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**Reckitt Benckiser Jersey (No. 5)
Limited**

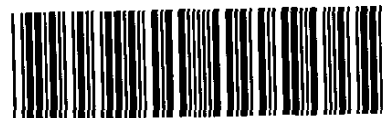
Unaudited Report and Financial Statements

Year Ended

31 December 2017

Company Number FC030433

THURSDAY



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Reckitt Benckiser Jersey (No. 5) Limited

Company Information

| | |
|--------------------------|--|
| Directors | Richard Mark Greensmith Jonathan Timmis |
| Company Secretary | Sanne Secretaries Limited |
| Registered Number | FC030433 |
| Registered Office | IFC5 St Helier Jersey JE1 1ST |

Reckitt Benckiser Jersey (No. 5) Limited

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Reckitt Benckiser Jersey (No. 5) Limited

Directors' Report to the members of Reckitt Benckiser Jersey (No. 5) Limited For the Year Ended 31 December 2017

The Directors present their report and the unaudited Financial Statements for the year ended 31 December 2017.

Principal activities

The principal activity of the Company is to provide financing to other Group Companies. The Company which is a member of the Reckitt Benckiser Group of Companies (the "Group"), carries out the strategy intended by the Company's Directors.

Business review

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed on pages 42 to 51 of the Reckitt Benckiser Group plc 2017 Annual Report which does not form part of this report.

Financial risk management

The Company is a subsidiary undertaking within the Group. Cash funds of the Company are managed at Group level. Interest is received by the Company on certain loans with other Group Companies.

Liquidity and interest rate risk

The Company's arrangement with the Group, as described above, ensures it can access the funds needed to meet its liquidity requirement as cash can be obtained through Group funding. Interest receivable on loans with other Group Companies is calculated at floating rates of interest. The Company's liquidity requirements and interest rate risks are managed at Group level.

Key performance indicators (KPIs)

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

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 as follows:

Richard Mark Greensmith
Jonathan Timmis (appointed 12 December 2017)
Candida Jane Davies (resigned 13 December 2017)

Directors' interests

According to the Company's register, no Director of the Company, or any members of his or her family as defined by the Companies (Jersey) Law 1991 had any interest in the shares of the Company.

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.

Reckitt Benckiser Jersey (No. 5) Limited

Directors' Report to the members of Reckitt Benckiser Jersey (No. 5) Limited (continued) For the Year Ended 31 December 2017

Statement of Directors' responsibilities in respect of the Financial Statements

The Directors are responsible for preparing the Financial Statements for each financial year which give a true and fair view, in accordance with applicable Jersey law and United Kingdom Accounting Standards, of the state of affairs of the Company 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, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

The Directors are responsible for keeping proper accounting records that 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 (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results for the year and movement on reserve

The Financial Statements for the year ended 31 December 2017 shows a profit of £331,886,000 (2016 - profit of £2,000) which has been added to reserves (2016 - added to reserves).

The Directors do not recommend the payment of a dividend (2016 - £Nil).

Future developments

No significant change in the business of the Company has taken place during the year or is expected in the immediately foreseeable future.

Post Balance Sheet Event

On 16 November 2018 the Company passed a special resolution, supported by a solvency statement made by the directors of the Company, to reduce its share capital by £5,095,525,396.50. This transaction was done to ensure there are sufficient distributable reserves for future capital distributions. This transaction was done in accordance with Articles 61, 61A and 61B of the Companies (Jersey) Law 1991.

Reckitt Benckiser Jersey (No. 5) Limited

Directors' Report to the members of Reckitt Benckiser Jersey (No. 5) Limited (continued) For the Year Ended 31 December 2017

Going concern

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

On the basis of their assessment of the Company's financial position and of the enquiries made of the Directors of Reckitt Benckiser Group plc, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

This report was approved by the Board on 14 December 2018 and signed on its behalf.



Richard Mark Greensmith
Director

Reckitt Benckiser Jersey (No. 5) Limited

Statement of Comprehensive Income For the Year Ended 31 December 2017

| | Note | 2017 £000 | 2016 £000 |
|---|------|----------------|--------------|
| Administrative expenses | 3 | (9) | (6) |
| Operating loss | 3 | (9) | (6) |
| Write back of fixed asset investments | | 331,889 | - |
| Interest receivable and similar income | 4 | 5 | 9 |
| Profit on ordinary activities before tax | | 331,885 | 3 |
| Tax on profit on ordinary activities | 5 | 1 | (1) |
| Profit for the financial year | | 331,886 | 2 |
| Other comprehensive income | | | |
| Total comprehensive income | | 331,886 | 2 |

The notes on pages 7 to 13 form part of these Financial Statements.

Reckitt Benckiser Jersey (No. 5) Limited


Registered number: FC030433

Balance Sheet As at 31 December 2017

| | Note | 2017 £000 | 2016 £000 |
|-------------------------------|------|-------------------------|-------------------------|
| Fixed Assets | | | |
| Investments | 6 | 5,096,032 | 4,764,143 |
| Current Assets | | | |
| Debtors due within one year | 7,9 | 2,077 | 2,196 |
| Creditors due within one year | 8,9 | (3) | (119) |
| Net Current Assets | | <u>2,074</u> | <u>2,077</u> |
| Net Assets | | <u><u>5,098,106</u></u> | <u><u>4,766,220</u></u> |
| Equity | | | |
| Share capital | 10 | 5,096,035 | 5,096,035 |
| Retained earnings/(deficit) | | 2,071 | (329,815) |
| Total Equity | | <u><u>5,098,106</u></u> | <u><u>4,766,220</u></u> |

The notes on page 7 to 13 form part of these Financial Statements.

The Financial Statements on pages 4 to 13 were approved and authorised for issue by the Board and were signed on its behalf on 14 December 2018.


Richard Mark Greensmith
 Director

Reckitt Benckiser Jersey (No. 5) Limited

Statement of Changes in Equity For the Year Ended 31 December 2017

| | Share capital £000 | Retained (deficit)/earnings £000 | Total Equity £000 |
|---------------------------------------|--------------------------|--|----------------------|
| At 1 January 2017 | 5,096,035 | (329,815) | 4,766,220 |
| Comprehensive Income | | | |
| Profit for the financial year | - | 331,886 | 331,886 |
| Other comprehensive income | - | - | - |
| Total comprehensive income | - | 331,886 | 331,886 |
| Total transactions with owners | - | - | - |
| Balance at 31 December 2017 | <u>5,096,035</u> | <u>2,071</u> | <u>5,098,106</u> |

Statement of Changes in Equity For the Year Ended 31 December 2016

| | Share capital £000 | Retained deficit £000 | Total Equity £000 |
|---------------------------------------|--------------------------|-----------------------------|----------------------|
| At 1 January 2016 | 5,096,035 | (329,817) | 4,766,218 |
| Comprehensive Income | | | |
| Profit for the financial year | - | 2 | 2 |
| Other comprehensive income | - | - | - |
| Total comprehensive income | - | 2 | 2 |
| Total transactions with owners | - | - | - |
| Balance at 31 December 2016 | <u>5,096,035</u> | <u>(329,815)</u> | <u>4,766,220</u> |

The notes on pages 7 to 13 form part of these Financial Statements.

Reckitt Benckiser Jersey (No. 5) Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

1. Accounting Policies

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

1.1 General Information

Reckitt Benckiser Jersey (No. 5) Limited is a company incorporated in Jersey. 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 Directors' Report on pages 1 to 3.

1.2 Statement of Compliance

The Financial Statements have been prepared on a going concern basis, under the historical costs 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 (Jersey) Law 1991.

1.3 Basis of Preparation

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).

1.4 Financial Reporting Standard 102 – Reduced Disclosure Exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these Financial Statements, as permitted by FRS 102 for qualifying entities:

- the requirements of section 3 Financial Statement Presentation paragraph 3.17(d) and section 7 Statement of Cash Flows not to prepare a statement of cash flows;
- the requirements of section 4 Statement of Financial Position paragraph 4.12(a)(iv) not to prepare a reconciliation of the numbers of shares outstanding at the beginning and end of the year;
- the requirements of section 33 Related Party Disclosures paragraph 33.7 not to disclose key management personnel compensation in total.

The Company's results are included in the publicly available consolidated Financial Statements of Reckitt Benckiser Group plc and these Financial Statements may be obtained from 103-105 Bath Road, Slough, Berkshire, SL1 3UH, United Kingdom, or at <http://www.rb.com>.

1.5 Consolidation

The Financial Statements contain information about Reckitt Benckiser Jersey (No. 5) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has not prepared consolidated Financial Statements as it and its subsidiary undertakings are included in the consolidated Financial Statements of its ultimate parent company, Reckitt Benckiser Group plc, a company registered in England and Wales.

Reckitt Benckiser Jersey (No. 5) Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

1. Accounting Policies (continued)

1.6 Interest

Interest payable is charged to comprehensive income or expense as incurred and interest receivable is credited as it falls due.

1.7 Taxation

Tax is based on the result for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax liabilities are provided for in full and deferred tax assets are recognised to the extent that they are considered recoverable.

1.8 Fixed Asset Investments

Fixed asset investments are stated at the lower of cost and their recoverable amount, which is determined as the higher of net realisable value and value in use. A review of 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. Such impairment reviews are performed in accordance with FRS 102 Section 27 'Impairment of assets'.

1.9 Financial Instruments

The Company only enters into basic financial instrument transactions that result in the recognition of basic financial assets and liabilities, including trade and other receivables and payables 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 the present value of the future receipt discounted at a market rate of interest, and subsequently recognised at amortised cost.

(a) 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.

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.

(b) Financial Liabilities

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

Reckitt Benckiser Jersey (No. 5) Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

2. Accounting Estimates and Judgements

In the application of the Company's accounting policies the Directors are required to make a number of estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

- Determine whether there are indicators of impairment of the Company's fixed asset investments. Factors taken into account are net assets for holding companies and enterprise value for trading companies.

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. Operating loss

The operating loss is stated after charging:

| | 2017 £000 | 2016 £000 |
|------------------------|--------------|--------------|
| Administrative expense | 9 | 6 |

4. Interest receivable and similar income

| | 2017 £000 | 2016 £000 |
|---|--------------|--------------|
| Interest receivable from Group undertakings | 5 | 9 |

5. Taxation

| | 2017 £000 | 2016 £000 |
|--|--------------|--------------|
| Current tax on profit for the financial year | (1) | 1 |
| Total current tax | (1) | 1 |

Reckitt Benckiser Jersey (No. 5) Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

5. Taxation (continued)

Reconciliation of tax (credit)/charge

The tax assessed for the year is lower than (2016 - the same as) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

| | 2017 £000 | 2016 £000 |
|---|--------------|--------------|
| Profit on ordinary activities before tax | 331,885 | 3 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%) | 63,876 | 1 |
| Effects of: | | |
| Income not taxable | (63,877) | - |
| Total tax (credit)/charge for the year | (1) | 1 |

Factors that may affect future tax charges

The tax rate reduced from 20% to 19.25% from 1 April 2017 and reduces to 17% from 1 April 2020. The reduction in the tax rate has been substantively enacted. Future profits will be taxed at the appropriate rate.

Reckitt Benckiser Jersey (No. 5) Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

6. Fixed Asset Investments

| | Investments in subsidiary undertakings £000 |
|--------------------------|--|
| Cost | |
| At 1 January 2017 | 5,096,032 |
| At 31 December 2017 | 5,096,032 |
| Impairment | |
| At 1 January 2017 | 331,889 |
| Write back of impairment | (331,889) |
| At 31 December 2017 | - |
| Net book value | |
| At 31 December 2017 | 5,096,032 |
| At 31 December 2016 | 4,764,143 |

Direct Subsidiary Undertaking

The following is the direct subsidiary of the Company:

| Name | Country of incorporation | Class of shares | Holding | Registered office |
|--------------------------------|--------------------------|-----------------|---------|--|
| Green, Young & Company Limited | UK | Ordinary | 100 % | 103-105 Bath Road, Slough, SL1 3UH, United Kingdom |

The Directors believe that the carrying value of the investment is supported by their net assets.

7. Debtors due within one year

| | 2017 £000 | 2016 £000 |
|------------------------------------|--------------|--------------|
| Amounts owed by Group undertakings | 2,077 | 2,196 |

The amount owed by Group undertakings is an amount of £2,076k (2016 - £2,196k) which is unsecured, repayable on demand and interest bearing at 3M LIBOR minus a margin of 0.125% (2016 - same).

All other amounts owed by Group undertakings in the current year are unsecured, non-interest bearing and repayable on demand.

Reckitt Benckiser Jersey (No. 5) Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

8. Creditors due within one year

| | 2017 £000 | 2016 £000 |
|------------------------------------|--------------|--------------|
| Amounts owed to Group undertakings | - | 116 |
| Accruals | 3 | 3 |
| | <u>3</u> | <u>119</u> |

The amounts owed to Group undertakings due within one year in the prior year were unsecured, non-interest bearing and repayable on demand.

9. Financial Instruments

| | 2017 £000 | 2016 £000 |
|---|--------------|--------------|
| Financial Assets | | |
| Financial assets that are debt instruments measured at amortised cost | <u>2,077</u> | <u>2,196</u> |
| Financial Liabilities | | |
| Financial liabilities measured at amortised cost | <u>(3)</u> | <u>(120)</u> |

The Company has entered into the following loan agreements with Group undertakings:

The amount owed by Group undertakings is an amount of £2,076k (2016 - £2,196k) which is unsecured, repayable on demand and interest bearing at 3M LIBOR minus a margin of 0.125% (2016 - same).

All other amounts owed by Group undertakings in the current year are unsecured, non-interest bearing and repayable on demand.

The amounts owed to Group undertakings due within one year in the prior year were unsecured, non-interest bearing and repayable on demand.

10. Share Capital

| | 2017 £000 | 2016 £000 |
|---|------------------|------------------|
| Issued and fully paid | | |
| 5,096,035,000 (2016 - 5,096,035,000) Ordinary shares of £1 each | <u>5,096,035</u> | <u>5,096,035</u> |

Reckitt Benckiser Jersey (No. 5) Limited

Notes to the Financial Statements For the Year Ended 31 December 2017

11. Directors and Employees

During the year the Company had 2 Directors resident in the UK and 1 Director resident in the US, none of whom received any emoluments in respect of services to the Company (2016 - 3 Directors, no emoluments).

The Company had no employees during the current or prior year and consequently did not incur any expenditure in respect of wages and salaries, social security costs or other pension costs.

12. Ultimate Parent Undertaking and Controlling Party

The immediate parent company is Reckitt Benckiser Holdings (Channel Islands) Limited, a company incorporated in England and Wales.

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. Copies of the Group Financial Statements of Reckitt Benckiser Group plc can be obtained from 103-105 Bath Road, Slough, Berkshire, SL1 3UH, United Kingdom or at <http://www.rb.com>.

13. Post Balance Sheet Event

On 16 November 2018 the Company passed a special resolution, supported by a solvency statement made by the directors of the Company, to reduce its share capital by £5,095,525,396.50. This transaction was done to ensure there are sufficient distributable reserves for future capital distributions. This transaction was done in accordance with Articles 61, 61A and 61B of the Companies (Jersey) Law 1991.