Registered no: 07180292

Travis Perkins Financing Company No.3 Limited

Annual report and financial statements for the year ended 31 December 2013

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Directors' report
for the year ended 31 December 2013

The Directors present their annual report and the audited financial statements for the year ending 31 December 2013.

In preparing this Directors' report the Directors have taken advantage of the small companies exemptions available and have not prepared a separate strategic report.

Principal activities

The principal activity of the Company during the year was the provision of finance to Travis Perkins plc through participation in a syndicated loan.

Review of developments and future prospects

The profit and loss account is set out on page 6.

The Company made a pre-tax profit of £2,225,485 for the year ended 31 December 2013 (2012: £1,457,996).

The Directors believe the Company is satisfactorily placed to enable it to trade profitably in future.

Statement of going concern

The Company's business activities, together with the factors likely to affect its future development and position are set out in this report.

The Company is a subsidiary of Travis Perkins plc. The Company is reliant on other companies in the Group for financial support. The Company's ability to operate as a going concern is therefore directly linked to the Group's position.

The Board of Travis Perkins plc is currently of the opinion that having reviewed the Group's cash forecasts and revenue projections, and after taking account of reasonably possible changes in trading performance, the Group should be able to operate within its current facilities and comply with its banking covenants for the foreseeable future.

On the basis of their assessment of the Company's financial position, confirmation of financial support and enquires made of the Directors of Travis Perkins plc, the Company's Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company 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.

Dividends

No dividend has been paid in the current year. The retained profit of £1,708,060 (2012: £1,100,787) has been transferred to reserves.

Directors' Report (continued)

Directors

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

G. I. Cooper	(resigned 31 December 2013)
P. N. Hampden Smith	(resigned 28 February 2013)
T. Buffin	(appointed 8 April 2013)
J. P. Carter	(appointed 31 December 2013)

The Company has made qualifying third party indemnity provisions for the benefits of its Directors which were made during the period and remain in force at the date of this report.

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 s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board

SFennell

S FENNELL

Signed for and on behalf of TPG Management Services Limited

Secretary

25 September 2014

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

Directors' responsibilities statement

The Directors are responsible for preparing the annual 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 the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; 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 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 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.

Independent auditor's report to the members of Travis Perkins Financing Company No.3 Limited

We have audited the financial statements of Travis Perkins Financing Company No 3 Limited for the year to 31 December 2013, which comprise the profit and loss account, the balance sheet, the statement of changes in equity, and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditor's report (continued)

Opinion on other matter prescribed by the Companies Act 2006

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

In our opinion the information given in the Directors' report for the period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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 preparing a Strategic Report or in preparing the Directors' report.

William Smith MA FCA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Birmingham, United Kingdom

25 September 2014

Profit and loss account
for the year ended 31 December 2013

	Notes	**2013**	2012
		£	£
Net finance income	3	**2,225,485**	1,457,996
Operating profit and profit on ordinary activities before taxation		**2,225,485**	1,457,996
Tax on profit on ordinary activities	4	**(517,425)**	(357,209)
Profit after taxation being profit for the period	8	**1,708,060**	1,100,787

All results relate to continuing activities.

There were no recognised gains or losses other than the profit for the years shown above.

Balance sheet
as at 31 December 2013

	Notes	**2013**	2012
		£	£
Current Assets			
Debtors - due within one year	5	**5,381,986**	50,606,019
Current liabilities			
Creditors - Amounts falling due within one	6	**-**	(46,932,093)
Net current assets		**5,381,986**	3,673,926
Total assets less current liabilities		**5,381,986**	3,673,926
Net assets		**5,381,986**	3,673,926
Capital and Reserves			
Called-up share capital	7	**1**	1
Profit and loss account	8	**5,381,985**	3,673,925
Shareholders' funds		**5,381,986**	3,673,926

The financial statements of Travis Perkins Financing Company No.3 Limited, registered company number 07180292, were approved by the Board of Directors on 25 September 2014 and signed on its behalf by:

T. Buffin Director

Statement of changes in equity for the year ended 31 December 2013

	Called up share capital £	Retained earnings £	Total £
At 31 December 2011 as previously stated	1	2,573,138	2,573,139
Changes on transition to FRS 102	-	-	-
At 1 January 2012 as restated	1	2,573,138	2,573,139
Profit for the financial year	-	1,100,787	1,100,787
At 31 December 2012	**1**	**3,673,925**	**3,673,926**
Profit for the financial year	**-**	**1,708,060**	**1,708,060**
At 31 December 2013	**1**	**5,381,985**	**5,381,986**

Notes to the financial statements for the year ended 31 December 2013

1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The principal accounting policies adopted are described below and have been applied consistently during the current and prior years.

General information and basis of accounting

The Company is incorporated in the United Kingdom under the Companies Act. 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 Directors' report on page 1.

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 Company has early adopted FRS 102 and its effective date of transition was 1 January 2012. On transition to FRS 102 no adjustments were required, therefore the prior year financial statements were not restated. For more information see note 11.

The presentation currency of these financial statements is sterling.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to presentation of a cash-flow statement and intra-group transactions.

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

Impairment of financial assets

Financial 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 profit or loss as described below.

A financial 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.

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.

Notes to the financial statements for the year ended 31 December 2013 (continued)

Impairment of financial assets (continued)

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.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset 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.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed at the balance sheet date.

2 Directors' emoluments, employee information and auditor's remuneration

The Directors are paid by other Group companies and received total emoluments of £1,939,287 (2012: £1,641,000) for the year but it is not practicable to allocate their remuneration from other group companies for services rendered.

The Company had no employees.

Fees payable to the Company's auditor for the audit of the Company's annual accounts were borne by another Group company. Audit fees of £1,500 (2012: £1,500) were payable for the year ended 31 December 2013. There were no non-audit fees in either period.

3 Net finance income

	2013	2012
	£	£
Interest receivable	**2,225,485**	1,457,996
	2,225,485	1,457,996

Notes to the financial statements for the year ended 31 December 2013 (continued)

4 Tax on profit on ordinary activities

	2013	2012
	£	£
Current tax		
UK corporation tax on profits for the period	**517,425**	357,209
Total tax charge on profit on ordinary activities	**517,425**	357,209

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2013	2012
	£	£
Profit before tax	**2,225,485**	1,457,996
Tax on profit on ordinary activities at standard UK corporation tax rate of 23.25% (2012:24.5%)	**517,425**	357,209
Current tax charge for the period	**517,425**	357,209

On 1 April 2013, the UK corporation tax rate reduced from 24% to 23%. The Finance Act 2013 enacted further rate reductions to 21% from 1 April 2014 and 20% from 1 April 2015. Accordingly, the tax rate for the year of 23.25% is a blended rate of 24% up to 1 April 2013 and 23% therefore.

5 Debtors

	2013	2012
Debtors due within one year:	£	£
Loans by group undertakings	-	50,584,771
Amounts owed by group undertakings	**5,381,985**	-
Prepayments and accrued income	-	21,247
Unpaid share capital	**1**	1
	5,381,986	50,606,019

Notes to the financial statements for the year ended 31 December 2013 (continued)

5 Debtors (continued)

The company participated in a syndicated loan facility provided to the ultimate parent company Travis Perkins plc. The loan was repayable in semi-annual instalments. The loan was repaid in full in April 2013. Interest receivable was calculated at LIBOR plus a variable margin.

6 Creditors: amounts falling due within one year

	2013	2012
	£	£
Amounts owed to group undertakings	-	44,908,457
Accruals and deferred income	-	2,023,636
	-	46,932,093

Amounts owed to Group undertakings represented a loan payable to Travis Perkins plc. The loan was repayable on demand and no interest was payable.

7 Called-up share capital

	2013	2012
	£	£
Called-up, allotted and fully paid		
1 ordinary share of £1	**1**	1

8 Profit and loss account

	2013	2012
	£	£
At 1 January	**3,673,925**	2,573,138
Profit attributable to shareholders of the company	**1,708,060**	1,100,787
At 31 December	**5,381,985**	3,673,925

The profit and loss reserves represents cumulative profits or losses.

Notes to the financial statements for the year ended 31 December 2013 (continued)

9 Related party transactions

The Company has a related party relationship with its fellow Group companies and with its Directors.

The Company has taken advantage of the exemption permitted by section 33 of FRS 102 not to disclose transactions between group companies where 100% of the voting rights over the Company's shares are controlled within the Group.

The remuneration, and details of interests in the share capital of the Company, of the Directors are provided in note 2.

10 Ultimate holding company

The ultimate parent and controlling company is Travis Perkins plc, a company incorporated 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. The largest and smallest group into which the Company's results are consolidated is Travis Perkins plc.

11 Explanation of transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 December 2012 and the date of transition to FRS 102 was therefore 1 January 2012. However as a consequence of adopting FRS 102 no transition adjustments were required.