

Registered no: 01738919

Wickes Holdings Limited

**Annual report and financial statements
for the year ended 31 December 2018**



Wickes Holdings Limited

Annual report and financial statements for the year ended 31 December 2018

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Wickes Holdings Limited

Directors' report for the year ended 31 December 2018

The Directors present the Annual report and the audited financial statements for the year ended 31 December 2018.

Future developments

An indication of future developments of the business is included in the Strategic report on page 3.

Directors

The Directors of the Company who served during the year and subsequently are listed below:

A. R. Williams

D. Grimason Resigned 6 March 2018

TP Directors Ltd

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

Going concern

The Directors have a reasonable expectation that the Company has the resources to continue in operational existence for the twelve months from the date of signing these financial statements. Thus it continues to adopt the going concern assumption in preparing the annual financial statements. Further details regarding the going concern basis can be found in note 1 to the financial statements.

Dividends

The Directors do not recommend the payment of a dividend (2017: £nil).

Political contributions

The Company made no political donations nor incurred any political expenditure during the year.

Wickes Holdings Limited

Directors' report (continued)

Auditor

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

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

The auditor, KPMG LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment was proposed at the Annual General Meeting.

Approved and signed on behalf of the Board



A. R. Williams
Director

30 September 2019

Lodge Way House
Lodge Way
Harlestone Road
Northampton
England
NN5 7UG

Wickes Holdings Limited

Strategic report for the year ended 31 December 2018

Principal activities

The principal activity of the Company was that of an intermediate holding company. During the year the company was dormant as defined in section 1169 of the Companies Act 2006.

The Directors do not expect the Company to trade in the foreseeable future.

Key performance indicators (“KPIs”)

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

Future developments

The Directors believe the Company is satisfactorily placed to continue operating as a holding company.

Principal risks and uncertainties

The Company operates in markets and an industry which by their nature are subject to a number of inherent gross risks. The Company is able to mitigate those risks by adopting different strategies and by maintaining a strong system of internal control. However, regardless of the approach that is taken, the Company has to accept a certain level of risk in order to generate suitable returns for shareholders and for that reason the risk management process is closely aligned to the Company’s strategy.

The Group has a risk reporting framework that ensures it has visibility of the Company’s key risks, the potential impacts on the Company and how and to what extent those risks are mitigated. As part of its risk management process, the principal risks stated in the risk register are reviewed, challenged and updated by the Group Board and monitored throughout the year. The Company maintains a separate risk register. The Group’s risk register is used to determine strategies adopted by the Group’s various businesses to mitigate the identified risks and are embedded in their operating plans.

In common with most large organisations the Company is subject to general commercial risks; for example, political and economic developments, changes in the cost of goods for resale, increased competition in its markets and the threat of emerging and disruptive competitors, material failures in the supply chain, failure to secure supply of goods for resale on competitive terms, cyber-security breaches and failure of the IT infrastructure.

The risk environment in which the Company operates does not remain static. During the year, the Directors have reviewed the principal risks and have concluded that as the nature of the business and the environment in which it operates remain broadly the same, the principal risks it faces are largely unchanged.

Wickes Holdings Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

However, some previously identified risks in respect of business transformation have considerable overlap and so they have been combined, whilst the Directors have also concluded that with so many stakeholders interacting with operations, health and safety risk should be described separately from other legislative risk.

The nature of risk is that its scope and potential impact will change over time. As such the list below should not be regarded as a comprehensive statement of all potential risks and uncertainties that may manifest themselves in the future. Additional risks and uncertainties that are not presently known to the Directors, or which they currently deem immaterial, could also have an adverse effect on the Company's future operating results, financial condition or prospects.

Set out below, in no particular order, are the current principal risks that are considered by the Board to be material. Their potential impacts and the factors that mitigate them are detailed in the Travis Perkins plc Annual Report & Accounts. These key risks have been determined for the Group and are considered applicable to the Company:

- Changing customer and competitor landscape
- Colleague recruitment, retention and succession plans do not deliver the required skills and experience
- Supplier dependency, relationship and disintermediation leading to adverse impacts on ranging and price
- Unsafe practices result in harm to colleagues, customers, suppliers or the public
- Business transformation and improvement projects fail to deliver the expected benefits, cost more or take longer to implement than anticipated
- Uncertainty caused by the UK's decision to leave the European Union
- Market conditions leading to demand uncertainty
- Execution of planned disposals and potential acquisitions fails to deliver the expected benefits to the expected cost and timescale
- Data security
- The changing regulatory framework increases the risk of non-compliance and fines

Corporate responsibility

Environment

The Travis Perkins Group recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Group's activities.

The Company operates in accordance with group policies, which are described in the Group's Annual Report, which does not form part of this report. Initiatives designed to minimise the Company's impact on the environment include improving energy use efficiency, reducing the amount of CO₂ emissions and minimising the consumption of water and the production of waste (both hazardous and non-hazardous).

Wickes Holdings Limited
Strategic report (continued)

Approved and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'A. R. Williams'.

A. R. Williams
Director

30 September 2019

Wickes Holdings Limited

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' report, the Strategic 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Wickes Holdings Limited

Opinion

We have audited the financial statements of Wickes Holdings Limited ('the Company') for the year ended 31 December 2018, which comprise the 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 2018 and the result 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.

Other Matter

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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 their 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 their 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").

Independent auditor's report (continued)

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, including the impact of Brexit, 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.

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 these 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;
- 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 by the company, 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.

We have nothing to report in these respects.

Independent auditor's report (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 6, 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.



**Greg Watts (Senior statutory auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

30 September 2019

Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Wickes Holdings Limited

Balance sheet


as at 31 December 2018

	Note	2018 £000	2017 £000
Current assets			
Debtors	6	174,152	174,152
Creditors: amounts falling due within one year	7	(136,138)	(136,138)
Net current assets		38,014	38,014
Net assets		38,014	38,014
Capital and reserves			
Called-up share capital	8	13,963	13,963
Share premium account	8	6,397	6,397
Capital contribution reserve	8	4,724	4,724
Profit and loss account		12,930	12,930
Shareholders' funds		38,014	38,014

The notes on pages 12 to 17 form an integral part of these financial statements.

The company has not traded during the year, had no sales and incurred no expenditure. Consequently, the Company has made neither a profit or loss.

The financial statements of Wickes Holdings Limited, registered number 01738919, were approved by the Board of Directors and authorised for issue on 30 September 2019. They were signed on its behalf by:



A. R. Williams
Director

Wickes Holdings Limited

Statement of changes in equity for the year ended 31 December 2018

	Share capital £000	Share premium account £000	Capital contribution reserve £000	Profit and loss account £000	Total £000
At 1 January 2017	13,963	6,397	4,724	12,930	38,014
Total comprehensive income	-	-	-	-	-
At 31 December 2017	13,963	6,397	4,724	12,930	38,014
Total comprehensive income	-	-	-	-	-
At 31 December 2018	13,963	6,397	4,724	12,930	38,014

Wickes Holdings Limited

Notes to the financial statements for the year ended 31 December 2018

1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

The particular accounting policies adopted are described below and, unless otherwise stated, have been applied consistently in both years.

General information and basis of accounting

The Company is incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Strategic report on pages 3 to 5.

The Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

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

Summary of disclosure exemptions

The Company's parent undertaking, Travis Perkins PLC includes the Company in its consolidated financial statements. The consolidated financial statements of Travis Perkins PLC are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public. 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;
- Key Management Personnel compensation; and
- Intra-group transactions.

As the consolidated financial statements of Travis Perkins 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 company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102").

Wickes Holdings Limited

Notes to the financial statements (continued)

1 Accounting policies (continued)

Going concern

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

Financial instruments

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

Investments in subsidiary undertakings are stated at cost less provision for impairment where appropriate. Investments held as current assets are stated at the lower of cost and net realisable value.

Impairment of assets

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

a) Non-financial assets

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

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

b) Financial assets

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

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

Wickes Holdings Limited

Notes to the financial statements (continued)

Taxation

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

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

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

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

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

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

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements, 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.

Wickes Holdings Limited

Notes to the financial statements (continued)

2 Critical accounting judgements and key sources of estimation uncertainty (continued)

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

3 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2018 £000	2017 £000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	3	3

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

4 Directors' remuneration

Two (2017: four) Directors were paid by other group companies and received total emoluments (including non-performance related bonus) of £881,000 (2017: £2,499,000), pension contributions of £134,000 (2017: £9,000) and performance related bonus of £nil (2017: £nil) during the year, but it is not practicable to allocate their remuneration from other group companies for services rendered. In addition, of these Directors, none (2017: none) are accruing benefits under the Travis Perkins Pensions and Dependents' Benefit Scheme, which is a defined benefit pension scheme, and one (2017: one) is contributing towards the Travis Perkins Pension Plan, which is a defined contribution scheme, in respect of their service to other group companies.

Two Directors paid by another group company exercised share options during the year (2017: four).

The company had no employees during 2018 (2017: nil).

Wickes Holdings Limited

Notes to the financial statements (continued)

5 Investments

Details of the investments in subsidiary undertakings are as follows:

Name of subsidiary	Country of incorporation	Type and percentage of shares held	Nature of business
Wickes Group Trustees Limited	England and Wales	100% ordinary shares	Dormant
Wickes Properties Limited	England and Wales	100% ordinary shares	Property Management
Wickes Developments Limited	England and Wales	100% ordinary shares	Property management

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

6 Debtors

	2018 £000	2017 £000
Amounts owed by group undertakings	174,152	174,152

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

7 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Amounts owed to group undertakings	136,138	136,138

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

8 Share capital and reserves

a) Share capital

	No.	£000
Allotted and fully paid ordinary shares of £0.20 each		
At 1 January 2018 and at 31 December 2018	69,816,336	13,963

There were no changes to share capital during the year.

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

Wickes Holdings Limited

Notes to the financial statements (continued)

b) Reserves

The share premium account records the amount above the nominal value received for shares sold. The share premium account cannot be distributed under the Companies Act 2006.

The capital contribution reserve represents qualifying consideration received from members.

The profit and loss reserve represents cumulative profits or losses.

9 Related party transactions

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

10 Ultimate parent company

The immediate parent undertaking is Wickes Limited.

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