

**Reckitt Benckiser Finance
Company Limited**

Report and Financial Statements

Year Ended

31 December 2016

Company Number 04749202

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Reckitt Benckiser Finance Company Limited

Company Information

Directors	Candida Jane Davies Richard Mark Greensmith
Company Secretary	Christine Anne-Marie Logan
Registered Number	04749202
Registered Office	103-105 Bath Road Slough Berkshire SL1 3UH
Independent Auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

Reckitt Benckiser Finance Company Limited

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Reckitt Benckiser Finance Company Limited

Directors' Report to the members of Reckitt Benckiser Finance Company Limited For the Year Ended 31 December 2016

The Directors present their report and the audited Financial Statements for the year ended 31 December 2016.

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

Principal activities

The principal activity of the Company is to act as a financing company for other Group companies. The Company, which is a member of the Reckitt Benckiser Group of companies (the "Group"), carries out the strategy intended by the Company Directors.

Directors

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

Candida Jane Davies
Patrick Norris Clements (resigned 30 April 2016)
Richard Mark Greensmith (appointed 21 April 2016)

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 third party liabilities.

Directors' responsibilities statement

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 the law the Directors have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"), 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 Statement of Comprehensive Income 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the Financial Statements; 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.

Reckitt Benckiser Finance Company Limited

Directors' Report to the members of Reckitt Benckiser Finance Company Limited (continued) For the Year Ended 31 December 2016

Results for the year and movement on reserves

The Financial Statements for the year ended 31 December 2016 show a profit of £760,000 (2015 - profit of £839,000) which has been added to reserves (2015 - added to reserves).

The Directors do not recommend the payment of a dividend (2015 - £Nil).

Future developments

No significant change in the business of the Company has taken place during the year or is expected in the immediately foreseeable future.

Going concern

The Company participates in the Group's centralised treasury arrangements and so shares the banking arrangements with its parent and fellow subsidiaries.

On the basis of their assessment of the Company's financial position and of the enquiries made of the Directors of Reckitt Benckiser Group plc, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

Independent Auditors

The Company has adopted Articles which are compliant with provisions of the Companies Act 2006 and is therefore not required to hold annual general meetings to lay Financial Statements before the shareholders and to reappoint the Auditors annually.

Disclosure of information to Auditor

Each of the persons who are Directors at the time when this Directors' Report to the members of Reckitt Benckiser Finance Company Limited is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's Auditors are unaware, and
- that 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 Auditors are 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 24 April 2017 and signed on its behalf.



Christine Anne-Marie Logan
Company Secretary

Reckitt Benckiser Finance Company Limited

Independent Auditor's Report to the Members of Reckitt Benckiser Finance Company Limited

Report on the Financial Statements

Our Opinion

In our opinion, Reckitt Benckiser Finance Company Limited's Financial Statements (the "Financial Statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 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.

What we have audited

The Financial Statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the Financial Statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Director's Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Reckitt Benckiser Finance Company Limited

Independent Auditor's Report to the Members of Reckitt Benckiser Finance Company Limited

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the Financial Statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view.

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of Financial Statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

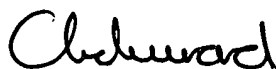
We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the Financial Statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

Reckitt Benckiser Finance Company Limited

Independent Auditor's Report to the Members of Reckitt Benckiser Finance Company Limited

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. With respect to the Directors' Report, we consider whether this report includes the disclosures required by applicable legal requirements.



Christopher Richmond (Senior statutory auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
24 April 2017

Reckitt Benckiser Finance Company Limited

Statement of Comprehensive Income For the Year Ended 31 December 2016

	Note	2016 £000	2015 £000
Interest receivable and similar income	3	760	839
Profit on ordinary activities before tax		<u>760</u>	<u>839</u>
Tax on profit on ordinary activities	4	-	-
Profit for the financial year		<u><u>760</u></u>	<u><u>839</u></u>
Other comprehensive income			
Total comprehensive income		<u><u>760</u></u>	<u><u>839</u></u>

The notes on pages 9 to 13 form part of these Financial Statements.

Reckitt Benckiser Finance Company Limited
Registered number:04749202

Balance Sheet
As at 31 December 2016

	Note	2016 £000	2015 £000
Current Assets			
Debtors due within one year	5,6	178,728	177,968
Net Current Assets		<u>178,728</u>	<u>177,968</u>
Net Assets		<u><u>178,728</u></u>	<u><u>177,968</u></u>
Equity			
Share capital	7	132,320	132,320
Retained earnings		46,408	45,648
Total Equity		<u><u>178,728</u></u>	<u><u>177,968</u></u>

The Financial Statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The notes on pages 9 to 13 form part of these Financial Statements.

The Financial Statements on pages 6 to 13 were approved and authorised for issue by the Board and were signed on its behalf on 24 April 2017.



Richard Mark Greensmith
Director

Reckitt Benckiser Finance Company Limited

Statement of Changes in Equity For the Year Ended 31 December 2016

	Share capital £000	Retained earnings £000	Total Equity £000
At 1 January 2016	132,320	45,648	177,968
Comprehensive income			
Profit for the financial year	-	760	760
Other comprehensive income	-	-	-
Total comprehensive income	-	760	760
Total transactions with owners	-	-	-
Balance at 31 December 2016	132,320	46,408	178,728

Statement of Changes in Equity For the Year Ended 31 December 2015

	Share capital £000	Retained earnings £000	Total Equity £000
At 1 January 2015	132,320	44,809	177,129
Comprehensive income			
Profit for the financial year	-	839	839
Other comprehensive income	-	-	-
Total comprehensive income	-	839	839
Total transactions with owners	-	-	-
Balance at 31 December 2015	132,320	45,648	177,968

The notes on pages 9 to 13 form part of these Financial Statements.

Reckitt Benckiser Finance Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

1. Accounting Policies

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

1.1 General Information

Reckitt Benckiser Finance Company Limited is a company incorporated in England and Wales. The address of the registered office is given on the Company Information page, at the beginning of statutory accounts. The nature of the Company's operations and its principal activities are set out in the Directors' Report on pages 1 to 2.

1.2 Statement of Compliance

The Financial Statements have been prepared on a going concern basis, under the historical costs convention and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

1.3 Basis of Preparation

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The preparation of Financial Statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

1.4 Financial Reporting Standard 102 – Reduced Disclosure Exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these Financial Statements, as permitted by FRS 102 for qualifying entities:

- the requirements of section 3 Financial Statement Presentation paragraph 3.17(d) and section 7 Statement of Cash Flows not to prepare a statement of cash flows;
- the requirements of section 4 Statement of Financial Position paragraph 4.12(a)(iv) not to prepare a reconciliation of the numbers of shares outstanding at the beginning and end of the year;
- 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.

Reckitt Benckiser Finance Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

1.6 Interest

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

1.7 Taxation

Tax is based on the result for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax liabilities are provided for in full and deferred tax assets are recognised to the extent that they are considered recoverable.

2. Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

The Directors make estimates and assumptions concerning the future of the Company. The resulting accounting estimates will, by definition, seldom equate to actual results. The Company's Directors are of the opinion that there are no estimates and assumptions that have a significant risk of casting material adjustment to the carrying value of assets and liabilities for the Company within the next financial year.

Reckitt Benckiser Finance Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

3. Interest receivable and similar income

	2016 £000	2015 £000
Interest receivable from Group undertakings	760	839

4. Taxation

	2016 £000	2015 £000
Corporation tax		
Current tax on profits for the financial year	-	-
Total current tax	-	-
Taxation on profit on ordinary activities	-	-

Reconciliation of tax credit

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	760	839
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	152	170
Effects of:		
Non-taxable worldwide debt cap income	(152)	(170)
Total tax credit for the year	-	-

Factors that may affect future tax charges

The standard rate of corporation tax in the UK is 20%.

Reductions to the tax rate, reducing it to 19% from 1 April 2017 and 17% from 1 April 2020 have been enacted. Future profits will be taxed at the appropriate rate.

Worldwide debt cap

Worldwide debt cap legislation provides for the exemption of certain financing income of UK group companies where there has been a disallowance of interest expense in relevant UK group companies.

Reckitt Benckiser Finance Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

5. Debtors

	2016 £000	2015 £000
Due within one year		
Amounts owed by Group undertakings	<u>178,728</u>	<u>177,968</u>

Included in the amounts owed by Group undertakings due within one year is an amount of £8,194k (2015 - £8,119k) which is unsecured, repayable on demand and interest bearing at 3M LIBOR plus 0.4% (2015 - same).

Also included in the amounts owed by Group undertakings due within one year is an amount of £170,534k (2015 - £169,849k) which is unsecured, repayable on demand and interest bearing at 3M LIBOR minus 0.125% (2015 - same).

6. Financial Instruments

	2016 £000	2015 £000
Financial Assets		
Financial assets that are debt instruments measured at amortised cost	<u>178,728</u>	<u>177,968</u>

The Company has entered into the following loan agreements with Group undertakings:

Included in the amounts owed by Group undertakings due within one year is an amount of £8,194k (2015 - £8,119k) which is unsecured, repayable on demand and interest bearing at 3M LIBOR plus 0.4% (2015 - same).

Also included in the amounts owed by Group undertakings due within one year is an amount of £170,534k (2015 - £169,849k) which is unsecured, repayable on demand and interest bearing at 3M LIBOR minus 0.125% (2015 - same).

7. Share Capital

	2016 £000	2015 £000
Issued and fully paid		
310,000,002 (2015 - 310,000,002) Ordinary shares of AUD \$1 each	<u>132,320</u>	<u>132,320</u>

The functional currency was changed on 30 November 2005 and the share capital was translated on that date at a rate of AUD 2.3428:£1.

Reckitt Benckiser Finance Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

8. Directors and Employees

During the year the Company had 3 Directors resident in the UK, none of whom received any emoluments in respect of services to the Company (2015 - 3 Directors, no emoluments).

The Company had no employees during the current or prior year and consequently did not incur any expenditure in respect of wages and salaries, social security costs or other pension costs.

9. Ultimate Parent Undertaking and Controlling Party

The immediate parent company is Reckitt Benckiser (Cayman Islands) Limited, a company incorporated in the Cayman Islands.

The ultimate parent company and controlling party is Reckitt Benckiser Group plc, a company incorporated in the United Kingdom, which is the parent undertaking of the smallest and largest Group to consolidate these Financial Statements. Copies of the Group Financial Statements of Reckitt Benckiser Group plc can be obtained from 103-105 Bath Road, Slough, Berkshire, SL1 3UH or at <http://www.rb.com>.

10. Auditors' Remuneration

The Auditors' remuneration is met by the ultimate parent company, Reckitt Benckiser Group plc and is disclosed in total in the Group Financial Statements. No recharge is made to its subsidiaries as it is not practical to make an allocation of the audit fee to each subsidiary entity individually.