in their jobs or to provide retraining in suitable alternative work.

Employee involvement

During 2021, the Company employed an average of 344 (2020: 305) people. The Company is committed to the principle of equal opportunity in employment; no applicant or employee receives less favourable treatment on the grounds of nationality, age, gender, religion or disability.

It is essential to the continued improvement in efficiency and productivity that each employee understands the Company's strategies, policies and procedures.

Open and regular communication with employees at all levels is an essential part of the management process. A continuing programme of training and development reinforces the Company's commitment to employee involvement.

Regular departmental meetings are held where opinions of employees are sought on a variety of issues. The Company operates multi-dimensional internal communication programmes which include the provision of an intranet and the publication of regular Company newsletters.

Company incentive schemes reinforce financial and economic factors affecting the performance of the business. All employees have 3-5 performance objectives which are directly linked to their job and their role in the overall performance of the Company.

Employees are encouraged to become shareholders and to participate in the Group's employee share ownership schemes.

Financial performance, dividends and S.172 Statement

Details of financial performance, dividends and S.172 are included in the Strategic report on pages 1-3. The directors have had regard to the need to foster the company's business relationships with suppliers, customers and others during the financial year, details of this are included in the Strategic report on pages 1-3.

Reckitt Benckiser (UK) Limited

Directors' Report (continued)
For the year ended 31 December 2021

Future developments

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative risk-free rates (referred to as 'IBOR reform'). The Company has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. The Company has amended contractual terms of financial instruments indexed to the relevant LIBORs, such that these will be replaced by risk-free rates with effect from 1 January 2022, thereby removing IBOR reform-related uncertainty.

The significant consideration for the future relates to COVID 19.

COVID-19

The spread of Coronavirus disease during 2020 (COVID-19) represented one of the most serious global health emergencies in the last 100 years. As a leader in both hygiene and health, the Group was uniquely positioned to provide tangible assistance to consumers, governments and healthcare authorities. During the financial year, we saw our supply chains continue to be resilient as we established protocols and safety measures to account for the wider return-to-work and the need to continue to supply our products, both in the market and in our development pipeline. The removal of lockdown restrictions in 2021 have also contributed to the changing environment of the pandemic and we continue to adapt and respond to the challenges the pandemic poses.

Based on this assessment updated to the date of signing these financial statements, and given the nature of the Company's operations, the Directors remain satisfied that the Company can continue its business as usual.

Financial risk management

Financial risk management is set out within the Strategic report on pages 1-3.

Charitable and political donations

No charitable donations in the UK amounted were made (2020: £nil). No political donations were made (2020: £nil).

Going concern

The Company participates in the Group's centralised treasury arrangements and so shares the banking arrangements with its parent.

The Company's projections, taking into account reasonably possible changes in trading performance, including those resulting from COVID-19, show that the Company should be able to operate within the level of its current funding.

Based on assessment of the Company's financial position the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing these accounts.

Independent Auditor:

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Reckitt Benckiser (UK) Limited

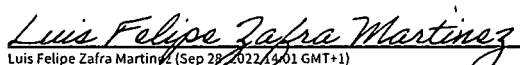
Directors' Report (continued)
For the year ended 31 December 2021

Disclosure of information to Auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- as far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's Auditor in connection with preparing their report and to establish that the Company's Auditor is aware of that information.

This report was approved by the Board on 27 September 2022 and signed on its behalf.


Luis Felipe Zafra Martinez (Sep 28, 2022, 19:01 GMT+1)

Luis Zafra
Director
103-105 Bath Road
Slough
Berkshire
SL1 3UH

Reckitt Benckiser (UK) Limited

Statement of directors' responsibilities in respect of the strategic, directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 they 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 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 Reckitt Benckiser (UK) Limited

Opinion

We have audited the financial statements of Reckitt Benckiser (UK) Limited ("the company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, 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 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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of Directors and inspection of the minutes of the meetings of the Board. Inspection of Company's policies and procedures to prevent and detect fraud, as well as enquiring whether the Directors have knowledge of any actual, suspected or alleged fraud.
- Inspection of Company's remuneration incentive schemes and performance targets for management and Directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Independent Auditor report to the members of Reckitt Benckiser (UK) Limited (Continued)

As required by auditing standards, taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls, in particular the risk that the Company management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We performed audit procedures which included testing of journal entries based on high risk criteria such as journals posted by senior finance management.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the Directors and other management, the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indication of non-compliance throughout the audit. The potential effect of these laws and regulations on the Financial Statements varies considerably.

The Company is subject to laws and regulations that directly affect the Financial Statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related Financial Statement items.

Whilst the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law, and certain aspects of company legislation recognising the nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and 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 strategic report and the directors' report;

Independent Auditor report to the members of Reckitt Benckiser (UK) Limited (Continued)

- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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.
- 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 7, 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.

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.



Jeremy Williams (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

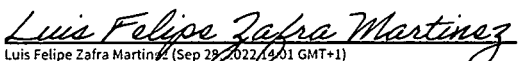
15 Canada Square
London
E14 5GL

28 September 2022

Reckitt Benckiser (UK) Limited
Statement of Comprehensive Income
For the year ended 31 December 2021

	note	2021 £000	2020 £000
Turnover	3	126,312	137,532
Cost of sales		(121,456)	(131,198)
Gross profit		4,856	6,334
Income from shares in Group undertakings		19,793	4,553
Gain on sale of investments		-	240,960
Administrative expenses		(320)	(2,268)
(Impairment) of investment	12	(3,128)	(3,544)
Operating profit	4	21,201	246,035
Interest receivable and similar income	7	2,236	6,796
Interest payable and similar expenses	8	-	(19)
Profit before taxation		23,437	252,812
Tax on profit	9	(1,022)	(1,901)
Profit for the financial year		22,415	250,911
Other comprehensive income			
Movement in hedging reserve (net of tax)		(401)	740
Total comprehensive income		22,014	251,651

The notes on pages 14 to 27 form part of these Financial Statements.


Luis Felipe Zafra Martinez (Sep 28, 2022, 14:01 GMT+1)

Luis Zafra
Director

Reckitt Benckiser (UK) Limited

Balance Sheet

As at 31 December 2021

Registered number: 3982446

	note	2021 £000	2020 £000
Fixed Assets			
Intangible assets	10	671	957
Tangible assets	11	12,312	12,293
Investments	12	-	3,128
Debtors: amounts falling due after more than one year	14	1,930,103	1,926,989
		1,943,086	1,943,367
Current Assets			
Stocks	13	8,151	6,870
Debtors	14	13,776	6,715
Deferred Tax Asset	16	1,302	1,187
Cash and cash equivalents		-	39
		23,229	14,811
Creditors: amount falling due within one year	15	(50,318)	(64,195)
Net Current Assets		(27,089)	(49,384)
Total assets less current liabilities		1,915,997	1,893,983
Net Assets		1,915,997	1,893,983
Equity			
Called up share capital	19	-	-
Share premium account		376,125	376,125
Other reserves		(442)	(41)
Retained earnings		1,540,314	1,517,899
Total Equity		1,915,997	1,893,983

The notes on pages 14 to 27 form part of these Financial Statements.

The Financial Statements and supplementary notes on pages 14 to 27 were approved and authorised for issue by the board and were signed on its behalf on 27 September 2022.

Luis Felipe Zafra Martinez
Luis Felipe Zafra Martinez (Sep 28, 2022, 14:01 GMT+1)

Luis Zafra
 Director

Reckitt Benckiser (UK) Limited

Statement of Changes in Equity For the year ended 31 December 2021

	Called up share capital £000	Share premium account £000	Other reserves £000	Retained earnings £000	Total equity £000
Balance as at 1 January 2021	-	376,125	(41)	1,517,899	1,893,983
Profit for the financial year	-	-	-	22,415	22,415
Movement in hedging reserve (net of tax)	-	-	(401)	-	(401)
Total comprehensive income	-	-	(401)	22,415	22,014
Dividends paid	-	-	-	-	-
Total transactions with owners	-	-	-	-	-
As at 31 December 2021	-	376,125	(442)	1,540,314	1,915,997

	Called up share capital £000	Share premium account £000	Other reserves £000	Retained earnings £000	Total equity £000
Balance as at 1 January 2020	-	376,125	(781)	1,857,934	2,233,278
Profit for the financial year	-	-	-	250,911	250,911
Other comprehensive income	-	-	890	-	890
Deferred Tax	-	-	(150)	-	(150)
Total comprehensive income	-	-	740	250,911	251,651
Dividends paid	-	-	-	(590,946)	(590,946)
Total transactions with owners	-	-	-	(590,946)	(590,946)
As at 31 December 2020	-	376,125	(41)	1,517,899	1,893,983

The notes on pages 14 to 27 form part of these Financial Statements.

Reckitt Benckiser (UK) Limited
Notes to the Financial Statements
For the year ended 31 December 2021

1. Accounting Policies

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

General Information

Reckitt Benckiser (UK) Limited is a private company limited by shares and is incorporated in England and Wales. The address of the registered office is given on the company information page at the beginning of these statutory Financial Statements. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 1-3.

Statement of Compliance

The Financial Statements have been prepared under the historical cost convention and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the company's ultimate company, Reckitt Benckiser Group plc and its subsidiaries not seeking repayment of the amounts currently due to the group, which at 31 December 2021 amounted to £278k. Reckitt Benckiser Group plc has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

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. The preparation of Financial Statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

Basis of preparation

The financial statements of RB UK Hygiene Home Commercial Limited were authorised for issue by the Board of Directors on 27 September 2022. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £'000.

The preparation of Financial Statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

Reckitt Benckiser (UK) Limited

Notes to the Financial Statements For the year ended 31 December 2021

1. Accounting Policies (continued)

Financial Reporting Standard 102 – Reduced Disclosure Exemptions

The Company's ultimate parent undertaking, Reckitt Benckiser Group plc includes the Company in its consolidated financial statements. The consolidated financial statements of Reckitt Benckiser Group plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from 103-105 Bath Road, Slough, Berkshire, SL1 3UH or at www.reckitt.com. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Reckitt Benckiser Group plc include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Foreign Currency Balances

The company's functional and presentational currency is Sterling.

Transactions denominated in foreign currencies are translated at the rate of exchange on the day the transaction occurs. Monetary assets and liabilities denominated in a foreign currency are translated at the exchange rate ruling on the balance sheet date. Gains and losses on transaction are taken to the profit and loss account in the year in which they arise.

Turnover

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Operating leases

Operating lease rentals are charged against profit on a straight-line basis over the period of the lease.

Research and development

This expenditure is written off in the year in which it is incurred, except for expenditure on related fixed assets which is written off over the expected useful life of those assets.

Interest

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Taxation

Tax is based on the result for the year and takes into account tax deferred due to timing differences between the treatment of certain items for tax 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.

Dividends

Dividends are accounted for in the period in which they are paid or are approved by the members in a general meeting.

Reckitt Benckiser (UK) Limited

Notes to the Financial Statements For the year ended 31 December 2021

1. Accounting Policies (continued)

Intangible assets

Direct costs of software and services (cost of licences and consultants time in developing, testing and installing software and consultants travel) consumed in developing or obtaining internal use computer software are capitalised within intangible assets once technological feasibility, probable future benefits, intent and ability to use or sell the software, resources to complete the software, and ability to measure cost can be demonstrated. Capitalized software is amortized over 7 years, in line with policy.

Tangible assets

Tangible assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Except for freehold land, the cost of properties, plant and equipment is written off on a straight-line basis over the expected useful life of the asset. For this purpose, expected lives are determined within the following limits:

Freehold buildings	not more than twenty years
Plant and Machinery	not more than eight years
Fixtures and Fittings	not more than five years

In general, production plant and equipment and office equipment are written off over four years, motor vehicles and computer equipment over three to five years.

Assets under construction – relate to items under construction that are not depreciated until completed. Once complete they are allocated to the appropriate fixed asset category.

Investments

Investment in subsidiary companies are held at cost less accumulated impairment losses.

A review for the potential impairment of an investment is carried out by the Directors if events or changes in circumstances indicate that the carrying value of the investment may not be recoverable. Based on the review, if impairment indicators are no longer relevant based on which an impairment had been carried out then it is subsequently reversed.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Stocks

Stock is valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and an appropriate portion of overhead expenses and is arrived at by the 'first in – first out' method. Net realisable value is the estimated selling price less applicable selling expenses.

Financial Instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to and from related parties. These transactions are initially recorded at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at amortised at the present value of the future receipt discounted at a market rate of interest and subsequently recognised at amortised cost.

Financial Assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in comprehensive income or expense.

Reckitt Benckiser (UK) Limited
Notes to the Financial Statements
For the year ended 31 December 2021

1. Accounting Policies (continued)

Financial Instruments (continued)

Financial assets are derecognised when

- a) The contractual rights to the cash flows from the asset expire or are settled, or
- b) Substantially all the risks and rewards of the ownership of the asset are transferred to another party or
- c) Control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions

Financial Liabilities

Basic financial liabilities, including loans from fellow Group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments. Debt instruments are subsequently carried at amortised cost.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Derivatives

Derivatives are initially recorded at fair value at the date a derivative contract is entered into and are subsequently re-measured to its fair value. Changes in the fair value of derivatives are recognised in profit or loss, except where the derivative is designated as a cash flow hedge of a highly probable forecast transaction. Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised in other comprehensive income. Any ineffectiveness in the hedging relationship is recognised in the income statement.

Pension commitments

The Company is a member of the Reckitt Benckiser UK Pension Fund. This scheme has a defined benefit and a defined contribution section providing benefits to certain employees within the Group. In respect of the defined benefit pension scheme it is not possible to identify the Company's share of the underlying assets and liabilities on a consistent and reliable basis. Therefore, payments made to the defined benefit pension scheme are treated as though they were payments to a defined contribution scheme and charged to the profit and loss account in the year that they are incurred.

Reckitt Benckiser (UK) Limited
Notes to the Financial Statements
For the year ended 31 December 2021

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these Financial Statements the Directors have had to make the following judgements:

- Assessing the carrying value of investments requires estimation such as consideration of the future profitability of subsidiary undertakings over a number of years.

The Company's Directors are of the opinion that there are no further judgements and no key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying value of assets and liabilities for the Company within the next financial year.

3. Turnover

An analysis of turnover by geographical location is as follows:

	2021 £000	2020 £000
United Kingdom	22,568	32,881
Rest of Europe	92,234	98,373
Rest of World	11,510	6,278
	<u>126,312</u>	<u>137,532</u>

All the above turnover derives from business conducted from within the United Kingdom and represents a single category of revenue.

4. Operating profit

The operating loss is stated after charging/(crediting):

	2021 £000	2020 £000
Depreciation of tangible fixed assets	1,548	3,590
Amortisation of intangible assets	286	286
Operating lease charges - Plant and machinery	303	266
Foreign exchange loss/(gain)	274	429

Total fees payable to the Company's auditor in respect of the audit of the financial statements amounted to £31k (2020: £30k). The Auditor was not engaged in any non-audit services.

Reckitt Benckiser (UK) Limited
Notes to the Financial Statements
For the year ended 31 December 2021

5. Staff costs

	2021	2020
	£000	£000
The staff costs were as follows:		
Wages and salaries	11,897	11,749
Social security costs	1,351	1,294
Other pension costs	1,356	2,325
	<u>14,604</u>	<u>15,368</u>

The average monthly number of persons employed by the company at the year-end, analysed by category was as follows:

	2021	2020
	Number	Number
Manufacturing	344	305
	<u>344</u>	<u>305</u>

6. Directors' remuneration

During the financial period the Company had four Directors, all were resident in the UK.

One Director received remuneration for his services as Director to the Company for the amount of £234k (2020: £237k). At the end of the year there were no retirement benefits accruing to this Director under a defined benefit scheme. The accrued pension at the end of the year was therefore £nil (2020: £nil).

No Directors received payments for compensation for loss of office during the financial period.

7. Interest receivable and similar income

	2021	2020
	£000	£000
Interest receivable from Group undertakings	2,236	6,796
	<u>2,236</u>	<u>6,796</u>

8. Interest payable and similar expenses

	2021	2020
	£000	£000
Other interest payable	-	19
	<u>-</u>	<u>19</u>

Reckitt Benckiser (UK) Limited
Notes to the Financial Statements
For the year ended 31 December 2021

9. Tax on profit

	2021	2020
	£000	£000
Corporation tax		
Current tax on profits for the financial year	994	2,093
Adjustments in respect of prior periods	5	(3)
Total current tax	999	2,090
Deferred tax		
Origination and reversal of timing differences	318	(58)
Adjustments in respect of prior periods	(18)	(13)
Impact in change in UK Corporation tax rate	(277)	(118)
Total deferred tax	23	(189)
Tax on profit	1,022	1,901
Reconciliation of tax charge		
Tax rate for the year is 19% (2020: 19%):		
Profit before taxation	23,437	252,812
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2020 – 19%)	4,453	48,035
Effects of:		
Expenses not deductible for tax purposes	629	19
Tax rate changes	(277)	(118)
Adjustments in respect of prior periods	(13)	(16)
Share options	(9)	(45)
Income not Taxable	(3,761)	(45,974)
Total tax charge for the year	1,022	1,901

Factors that may affect future tax charges

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were substantively enacted in The Finance Bill 2021 on 24 May 2021. Future profits will be taxed at the appropriate rate.

The UK Growth Plan 2022 announcements on 23 September 2022 included cancelling the planned increase to the UK's main corporation tax rate from 19% to 25%. However, as these changes were not substantively enacted at the balance sheet date, they have not been reflected in the measurement of deferred tax at the period end.

Reckitt Benckiser (UK) Limited
Notes to the Financial Statements
For the year ended 31 December 2021

10. Intangible assets

Year Ending 31 December 2021	Software £000
Cost	
At 1 January 2021	1,903
Prior year adjustment	-
Additions	-
Transfers	-
At 31 December 2021	<u>1,903</u>
Accumulated amortisation	
At 1 January 2021	946
Charge for the year	286
At 31 December 2021	<u>1,232</u>
Net book value	
At 31 December 2021	<u>671</u>

Year Ending 31 December 2020	Software £000
Cost	
At 1 January 2020	1,903
Prior year adjustment	-
Additions	-
Transfers	-
At 31 December 2020	<u>1,903</u>
Accumulated amortisation	
At 1 January 2020	660
Charge for the year	286
At 31 December 2020	<u>946</u>
Net book value	
At 31 December 2020	<u>957</u>

Reckitt Benckiser (UK) Limited

Notes to the Financial Statements
For the year ended 31 December 2021

11. Tangible assets

Year Ending 31 December 2021	Freehold land and buildings	Plant and machinery	Fixtures and fittings	Assets under construction	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2021	8,738	62,748	370	3,940	75,796
Transfers	-	3,211	-	(3,211)	-
Additions	-	1,013	-	687	1,700
Disposals	(748)	(2,747)	(34)	-	(3,539)
At 31 December 2021	7,990	64,225	336	1,416	73,967
Accumulated depreciation					
At 1 January 2021	5,107	58,051	345	-	63,503
Charge for the year	210	1,314	23	-	1,547
Disposals	(652)	(2,709)	(34)	-	(3,405)
At 31 December 2021	4,665	56,656	334	-	61,655
Net book value					
At 31 December 2021	3,325	7,569	2	1,416	12,312

No depreciation has been charged on land with a book value of £55k.

Year Ending 31 December 2020	Freehold land and buildings	Plant and machinery	Fixtures and fittings	Assets under construction	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2020	9,470	68,947	370	423	79,210
Transfers	-	-	-	-	-
Additions	124	1,103	-	3,517	4,744
Disposals	(856)	(7,302)	-	-	(8,158)
At 31 December 2020	8,738	62,748	370	3,940	75,796
Accumulated depreciation					
At 1 January 2020	5,393	62,034	274	-	67,701
Charge for the year	240	3,279	71	-	3,590
Disposals	(526)	(7,262)	-	-	(7,788)
At 31 December 2020	5,107	58,051	345	-	63,503
Net book value					
At 31 December 2020	3,631	4,697	25	3,940	12,293
Cost					

No depreciation has been charged on land with a book value of £55k.

Reckitt Benckiser (UK) Limited
Notes to the Financial Statements
For the year ended 31 December 2021

12. Investments

Year Ending 31 December 2021	Shares in Group undertakings and participating interests 2021 £000
Cost	
At 01 January 2021	6,672
Additions during the year	-
Impairment in the year	-
At 31 December 2021	<u>6,672</u>
Impairment	
At 01 January 2021	3,544
Disposals during the year	-
Charge for the year	3,128
At 31 December 2021	<u>6,672</u>
Net book value	
At 31 December 2021	-
At 31 December 2020	<u>3,128</u>

During the year, the Company fully impaired its investments in Helpcentral Limited and Benckiser (Unlimited Company) owing to planned liquidation of these entities as part of wider group restructuring. This led to a reduction in the value of the Company's investments by £3,128k.

The subsidiary undertakings of the Company are detailed below:

Name	Holding	Registered office
<i>Direct investments</i>		
Helpcentral Limited	100%	103-105 Bath Road, Slough, SL1 3UH, United Kingdom
Benckiser (Unlimited Company)	100%	4th Floor, 115 George Street, Edinburgh, EH2 4JN

Reckitt Benckiser (UK) Limited
Notes to the Financial Statements
For the year ended 31 December 2021

12. Investments (continued)

Name	Principal activity	Country of incorporation
Helpcentral Limited	Non-trading	England & Wales
Benckiser (Unlimited Company)	Non-trading	Scotland

The Directors believe that the carrying value of the investments is supported by their net assets for holding companies and equity value for trading companies.

In the prior year, the Benckiser (Unlimited Company) shares were transferred to Reckitt Benckiser (UK) Limited. The shares continue to be accounted for as an investment by the Company.

13. Stocks

	2021 £000	2020 £000
Raw materials and consumables	6,927	6,017
Finished goods and goods for resale	1,080	706
Work in progress	144	147
	8,151	6,870

Stocks are stated after provisions for impairment of £612k (2020: £1,237k).

14. Debtors

	2021 £000	2020 £000
Amounts falling due within one year		
Amounts owed by Group undertakings	10,993	4,734
Prepayments and accrued income	2,783	1,981
	13,776	6,715

Debtors: amounts falling due after more than one year

Amounts owed by Group undertakings	1,930,103	1,926,989
	1,930,103	1,926,989

Included in the amounts owed by group undertakings is an amount of £1,738k (2020: £475,228k) which is unsecured, interest bearing at LIBOR plus 0.40% and is repayable on demand (2020: unsecured, interest bearing at LIBOR plus 0.40% and repayable on demand). Also included is an amount of £1,928,639k (2020: £1,451,761k) which is unsecured, interest bearing at LIBOR minus 0.25% and is repayable on demand (2020: unsecured, interest bearing at LIBOR minus 0.25% and repayable on demand). During the year the Directors have reconsidered their intention for both balances, and they do not intend for either balance to be recalled within 12 months.

The remaining amounts owed by Group undertakings are unsecured, non-interest bearing and repayable on demand (2020: unsecured, non-interest bearing and repayable on demand).

Reckitt Benckiser (UK) Limited

Notes to the Financial Statements For the year ended 31 December 2021

15. Creditors: amounts falling due within one year

	2021 £000	2020 £000
Creditors within one year		
Trade creditors	40,165	47,724
Amounts owed to Group undertakings	278	1,082
Taxation	3,092	4,774
Accruals and deferred income	6,783	10,615
	50,318	64,195

The amounts owed to Group undertakings are unsecured, non-interest bearing and repayable on demand (2020: non-interest bearing and repayable on demand).

16. Deferred taxation

	2021 £000	2020 £000
At 1 January	1,187	1,148
Charged to profit and loss account	(41)	176
Adjustments in respect of prior periods	18	13
Other Comprehensive Income	138	(150)
At 31 December	1,302	1,187
The provision for deferred taxation is made up as follows:		
Accelerated capital allowances	1,155	1,177
Other timing differences	147	10
	1,302	1,187

17. Capital and other commitments

	2021 £000	2020 £000
Future capital expenditure contracted for, but not provided, in the financial statements is	548	637

The Group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2021 £000	2020 £000
Within 1 year	17	115
Between 2 and 5 years	4	21
	21	136

Note this commitment primarily relates to Fleet related commitments.

Reckitt Benckiser (UK) Limited
Notes to the Financial Statements
For the year ended 31 December 2021

18. Financial Instruments

	2021	2020
	£000	£000
Financial Assets		
Cash and cash equivalents	-	39
Financial assets at amortised cost	1,941,096	1,933,704
	<u>1,941,096</u>	<u>1,933,743</u>
Financial Liabilities		
Financial liabilities measured at amortised cost	40,443	48,807
Accruals and deferred income	6,783	10,615
	<u>47,226</u>	<u>59,422</u>

The company has made loans to group undertakings at LIBOR plus 0.40% and at LIBOR minus 0.25%, both of these loans are repayable on demand. The amounts outstanding as at 31 December 2021 is £1,738k (2020: £475,228k) and £1,928,639k (2020: £1,451,761k).

19. Called up share capital

	2021	2020
	£000	£000
Issued and fully paid		
40,118 – (2020: 40,118) ordinary shares of £0.000129 each and 1 ordinary share of £1 (2020: £1)	-	-
	<u> </u>	<u> </u>

On 7 December 2020, 1 bonus share of £1,500,000,000.00 was issued by the Company. On 10 December 2020 the share capital of the Company was reduced by cancelling the bonus share.

Reckitt Benckiser (UK) Limited

Notes to the Financial Statements For the year ended 31 December 2021

20. Pension scheme

Pension costs for the year of £1,356k (2020: £1,271k) represent contributions to the defined contribution scheme. There were no contributions (2020: £nil) payable to the fund at the year-end included within creditors due within one year.

Pension costs for the year of nil (2020: £1,053k) represent contributions in respect of the defined benefit scheme. There were no outstanding contributions (2020: £nil) at the year-end.

21. Related party transactions

All related party relationships and transactions reflect arrangements entered into between two or more members of a group. In accordance with section 33.1A of FRS 102, exemption from disclosing such transactions is available and has been taken on the basis that such subsidiaries are party to the transaction and are wholly owned by such a member.

22. Ultimate Parent Undertaking and Controlling Party

The immediate parent company is Maddison Square Holding B.V., a company registered in the Netherlands.

The ultimate parent company and controlling party is Reckitt Benckiser Group plc a company incorporated in England and Wales, which is the parent undertaking of the smallest and largest Group to consolidate these Financial Statements. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006. Copies of the Group Financial Statements of Reckitt Benckiser Group plc can be obtained from 103 105 Bath Road, Slough, Berkshire, SL1 3UH or at www.reckitt.com.