

## **Scholl (UK) Limited**

Report and Financial Statements

Year Ended

31 December 2019

Company Number 02285039

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## Scholl (UK) Limited

### Company Information

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**Directors** Richard Mark Greensmith  
Timothy John Martel

**Company Secretary** James Edward Hodges

**Registered Number** 02285039

**Registered Office** 103-105 Bath Road  
Slough  
Berkshire  
SL1 3UH

**Independent Auditor** KPMG LLP  
15 Canada Square  
London  
E14 5GL

## Scholl (UK) Limited

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## **Scholl (UK) Limited**

### **Directors' Report to the members of Scholl (UK) Limited For the Year Ended 31 December 2019**

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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 Company has previously been dormant. During the financial year the Company reassigned one of its amounts payable to Group undertakings to another Group company.

In 2019 the Group commenced a project to simplify its group structure by the elimination of a number of dormant or redundant companies. As part of this project, simplification of the Company's Balance Sheet followed by a solvent liquidation is being considered. Accordingly, the Directors have not prepared the Financial Statements on a going concern basis. The effect of this is explained in Note 1 to the Financial Statements.

#### **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 (resigned 8 June 2020)  
Timothy John Martel (appointed 8 June 2020)

#### **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.

## Scholl (UK) Limited

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

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#### 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, relevant and reliable;
- state whether applicable 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 (as explained in note 1, the Directors do not believe that it is appropriate to prepare these Financial Statements on a going concern basis).

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.

#### Results for the year and movement on reserves

The Company did not trade during the current or preceding year. The Company has not received any income or incurred any expense or recognised any other gains or losses during the current or preceding year.

#### Post balance sheet event

On 14 April 2020, the Company reduced the nominal value of 30,831,000 fully paid ordinary shares from £1 to £0.00000001, reducing the share capital by £30,830,999.69169 with the same amount being credited to retained earnings.

This transaction was carried out to ensure that there are sufficient distributable reserves for future distributions and the share capital reduction was carried out in accordance with Part 17, Chapter 10 of the Companies Act 2006.

#### Future developments

Subject to the conclusion of the due diligence phase, the Directors intend to make the Company dormant with the ultimate objective of placing it into liquidation.

#### Independent auditor

During the period KPMG LLP was appointed auditor of the Company to fill a casual vacancy.

## Scholl (UK) Limited

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

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#### Political contributions

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

#### Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report to the members of Scholl (UK) 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 25 September 2020 and signed on its behalf.

DocuSigned by:  
  
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**Timothy John Martel**  
Director

## Scholl (UK) Limited

### Independent Auditor's Report to the Members of Scholl (UK) Limited

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#### Opinion

We have audited the Financial Statements of Scholl (UK) 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.

#### Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosure made in note 1 to the Financial Statements which explains that the Financial Statements are now not prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

#### 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.

## Scholl (UK) Limited

### Independent Auditor's Report to the Members of Scholl (UK) Limited (continued)

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#### 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 in preparing the Directors' Report and take advantage of small companies exemption from the requirement to prepare a Strategic Report.

We have nothing to report in these respects.

#### Other matter - prior period Financial Statements

We note that the prior period Financial Statements were not audited. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within these Financial Statements are unaudited. Our opinion is not modified in respect of this matter.

#### Directors' responsibilities

As explained more fully in their statement set out on page 2, the Directors are responsible for: the preparation of the Financial Statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities

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

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



## Scholl (UK) Limited

### Independent Auditor's Report to the Members of Scholl (UK) Limited (continued)

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#### 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.



**JENNIFER PERDOCH (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants

15 Canada Square  
London  
E14 5GL

Date: 25 September 2020

## Scholl (UK) Limited

### Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 £000	2018 (unaudited) £000
<b>Result before tax</b>		-	-
Tax on result	3	-	-
<b>Result for the financial year</b>		-	-
<b>Other comprehensive income</b>			
<b>Total comprehensive income</b>		-	-

The notes on pages 10 to 14 form part of these Financial Statements.

**Scholl (UK) Limited**  
Registered number: 02285039

**Balance Sheet**  
As at 31 December 2019

	Note	2019 £000	2018 (unaudited) £000
<b>Current Assets</b>			
Debtors due within one year	4	31,004	31,003
Creditors due within one year	5	(173)	(172)
<b>Net Current Assets</b>		<b>30,831</b>	<b>30,831</b>
<b>Net Assets</b>		<b>30,831</b>	<b>30,831</b>
<b>Equity</b>			
Share capital	6	30,831	30,831
Retained earnings		-	-
<b>Total Equity</b>		<b>30,831</b>	<b>30,831</b>

The notes on pages 10 to 14 form part of these Financial Statements.

The Financial Statements on pages 7 to 14 were approved and authorised for issue by the Board and were signed on its behalf on 25 September 2020.

DocuSigned by:  
*Tim Martel*  
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**Timothy John Martel**  
Director

## Scholl (UK) Limited

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

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 January 2019 (unaudited)	30,831	-	30,831
<b>Comprehensive income</b>			
Result for the financial year	-	-	-
<b>At 31 December 2019</b>	<b>30,831</b>	<b>-</b>	<b>30,831</b>

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

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 January 2018 (unaudited)	30,831	-	30,831
<b>Comprehensive income</b>			
Result for the financial year	-	-	-
<b>At 31 December 2018 (unaudited)</b>	<b>30,831</b>	<b>-</b>	<b>30,831</b>

The notes on pages 10 to 14 form part of these Financial Statements.

## Scholl (UK) Limited

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

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#### 1. Accounting policies

##### 1.1 General Information

Scholl (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 Directors' Report on pages 1 to 3.

##### 1.2 Statement of Compliance

The Financial Statements have been prepared 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

As discussed in the Principal activities section of the Directors' Report, in 2019 the Group commenced a project to simplify its group structure by the elimination of a number of dormant or redundant companies. As part of this project, the Company is being considered for solvent liquidation. Accordingly, the Directors have not prepared the Financial Statements on a going concern basis.

The Financial Statements have been prepared on a breakup basis as at 31 December 2019. As a consequence, the current assets have been measured and presented at their realisable values. The current liabilities are measured and presented at their expected settlement values. 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>.

## **Scholl (UK) Limited**

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

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#### **1. Accounting policies (continued)**

##### **1.5 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.

##### **1.6 Foreign Currency Balances**

The Company's functional and presentational currency is Sterling, therefore foreign currency is determined to be any other currency than Sterling.

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange on the day the transaction occurs. Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the exchange rate ruling on the Balance Sheet date.

##### **1.7 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.

## Scholl (UK) 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. Taxation

	2019 £000	2018 (unaudited) £000
<b>Corporation tax</b>		
Tax on result	-	-

#### 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%). A reconciliation of the result before tax to the tax charge is provided below:

	2019 £000	2018 (unaudited) £000
Profit before tax	-	-
Profit multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	-	-
<b>Effects of:</b>		
Group relief/other reliefs	(45)	-
Transfer pricing adjustments	45	-
<b>Total tax charge for the year</b>	-	-

There were no factors that affected the tax charge for the year which has been calculated on the results before tax at the standard rate of corporation tax in the UK of 19% (2018 - 19%).

## Scholl (UK) Limited

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

#### 4. Debtors due within one year

	2019 £000	2018 (unaudited) £000
Amounts owed by Group undertakings	<u>31,004</u>	<u>31,003</u>

The amount owed by Group undertakings is unsecured, repayable on demand and non-interest bearing.

#### 5. Creditors due within one year

	2019 £000	2018 (unaudited) £000
Amounts owed to Group undertakings	<u>173</u>	<u>172</u>

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

#### 6. Share capital

	2019 £000	2018 (unaudited) £000
<b>Allotted, called up and fully paid</b>		
30,831,000 (2018 - 30,831,000) Ordinary shares of £1 each	<u>30,831</u>	<u>30,831</u>

#### 7. Ultimate controlling party

The immediate parent company is London International Group Limited, a company incorporated in England and Wales.

On 13 December 2019, following an internal restructure, the immediate parent of the Company changed from Scholl (Investments) Limited, a company incorporated in England and Wales, to Scholl Limited, a company incorporated in England and Wales, to London International Group Limited.

Reckitt Benckiser Group plc is the parent company of the largest and smallest group of which the Company is a member and for which group accounts are drawn up. Copies of the Group accounts are available from Reckitt Benckiser Group plc, 103-105 Bath Road, Slough, Berkshire, SL1 3UH or at <https://www.rb.com>.



## **Scholl (UK) Limited**

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

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#### **8. Directors and Employees**

During the year the Company had 2 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. 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.

#### **10. Post Balance Sheet Event**

On 14 April 2020, the Company reduced the nominal value of 30,831,000 fully paid ordinary shares from £1 to £0.00000001, reducing the share capital by £30,830,999.69169 with the same amount being credited to retained earnings.

This transaction was carried out to ensure that there are sufficient distributable reserves for future distributions and the share capital reduction was carried out in accordance with Part 17, Chapter 10 of the Companies Act 2006.