

Chartersteel Limited  
Annual report and accounts  
for the year ended 31 July 2005

Registered Number 1728927



# **Chartersteel Limited**

## **Contents**

Directors' report for the year ended 31 July 2005.....	1
Independent auditors' report to the members of Chartersteel Limited .....	3
Profit and loss account for the year ended 31 July 2005.....	4
Balance sheet as at 31 July 2005 .....	5
Notes to the accounts for the year ended 31 July 2005.....	6

# Chartersteel Limited

## Directors' report for the year ended 31 July 2005

The directors submit their report and the audited accounts of the company for the year ended 31 July 2005.

### Principal activities and business review

The principal activity of the company is that of an investment company.

The results for the year are set out in the profit and loss account on page 4.

Auditors' remuneration is borne by the ultimate parent company.

### Dividends and transfers to reserves

No dividend has been paid (2004: £Nil). The profit of £1,517,912 (2004: £421,779) has been transferred to reserves.

### Directors

The directors of the company during the year ended 31 July 2005 were:

SP Webster

MJ White

### Directors' interest in shares

The notifiable interests of the directors in the 25p ordinary shares of Wolseley plc and options on those shares granted pursuant to the terms of the various Wolseley plc share option schemes are shown below.

Name of Director	Shares at		Options			
	31.7.2005	31.7.2004	31.7.2005	Granted	Exercised	31.7.2004
M J White	-	-	64,007	20,021	-	43,986
<b>Interests in shares under long term Incentive Plan</b>						
	<b>31.7.2005</b>		<b>Granted</b>	<b>Vested</b>		<b>31.7.2004</b>
M J White	10,276		10,276	-		-

The interests of SP Webster, who is also a director of the ultimate parent company, Wolseley plc, are shown in the annual report of that company.

# **Chartersteel Limited**

## **Directors' report for the year ended 31 July 2005 (continued)**

### **Statement of directors' responsibilities**

The directors are required by United Kingdom company law to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss for that period.

The directors consider that in preparing the accounts, appropriate accounting policies have been used and applied consistently, supported by reasonable and prudent judgements and estimates, and that applicable accounting standards have been followed.

The accounts have been prepared on the going concern basis.

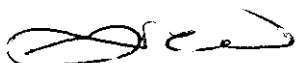
The directors are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985.

The directors 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 or any other irregularities.

### **Auditors**

The auditors, PricewaterhouseCoopers LLP, are willing to continue in office and their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board



A Drew  
Secretary

17 February 2006

## **Independent auditors' report to the members of Chartersteel Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you, if in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the information for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

### **Basis of opinion**

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**Birmingham**

27 February 2006

# Chartersteel Limited

## Profit and loss account for the year ended 31 July 2005

	Notes	2005 £	2004 £
Interest receivable	3	2,168,446	602,542
<b>Profit on ordinary activities before taxation</b>		<b>2,168,446</b>	<b>602,542</b>
Tax charge on profit on ordinary activities	4	(650,534)	(180,763)
<b>Profit for the financial year and transferred to reserves</b>	8	<b>1,517,912</b>	<b>421,779</b>

The profit for the financial year relates to continuing activities, and includes all recognised gains and losses in the year.

# Chartersteel Limited

## Balance sheet as at 31 July 2005

	Notes	2005 £	2004 £
<b>Current assets</b>			
Debtors	5	38,785,168	37,122,986
Creditors: amounts falling due within one year	6	(325,034)	(180,764)
<b>Net current assets</b>		<b>38,460,134</b>	<b>36,942,222</b>
<b>Total assets less current liabilities</b>		<b>38,460,134</b>	<b>36,942,222</b>
<b>Capital and reserves</b>			
Called up share capital	7	29,999,902	29,999,902
Profit and loss account	8	8,460,232	6,942,320
<b>Total shareholder's funds – all equity</b>	9	<b>38,460,134</b>	<b>36,942,222</b>

Approved by the Board on 17 February 2006.



MJ White  
Director

# Chartersteel Limited

## Notes to the accounts for the year ended 31 July 2005

### 1 Accounting policies

#### Accounting convention

The accounts have been prepared under the historical cost convention in accordance with applicable accounting standards.

#### Cash flow statement

Wolseley plc, the ultimate parent company, has included a cash flow statement in its group accounts for the year ended 31 July 2005. Under paragraph 5 (a) of Financial Reporting Standard 1 (Revised), no cash flow statement is therefore required in the accounts of this company.

### 2 Directors' remuneration

None of the directors received any emoluments in respect of their services to the company during the year (2004: £Nil).

### 3 Interest receivable

	2005	2004
	£	£
Interest receivable from Wolseley plc	2,168,446	602,542



# Chartersteel Limited

## Notes to the accounts for the year ended 31 July 2005 (continued)

### 4 Taxation

	2005	2004
	£	£
UK corporation tax at 30% (2004: 30%)		
Current year	650,534	180,763

There are no reconciling items between the actual and effective tax rate for year ended 31 July 2005.

### 5 Debtors

	2005	2004
	£	£
Amounts owed by Wolseley plc	38,785,168	37,122,986

### 6 Creditors (amounts falling due within one year)

	2005	2004
	£	£
Corporation tax	325,034	180,764

### 7 Called up share capital

	2005	2004
	£	£
Ordinary shares of £1 each		
Authorised	30,000,000	30,000,000
Allotted, issued and fully paid	29,999,902	29,999,902

# Chartersteel Limited

## Notes to the accounts for the year ended 31 July 2005 (continued)

### 8 Reserves

	Profit and loss account £
As at 1 August 2004	6,942,320
Profit for the year	1,517,912
As at 31 July 2005	8,460,232

### 9 Reconciliation of movements in shareholders' funds

	2005 £	2004 £
Profit for the financial year	1,517,912	421,779
Net addition to shareholders' funds	1,517,912	421,779
Opening shareholders' funds	36,942,222	36,520,443
Closing shareholders' funds	38,460,134	36,942,222

### 10 Contingent liabilities

The company, together with certain other group companies, is party to a group VAT registration.

### 11 Parent company

The ultimate parent company is Wolseley plc which is registered in England. Copies of the group accounts may be obtained from The Secretary, Wolseley plc, Parkview 1220, Arlington Business Park, Theale, Reading RG7 4GA.

### 12 Related party disclosures

The company has taken advantage of the exemption available under FRS8 to dispense with the requirement to disclose transactions with fellow subsidiaries, 90% or more whose voting rights are held within the group, and which are included in the consolidated financial statements of Wolseley plc.