

Registered Number: 00058189

Wolseley UK Finance Limited
Annual report and financial statements
for the year ended 31 July 2023

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Wolseley UK Finance Limited
Annual report and financial statements
For the year ended 31 July 2023

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Wolseley UK Finance Limited

Directors and advisers

Directors

S Gray

Wolseley Directors Limited

Company secretary

N Randle

Independent auditor

Deloitte LLP

Statutory Auditor

1 City Square

Leeds

United Kingdom

LS1 2AL

Registered office

2 Kingmaker Court

Warwick Technology Park

Gallows Hill

Warwick

Warwickshire

United Kingdom

CV34 6DY

Registered number

00058189

Wolseley UK Finance Limited

Directors' report

The Directors present their annual report and the audited financial statements of Wolseley UK Finance Limited (the "Company") for the year ended 31 July 2023.

The Company is a wholly owned subsidiary of its ultimate parent company CD&R Wolf SARL and operates as part of the UK business of the Wolseley group of companies (the "Group"). The Company did not trade during the current or prior year.

The Directors' report has been prepared in accordance with the special provisions relating to small companies under Section 415(A) of the Companies Act 2006 and consequently a separate Strategic Report is not presented.

As a small company, Wolseley UK Finance Limited does not meet the qualifying criteria under Section 172(1) of the Companies Act 2006. As such, no Section 172(1) statement has been prepared.

Going concern

The financial statements have been prepared on a basis other than going concern reflecting the decision taken by the Directors to cease the operations of the Company and liquidate under a corporate restructuring plan. Further details can be found in note 1.

Future developments

The Directors do not foresee, at the date of this report, that there will be any trade by the Company in the next year.

Results and dividends

The balance sheet on page 10 shows that the Company's financial position at the year end has, in net assets terms, decreased by £40,518,000 (2022: increased by £104,000) which was driven by an interim dividend paid of £40,517,999 to the Company's immediate parent, Wolseley UK Limited on 19 June 2023. On 7 June 2023 the Company declared a reduction of capital, reducing its issued share capital from £40,000,000 to £1 which provided sufficient distributable reserves to pay an interim dividend to its parent company.

The Directors do not recommend the payment of a final dividend (2022: £nil).

Principal risks and uncertainties

Given the nature of the Company, there are no material risks and uncertainties facing the Company.

Director

The Directors of the Company during the year ended 31 July 2023 and up to the date of signing the financial statements were:

S Gray

Wolseley Directors Limited

Directors' qualifying third party and pension scheme indemnity provisions

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and remains in force at the date of approval of the financial statements. The Group also purchased and maintained throughout the financial year, directors' and officers' liability insurance in respect of itself and its directors.

Wolseley UK Finance Limited

Directors' report (continued)

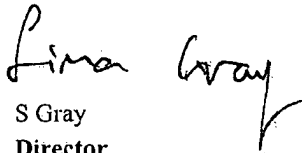
Auditor

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

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the 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.

Approved by the board and signed on its behalf by:



S Gray
Director

30 November 2023

Wolseley UK Finance Limited

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), 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 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; 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.

Wolseley UK Finance Limited

Independent auditor's report to the members of Wolseley UK Finance Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Wolseley UK Finance Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 July 2023 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 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.

We have audited the financial statements which comprise:

- the statement of income and retained earnings
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 9.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – financial statements prepared other than on a going concern basis

We draw attention to note 1 the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Wolseley UK Finance Limited

Independent auditor's report to the members of Wolseley UK Finance Limited (continued)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Wolseley UK Finance Limited

Independent auditor's report to the members of Wolseley UK Finance Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

We discussed among the audit engagement team relevant internal specialists such as tax and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

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 have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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 from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Wolseley UK Finance Limited

Independent auditor's report to the members of Wolseley UK Finance Limited (continued)

Use of our report

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.



Matthew Hughes ACA (Senior statutory auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

Leeds, UK

30 November 2023

Wolseley UK Finance Limited
Statement of income and retained earnings
For the year ended 31 July

| | Note | 2023 £'000 | 2022 £'000 |
|---|------|---------------|---------------|
| Other operating income | 4 | - | 104 |
| Operating profit | | - | 104 |
| Profit before taxation | | - | 104 |
| Tax on profit | 5 | - | - |
| Profit for the financial year attributable to the equity shareholders of the Company | | | 104 |

There is no comprehensive income or expenditure other than that disclosed in the Statement of income and therefore no separate Statement of comprehensive income has been presented.

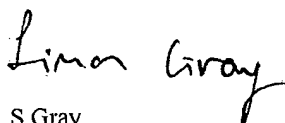
The notes on pages 12 to 16 form part of these financial statements.

Wolseley UK Finance Limited
Balance sheet
As at 31 July

Registered Number: 00058189

| | Note | 2023 £'000 | 2022 £'000 |
|---|------|---------------|---------------|
| Current assets | | | |
| Debtors: amounts falling due after more than one year | 6 | - | 40,518 |
| Net assets | | | 40,518 |
| Capital and reserves | | | |
| Called-up share capital | 7 | - | 40,000 |
| Other reserve | 7 | - | 172 |
| Profit and loss account | | - | 346 |
| Total shareholders' funds | | - | 40,518 |

The financial statements of Wolseley UK Finance Limited on pages 9 to 16 were approved and authorised for issue by the Board of Directors on 30 November 2023 and were signed on its behalf by:



S Gray
Director

Wolseley UK Finance Limited
Statement of changes in equity
For the year ended 31 July

| | Called-up share capital £'000 | Other Reserve £'000 | Profit and loss account £'000 | Total £'000 |
|---|--|--------------------------------|--|------------------------|
| At 1 August 2021 | 40,000 | 172 | 242 | 40,414 |
| Result for the financial year and total comprehensive result | - | - | 104 | 104 |
| At 31 July 2022 | 40,000 | 172 | 346 | 40,518 |
| Reduction in capital | (40,000) | - | 40,000 | - |
| Reclassification | - | (172) | 172 | - |
| Dividend paid | - | - | (40,518) | (40,518) |
| Result for the financial year and total comprehensive result | - | - | - | - |
| At 31 July 2023 | - | - | - | - |

In a board meeting held on the 16 December 2022, the Directors noted that the balance held in Other Reserve should be re-designated to distributable and transferred to the Profit and loss account.

An interim dividend of £40,517,999 (2022: nil) was paid in the year and no final dividend was paid or declared (2022: nil).

Wolseley UK Finance Limited

Notes to the financial statements

For the year ended 31 July

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year with the exception of going concern which changed in the year.

General information and basis of accounting

Wolseley UK Finance Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1.

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

The functional and presentational currency of Wolseley UK Finance Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Wolseley UK Finance Limited 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 separate financial statements. Wolseley UK Finance Limited is consolidated in the financial statements of its ultimate parent, Wolseley Group Holdings Limited, which may be obtained from writing to the same registered office as the Company. Exemptions have been taken in these separate Company financial statements in relation to financial instruments, intragroup related party transactions, presentation of a cash flow statement and remuneration of key management personnel.

Going concern

The financial statements have been prepared on a basis other than going concern reflecting the decision taken by the Directors to cease operations and liquidate. No adjustments arose as a result of ceasing to apply the going concern basis.

Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Wolseley UK Finance Limited
Notes to the financial statements (continued)
For the year ended 31 July

1 Accounting policies (continued)

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

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Critical accounting judgements and key sources of estimation uncertainty

Due to the nature of the Company there are no critical accounting judgements or key sources of estimation uncertainty that the Directors have made in the process of applying the Company's accounting policies.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price and, where applicable, are subsequently measured at amortised cost.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to offset the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Wolseley UK Finance Limited
Notes to the financial statements (continued)
For the year ended 31 July

2 Auditor's remuneration

Audit fees for the Company for the year ended 31 July 2023 and year ended 31 July 2022 in relation to the auditing of the financial statements were borne by the immediate parent undertaking, Wolseley UK Limited. During the current and previous year Wolseley UK Limited paid £1,000 on behalf of the Company.

Fees payable to auditor and their associates for non-audit services to the Company are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis.

3 Employees and directors

There were no employees of the Company in either the current or previous year.

During the year ended 31 July 2023 and the prior year, the emoluments of S Gray were paid by Wolseley Group Limited, an intermediate parent company, which makes no recharge to the company.

Wolseley Directors Limited received no remuneration in its capacity as director of the Company during the years ended 31 July 2023 and 31 July 2022.

4 Other operating expense

| | 2023 £'000 | 2022 £'000 |
|----------------------------------|---------------|---------------|
| Decrease in insurance receivable | - | (964) |
| Decrease in provision | - | 1,068 |
| | - | 104 |

5 Tax on profit

The current tax charge for the year is £nil (2022: £nil). The tax charge for the year is the same as (2022: lower than) the standard rate of corporation tax in the UK. The differences are explained below:

| Tax reconciliation | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Profit before taxation | - | 104 |
| Profit before taxation multiplied by the effective standard rate of UK tax of 21% (2022: 19.00%) | - | 20 |
| Effects of: | | |
| Tax charge on imputed interest | 306 | 82 |
| Group relief claimed for nil consideration | (306) | (82) |
| Utilisation of losses brought forward | - | (20) |
| Total tax charge for the year | - | - |

Wolseley UK Finance Limited
Notes to the financial statements (continued)
For the year ended 31 July

5 Tax on profit (continued)

The UK tax rate for the year ended 31 July 2023 is 25%. An increase to 25% to be effective 1 April 2023 was enacted as part of the Finance Act 2021 on 10 June 2021.

UK to UK transfer pricing rules require companies to make an assessment of the interest rate charged on intragroup loans to ensure they are at arm's length. Tax legislation requires an arm's length interest charge to be imputed and tax charged thereon where an arm's length pricing mechanism is not in place. The tax disclosures include the tax on such imputed interest charges.

6 Debtors: amounts falling due within one year

| | 2023 £'000 | 2022 £'000 |
|------------------------------------|---------------|---------------|
| Amounts owed by group undertakings | - | 40,518 |

The amounts owed by group undertakings are unsecured, interest free and repayable on demand.

7 Called-up share capital and reserves

| | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| Allotted, called-up and fully-paid | | |
| 1 (2022: 40,000,000) ordinary shares of £1 each | - | 40,000 |

The Company has one class of ordinary shares which has no right to fixed income.

The share capital of the company was reduced on the 7 June 2023, by written resolution, cancelling and extinguishing the fully paid 39,999,999 ordinary shares of £1.00, each registered in the name of Wolseley UK Limited for no consideration and crediting the amount by which the share capital is reduced to the company's retained earnings.

8 Ultimate parent company and parent undertakings

The Company's immediate parent company is Wolseley UK Limited, a company registered in England and Wales.

The ultimate parent company and controlling party at 31 July 2023 was CD&R Wolf SARL, a company incorporated in Luxembourg. Wolseley Group Holdings Limited was the smallest and CD&R Wolf SARL the largest parent undertaking to consolidate this Company's financial statements as at 31 July 2023. Copies of both Group financial statements may be obtained from the Group Company Secretary, 2 Kingmaker Court, Warwick Technology Park, Gallows Hill, CV34 6DY, United Kingdom.

Wolseley UK Finance Limited
Notes to the financial statements (continued)
For the year ended 31 July

9 Post balance sheet events

There have been no significant events since the balance sheet date.