Registration number: 10375613

Built for Trade Limited

Annual report and financial statements

for the year ended 31 December 2020

Built for Trade Limited

Contents

Company information

Directors

A.R. Williams
TP Directors Limited

Company secretary

TPG Management Services Limited

Registered office

Lodge Way House
Lodge Way
Harlestone Road
Northampton
NN5 7UG

Directors' report for the year ended 31 December 2020

The Directors present their Annual report and the audited financial statements for the year ended 31 December 2020.

The Directors' report has been prepared in accordance with the special provisions relating to small companies under Section 415A of the Companies Act 2006.
The Company has taken advantage of the exemption under section 414B of the Companies Act 2006 to not prepare a strategic report.

Principal Activity

The principal activity of the Company in 2019 was the online marketing and distribution of timber, building and plumbing materials to the building trade and industry generally within the United Kingdom. The company ceased trading on 30 April 2019.

Results

The profit and loss account is set out on page 4. The Company made a profit of £nil (2019: pre-tax loss of £4,511,000). Net liabilities for the company remained at £16,764,000 (2019: £16,764,000).

Directors of the Company

The directors who held office during the year were as follows:

A.R. Williams

TP Directors Limited

Directors liabilities

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 at least 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 2 to the financial statements.

Dividends

The Directors do not recommend the payment of a dividend.

Political donations

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

Modern slavery

The Company will not accept slavery or human trafficking and works with suppliers and colleagues to ensure positive steps are taken to ensure that slavery has no place in the business or supply chain. If issues are identified, investigations and remedial actions will be taken. No instances of slavery or human trafficking have been identified.

The Company's approach to this issue is set out in greater detail in the Travis Perkins plc Annual Report, which does not form part of this report.

Approved by the Board on 28 September 2021 and signed on its behalf by:

Alan Williams

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A.R. Williams
Director

Statement of Directors' responsibilities

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 the Directors 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 their profit or loss for that period. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Profit and loss account and other comprehensive income for the year ended 31 December 2020

	Note	2020 £000	2019 £000
Turnover	4	-	610
Cost of sales		-	(1,689)
Gross (loss) / profit		-	(1,079)
Selling and distribution costs		-	(827)
Adjusting items	7	-	(820)
Other administrative expenses		-	(1,785)
Administrative expenses		-	(2,605)
Operating loss	5	-	(4,511)
Loss before taxation		-	(4,511)
Tax credit on loss	10	-	861
Loss and total comprehensive loss for the financial year		-	(3,650)
Total comprehensive loss for the financial year		-	(3,650)

The above results were derived from discontinued operations.

Balance sheet as at 31 December 2020

	Note	2020 £000	2019 £000
Current assets			
Tangible assets		-	-
Intangible assets		-	-
Stocks		-	-
Debtors		-	-
Cash at bank and in hand		-	-
		-	-
Creditors: amounts falling due within one year	11	(16,764)	(16,764)
Net liabilities		(16,764)	(16,764)
Capital and reserves			
Called up share capital		-	-
Profit and loss account	13	(16,764)	(16,764)
Total equity		(16,764)	(16,764)

The notes on pages 7 to 14 form an integral part of these financial statements.

The financial statements of Built for Trade Limited, registered number 10375613, were approved and authorised by the Board on 28 September 2021 and signed on its behalf by:

Alan Williams

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A.R. Williams
Director

Statement of changes in equity for the year ended 31 December 2019

	Share capital £000	Profit and loss account £000	Total £000
1 January 2019	-	(13,114)	(13,114)
Loss for the period	-	(3,650)	(3,650)
31 December 2019	-	(16,764)	(16,764)
At 31 December 2020	-	(16,764)	(16,764)

1 General information

The Company is a private company limited by share capital, incorporated in the United Kingdom under the Companies Act 2006.

The address of its registered office is given on page 1.

2 Accounting policies

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.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 '*The Financial Reporting Standard applicable in the UK and Republic of Ireland*'.

Basis of preparation

These financial statements have been prepared using the historical cost convention, except that as disclosed in the accounting policies certain items are shown at fair value.

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 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 share-based payments, financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

Going concern assessment by the Directors of the Company

The Directors have formed a judgement at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the 12 months from the date of signing this Annual report and financial statements. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

In arriving at their opinion the Directors considered:

• that the Company is part of the Travis Perkins plc Group (the "Group"). The Company's ability to operate as a going concern is directly linked to the Group's position
• that the company has produced cash flow forecasts which are included in those of the Group
• the Group's cash flow forecasts and revenue projections, taking into account the demerger of the Wickes business in April 2021 and the resulting impact on the Group's balance sheet and liquidity profile
• reasonable potential changes in trading performance, including any impact from continued COVID-19 restrictions, and the removal or tapering of government support schemes such as Stamp Duty Relief and the Coronavirus Jobs Retention Scheme
• the committed facilities available to the Group and the covenants thereon
• the Group's robust policy towards liquidity and cash flow management
• the Group management's ability to successfully manage the principal risks and uncertainties during periods of uncertain economic outlook and challenging macro-economic conditions

The Group going concern assessment was completed for the Group accounts published on 2nd March 2021. The Directors have made appropriate inquiries of the Group subsequent to the date of that assessment and up to the date of signing these financial statements and have not identified any matters which impact their conclusion regarding the ability of the Group to continue as a going concern.

2 Accounting policies (continued)

Tangible assets

Tangible assets are stated at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible fixed assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is charged on a straight-line basis so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation rate
Short leasehold property	Over the term of the lease
Plant and equipment	10% - 33% per annum

Intangible assets - other

Intangible fixed assets are shown at historical cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible fixed assets on a straight-line basis so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Software	20%-33% per annum

Financial instruments

Recognition and measurement

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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost is determined using the weighted average method.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired the carrying amount is reduced to its selling price less costs to sell; the impairment loss is recognised immediately in the profit and loss account.

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 and loss account 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.

The recoverable amount of goodwill is derived from the measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

2 Accounting policies (continued)

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and 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.

2 Accounting policies (continued)

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: the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and 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 period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Defined contribution pension obligation

The Group operates a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions.

The amounts charged to the profit and loss account in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Provisions

Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

Supplier income

Supplier income comprises fixed price discounts, volume rebates and customer sales support.

Fixed price discounts and volume rebates received and receivable in respect of goods which have been sold are initially deducted from the cost of inventory and therefore reduce cost of sales in the profit and loss account when the goods are sold. Where goods on which the fixed price discount or volume rebate has been earned remain in inventory at the year-end, the cost of that inventory reflects those discounts and rebates (see stock accounting policy).

The Company receives customer sales support payments that are made entirely at the supplier's option, that are requested by the Company when a specific product is about to be sold to a specific customer and for which payment is only received after the sale has been completed. All customer sales support receipts received and receivable are deducted from cost of sales when the sale to the third party has been completed, i.e. when the customer sales support payment has been earned.

Supplier income receivable is netted off against trade creditors when there is a legally binding arrangement in place and it is management's intention to do so, otherwise amounts are included in other debtors in the balance sheet.

Other promotional arrangements are not significant.

2 Accounting policies (continued)

Adjusting items

Adjusting items are those item of income and expenditure that by reference to the Company are material in size or unusual in nature or incidence, that in the judgement of the Directors, should be disclosed separately on the face of the financial statements (or in the notes in the case of a segment) to ensure both that the reader has a proper understanding of the Company's financial performance and that there is comparability of financial performance between periods.

Items of income or expense that are considered by the Directors for designation as adjusting items include, but are not limited to, significant restructurings, onerous contracts, write-downs or impairments of current and non-current assets, the costs of acquiring and integrating businesses, gains or losses on disposals of businesses and investments, re-measurement gains or losses arising from changes in the fair value of derivative financial instruments to the extent that hedge accounting is not achieved or is not effective, material pension scheme curtailment gains and the effect of changes in corporation tax rates on deferred tax balances.

Revenue recognition

Turnover is recognised when goods are received by the customer and the risks and rewards of ownership have passed to them. Turnover is measured at the fair value of consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of customer rebates, discounts and value added tax. The Company supplies all goods within the United Kingdom.

3 Critical accounting judgements and key sources of estimation uncertainty

These financial statements have been prepared in accordance with the Company's accounting policies, which are described in note 2. The preparation of financial statements requires the Directors to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Future events and their effects cannot be determined with certainty. Therefore, the determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions. The Directors frequently re-evaluate these significant factors and make adjustments where facts and circumstances dictate.
The Directors have determined there are no critical accounting judgments or key sources of estimation uncertainty.

4 Revenue

Turnover is recognised when goods or services are received by the customer and the risks and rewards of ownership have passed to them. Turnover is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of customer rebates, discounts and value added tax. The Company supplies all goods and services within the United Kingdom.

5 Operating loss

Operating loss is stated after charging:

	2020 £000	2019 £000
Depreciation of tangible fixed assets	-	12
Loss on disposal of fixed assets	-	137
Adjusting items (note 7)	-	820
Impairment of trade receivables	-	3

6 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2020 £000	2019 £000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	-	10

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.

7 Adjusting items

	2020 £m	2019 £m
Fixed asset write offs	-	820
	-	820

The charge for the year relates to the impairment of assets acquired for the Built business, held by other Travis Perkins plc group companies. The cost of this was recharge to the Company.

8 Directors' remuneration

One (2019: two) of the Directors are paid by other group companies and received total emoluments (including non-performance related bonuses) of £630,000 (2019: £988,000) and pension contributions of £nil (2019: £7,000) during the year, but it is not practicable to allocate their remuneration from other group companies for services rendered. Of these Directors, none (2019: one) is contributing towards the Travis Perkins Pension Plan, which is a defined contribution scheme, in respect of their services to other group companies.

One Directors (2019: two) paid by another group company exercised share options during the year.

The remuneration paid directly to the Directors by the Company for the year was £nil.

9 Staff costs

The average number of persons employed by the company (including Directors) during the year, analysed by category, was as follows:

	2020 No.	2019 No.
Administration and support	-	12
Sales	-	3
	-	15

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2020 £000	2019 £000
Wages and salaries	-	1,223
Social security costs	-	127
Pension costs	-	21
	-	1,371

10 Tax

Tax credited in the profit and loss account

	2020 £000	2019 £000
Current taxation		
UK corporation tax	-	(1,034)
UK corporation tax adjustment to prior periods	-	280
	-	(754)
Deferred taxation		
Origination and reversal of timing differences	-	76
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	-	(183)
Total deferred taxation	-	(107)
Tax receipt in the income statement	-	(861)

The tax on profit before tax for the year is the same as than the standard rate of corporation tax in the UK (2019: lower) of 19% (2019: 19%).

The differences are reconciled below:

	2020 £000	2019 £000
Loss before tax	-	(4,511)
Corporation tax at standard rate	-	(857)
Effect of expenses not deductible for tax purposes	-	(101)
Increase in UK current tax from adjustment for prior periods	-	97
Total tax credit	-	(861)

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax asset/(liability) as at 31 December 2019 has been calculated based on this rate. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

On 3rd March 2021 it was announced that the UK corporation tax rate will increase in April 2023 to 25% and this was substantially enacted on 24th May 2021. From this date any deferred tax balances have been calculated based on the relevant substantially enacted rate for the period in which these balances are expected to unwind.

11 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Due within one year		
Amounts due to group undertakings	-	16,764
	-	16,764

Amounts owed by group undertakings include loans and trade balances. The loans are interest free and have no fixed date for repayment. No security has been given in relation to any creditors.

12 Share capital

Rights, preferences and restrictions

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

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	2	2	2	2

13 Reserves

The profit and loss account represents cumulative profits or losses.

14 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.

15 Parent and ultimate parent undertaking

The immediate and 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.