

Optrex Limited

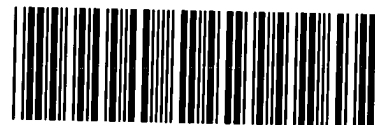
Report and Financial Statements

Year Ended

31 December 2019

Company Number 00301618

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Optrex Limited

Company Information

Directors	Richard Mark Greensmith Jonathan Timmis Alasdair James Peach
Company Secretary	Christine Anne-Marie Logan
Registered Number	00301618
Registered Office	103-105 Bath Road Slough Berkshire SL1 3UH
Independent Auditor	KPMG LLP 15 Canada Square London E14 5GL

Optrex Limited

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Optrex Limited

Directors' Report to the members of Optrex Limited For the Year Ended 31 December 2019

The Directors present their report and the audited Financial Statements for the year ended 31 December 2019.

This report has been prepared in accordance with special provisions related to small companies within Part 15 of the Companies Act 2006.

Principal activities

The principal activity of the Company is to act as a finance company for 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 Directors.

Directors

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

Richard Mark Greensmith
Jonathan Timmis
Alasdair James Peach (appointed 20 August 2019)

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 liabilities suffered or incurred by them.

Statement of Directors' responsibilities in respect of the Directors' Report and the Financial Statements

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 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 year. 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;
- 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.

Optrex Limited

Directors' Report to the members of Optrex Limited (continued) For the Year Ended 31 December 2019

Results for the year and movement on reserves

The Financial Statements for the year ended 31 December 2019 show a profit of £60,000 (2018 - profit of £46,000) which has been added to reserves (2018 - added to reserves).

The Directors do not recommend the payment of a dividend (2018 - £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.

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.

As set out on page 77 of its 2019 Annual Report and Financial Statements, the Group assessed the impact of COVID-19 on its going concern and viability statement. This assessment concluded that, even with COVID-19 and the occurrence of other unexpected scenarios, the Group would still have sufficient funds to trade, settle its liabilities as they fall due, and remain compliant with financial covenants.

Based on this assessment updated to 19 May 2020, and given the nature of the Company's operations, the Directors remain satisfied that amounts owed by Group undertakings (refer Note 5) are unlikely to be materially impacted by COVID-19, and that the Company will not need to take responsive steps to continue functioning as a going concern.

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.

Political contributions

The Company made no political donations or incurred any political expenditure during the year.

Optrex Limited

Directors' Report to the members of Optrex Limited (continued) For the Year Ended 31 December 2019

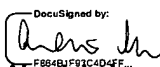
Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report to the members of Optrex Limited is approved has confirmed 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 all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Board on 21 May 2020 and signed on its behalf.

DocuSigned by:

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Alasdair James Peach
Director

Optrex Limited

Independent Auditor's Report to the Members of Optrex Limited

Opinion

We have audited the Financial Statements of Optrex Limited ("the Company") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 2019 and of its profit for the year 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 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").

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 a year from the date of approval of the Financial Statements. 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. We have nothing to report in these respects.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Optrex Limited

Independent Auditor's Report to the Members of Optrex Limited (continued)

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.

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.

Directors' responsibilities

As explained more fully in their statement set out on page 1, 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.

Optrex Limited

Independent Auditor's Report to the Members of Optrex Limited (continued)

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

Date: 21 May 2020

Optrex Limited

Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 £000	2018 £000
Interest receivable and similar income	3	74	57
Profit before tax		<u>74</u>	<u>57</u>
Tax on profit	4	(14)	(11)
Profit for the financial year		<u>60</u>	<u>46</u>
Other comprehensive income			
Total comprehensive income		<u>60</u>	<u>46</u>

The notes on pages 10 to 15 form part of these Financial Statements.

Optrex Limited
Registered number:00301618

Balance Sheet
As at 31 December 2019

	Note	2019 £000	2018 £000
Current Assets			
Debtors due after more than one year	5	10,645	-
Debtors due within one year	5	-	10,572
Cash at bank and in hand		29	29
		<u>10,674</u>	<u>10,601</u>
Creditors due within one year	6	(25)	(12)
Net Current Assets		10,649	10,589
Net Assets		<u>10,649</u>	<u>10,589</u>
Equity			
Share capital	7	362	362
Retained earnings		10,287	10,227
Total Equity		<u>10,649</u>	<u>10,589</u>

The Company's Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 10 to 15 form part of these Financial Statements.

The Financial Statements on pages 7 to 15 were approved and authorised for issue by the Board and were signed on its behalf on 21 May 2020.

DocuSigned by:

 F864B1F63C4D4EF
Alasdair James Peach
 Director

Optrex Limited

Statement of Changes in Equity For the Year Ended 31 December 2019

	Share capital £000	Retained earnings £000	Total equity £000
At 1 January 2019	362	10,227	10,589
Comprehensive income			
Profit for the financial year	-	60	60
Other comprehensive income	-	-	-
Total comprehensive income	-	60	60
Total transactions with owners	-	-	-
Balance at 31 December 2019	362	10,287	10,649

Statement of Changes in Equity For the Year Ended 31 December 2018

	Share capital £000	Retained earnings £000	Total equity £000
At 1 January 2018	362	10,181	10,543
Comprehensive income			
Profit for the financial year	-	46	46
Other comprehensive income	-	-	-
Total comprehensive income	-	46	46
Total transactions with owners	-	-	-
Balance at 31 December 2018	362	10,227	10,589

The notes on pages 10 to 15 form part of these Financial Statements.

Optrex Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

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

Optrex 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 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 Act 2006.

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; and
- 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 <https://www.rb.com>.

1.5 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.

Optrex Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

1. Accounting Policies (continued)

1.6 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

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 discounted at a market rate of interest. 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.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits.

1.7 Interest

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

1.8 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.

Optrex Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

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.

The Company's Directors are of the opinion that there are no estimates or judgements 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. Interest receivable and similar income

	2019 £000	2018 £000
Interest receivable from Group undertakings	74	57

Optrex Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

4. Taxation

	2019 £000	2018 £000
Corporation tax		
Current tax on profit for the financial year	14	11
Total current tax	<u>14</u>	<u>11</u>
Tax on profit	<u>14</u>	<u>11</u>

Reconciliation of tax charge

The tax assessed for the year is the same as (2018 - the same as) the standard rate of corporation tax in the UK of 19% (2018 - 19%), as set out below:

	2019 £000	2018 £000
Profit before tax	<u>74</u>	<u>57</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	<u>14</u>	<u>11</u>
Total tax charge for the year	<u>14</u>	<u>11</u>

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. In the 11 March 2020 Budget it was announced that the UK tax rate would remain at 19% and not reduce to 17% from 1 April 2020. Future profits will be taxed at the appropriate rate.

Optrex Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

5. Debtors

	2019 £000	2018 £000
Due after more than one year		
Amounts owed by Group undertakings	10,645	-

	2019 £000	2018 £000
Due within one year		
Amounts owed by Group undertakings	-	10,572

The amount owed by Group undertakings due after more than one year is an amount of £10,645k (2018 - £Nil), which is unsecured, repayable on demand and interest bearing at 3M LIBOR minus 0.125%.

The amount owed by Group undertakings due within one year in the prior year was an amount of £10,572k, which was unsecured, repayable on demand and interest bearing at 3M LIBOR minus 0.125%.

Following enquiry of the relevant counterparty the Directors do not now expect this to be realised within 12 months after the Balance Sheet date. Accordingly the amount has been presented as a Debtor due after more than one year.

6. Creditors due within one year

	2019 £000	2018 £000
Amount owed to Group undertakings	25	12

The amounts owed to Group undertakings due within one year are unsecured, non-interest bearing and repayable on demand (2018 - same).

7. Share Capital

	2019 £000	2018 £000
Issued and fully paid		
362,000 (2018 - 362,000) Ordinary shares of £1 each	362	362

Optrex Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

8. Directors and Employees

During the year the Company had 3 Directors resident in the UK, none of whom received any emoluments in respect of services to the Company (2018 - 2 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.

9. Ultimate Parent Undertaking and Controlling Party

The immediate parent company is RB Holdings (Nottingham) 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, United Kingdom, SL1 3UH or at <https://www.rb.com>.

10. Auditor's Remuneration

The auditor's remuneration is met by the ultimate parent company, Reckitt Benckiser Group plc and is disclosed in total in the Group Financial Statements. Amounts receivable by the Company's auditor in respect of the audit of these Financial Statements is £2k. It was not practical to make an allocation of the audit fee to the Company in 2018.