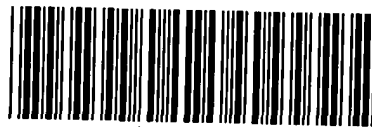


Registered Number: 05309042

Wolseley Europe Limited
Annual report and financial statements
for the year ended 31 July 2019

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Wolseley Europe Limited

Annual report and financial statements

For the year ended 31 July 2019

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Wolseley Europe Limited

Directors and advisers

Directors

S Gray

Wolseley UK Directors Limited

Company secretary

K M McCormick

Independent auditor

Deloitte LLP

Statutory Auditor

Abbots House

Abbey Street

Reading

United Kingdom

RG1 3BD

Registered office

1020 Eskdale Road

Winnersh Triangle

Wokingham

Berkshire

United Kingdom

RG41 5TS

Registered number

05309042

Wolseley Europe Limited

Directors' report

The Directors present their annual report and the audited financial statements of Wolseley Europe Limited ("the Company") for the year ended 31 July 2019.

The Company is a wholly owned subsidiary of its ultimate parent company Ferguson plc and operates as part of the UK business of the Ferguson plc group of companies (the "Group").

The principal activity of the Company is to collect and distribute rebates.

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.

Going concern

The Company ceased trading in the financial year and the Directors do not foresee, at the date of this report, that there will be any trade by the Company in the next twelve months. The Directors determine that, after the balance sheet date, they intend to liquidate the entity.

In accordance with the technical requirements of FRS 102 it is necessary for the financial statements to be prepared on a basis other than that of a going concern.

No adjustments to the financial statements arose as a consequence of adopting this basis for preparing the financial statements.

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 Company's profit for the financial year was £11,000 (2018: £7,000 loss) which was driven by foreign exchange movements). The net assets of the Company for the financial year were £3.2m (2018: £3.2m) the movement being attributable to the profit for the financial year. The Directors do not recommend the payment of a final dividend (2018: £nil). No interim dividend was recommended in the financial year (2018: £2,000,000 paid).

Post balance sheet events

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

Principal risks and uncertainties

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

Directors

The Directors of the Company during the year ended 31 July 2019 and up to the date of signing the financial statements were:

- S Gray
- Wolseley UK 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 Europe Limited

Directors' report (continued)

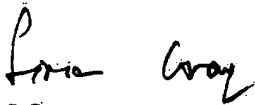
Auditor

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

16 December 2019

Wolseley Europe 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, 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 Europe Limited

Independent auditor's report to the members of Wolseley Europe Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Wolseley Europe Limited ("the Company"):

- give a true and fair view of the state of the Company's affairs as at 31 July 2019 and of its profit 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; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable to 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 in 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Wolseley Europe Limited

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

We have nothing to report in respect of these matters.

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 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 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.

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 has 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 Europe Limited

Independent auditor's report to the members of Wolseley Europe 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.



Thomas Murray ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom
16 December 2019

Wolseley Europe Limited

Statement of income and retained earnings

For the year ended 31 July 2019

	Note	2019 £'000	2018 £'000
Turnover		-	-
Cost of sales		4	8
Gross profit		4	8
Administration expenses		(1)	(1)
Operating profit		3	7
Interest receivable and similar income	4	8	-
Interest payable and similar charges	5	-	(14)
Profit/(loss) before taxation		11	(7)
Tax on profit/(loss)	6	-	-
Profit/(loss) for the financial year		11	(7)
Profit and loss account at 1 August		3,178	5,185
Dividends paid		-	(2,000)
Profit and loss account at 31 July		3,189	3,178

The notes on pages 10 to 15 form part of these financial statements. The above results arise from discontinued operations.

Wolseley Europe Limited

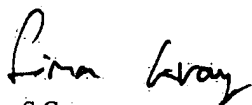
Balance sheet

As at 31 July 2019

Registered Number: 05309042

	Note	2019 £'000	2018 £'000
Current assets			
Debtors: amounts falling due within one year	7	-	768
Cash at bank and in hand		3,365	3,931
		3,365	4,699
Creditors: amounts falling due within one year	8	(176)	(1,521)
Net current assets		3,189	3,178
Net assets		3,189	3,178
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account	9	3,189	3,178
Total shareholders' funds		3,189	3,178

The financial statements of Wolseley Europe Limited on pages 8 to 15 were approved and authorised for issue by the Board of Directors on 16 December 2019 and signed on its behalf by:


S Gray
Director

Wolseley Europe Limited

Notes to the financial statements

For the year ended 31 July 2019

1 Accounting policies

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

General information and basis of accounting

Wolseley Europe 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 Financial Reporting Standard 102 applicable in the UK and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

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

Wolseley Europe 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 Europe Limited is consolidated in the financial statements of its ultimate parent, Ferguson plc, which may be obtained from The Group Company Secretary, Ferguson plc, 1020 Eskdale Road, Winnersh Triangle, Wokingham, Berkshire, RG41 5TS. 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 company ceased trading in the financial year and the Directors have determined that, after the balance sheet date, they intend to liquidate the entity.

In accordance with the technical requirements of FRS 102 it is necessary for the financial statements to be prepared on a basis other than that of a going concern. No adjustments arose as a result of adopting a basis other than going concern.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Interest receivable and similar income

Interest receivable and similar income comprises of the net gains that arise on the translation of balances denominated in foreign currencies.

Wolseley Europe Limited

Notes to the financial statements

For the year ended 31 July 2019

1 Accounting policies (continued)

Interest payable and similar charges

Interest payable and similar charges comprised of interest payable on cash balances advanced from banks in the prior year.

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.

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.

Trade debtors

Trade debtors are recorded at their nominal amount less a provision for impairment. A provision for impairment of trade debtors is established when there is evidence that the Company will not be able to collect all amounts due according to the original terms of the debt.

Accrued income

Accrued income is credited to the profit and loss account over the period for which the service is provided or to which the incentive relates.

Wolseley Europe Limited

Notes to the financial statements

For the year ended 31 July 2019

1 Accounting policies (continued)

Cash at bank and in hand

Cash includes cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet to the extent that there is no right of offset and no practice of net settlement with cash balances.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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 set off 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.

Dividends payable

Dividends on ordinary shares are recognised in the Company's financial statements in the period in which the dividends are paid or approved by the shareholders of the company.

Wolseley Europe Limited

Notes to the financial statements

For the year ended 31 July 2019

2 Employees and directors

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

During the year ended 31 July 2019 and 31 July 2018, the emoluments of S Gray were paid by a fellow subsidiary, Wolseley UK Limited, which makes no recharge to the Company.

Wolseley UK Directors Limited received no remuneration in its capacity as director of the Company during the years ended 31 July 2019 and 31 July 2018.

During the year ended 31 July 2019 and the year ended 31 July 2018, the Directors were also directors of a number of fellow group companies. It is not possible to make an accurate apportionment of their emoluments in respect of each of the companies. Accordingly, no emoluments in respect of their services are disclosed in the Company's financial statements.

3 Auditor's remuneration

Audit fees for the Company for the years ended 31 July 2019 and 31 July 2018 in relation to the auditing of the financial statements were borne by a fellow subsidiary, Wolseley UK Limited, and were not recharged to the Company. During the current and previous year Wolseley UK Limited paid £1,000 on behalf of the Company.

No fees were payable to the auditor for non-audit services to the Company during the year ended 31 July 2019.

4 Interest receivable and similar income

	2019 £'000	2018 £'000
Foreign currency gains	8	-

5 Interest payable and similar charges

	2019 £'000	2018 £'000
Foreign currency losses	-	14

Wolseley Europe Limited

Notes to the financial statements

For the year ended 31 July 2019

6 Tax on profit/(loss)

The tax charge for the year comprises:

	2019 £'000	2018 £'000
Current tax:		
Corporation tax on profit/(loss) for the year	-	-
Tax on profit/(loss)	-	-

The tax charge for the year is lower than (2018: higher) the standard rate of corporation tax in the UK. The differences are explained below:

Tax reconciliation:	2019 £'000	2018 £'000
Profit/(loss) before taxation	11	(7)
Profit/(loss) before taxation multiplied by the effective standard rate of UK tax of 19% (2018: 19%)	2	(1)
Group relief (claimed) / surrendered for nil consideration	(2)	1
Total tax charge for the year	-	-

Finance Act No.2 2015, which was substantively enacted on 26 October 2015, included provisions to reduce the corporation tax rate to 19% with effect from 1 April 2017. Following that, Finance Act 2016 was substantively enacted on 6 September 2016, further reducing the corporation tax rate to 17% from 1 April 2020.

7 Debtors: amounts falling due within one year

	2019 £'000	2018 £'000
Trade debtors	-	295
Prepayments and accrued income	-	473
	-	768

Accrued income relates to rebates receivable from European suppliers.

Wolseley Europe Limited

Notes to the financial statements

For the year ended 31 July 2019

8 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Amounts owed to group undertakings	176	1,481
Other taxation	-	40
	176	1,521

Amounts owed to group undertakings are unsecured, interest free and have no fixed repayment terms.

9 Called-up share capital and reserves

	2019 £'000	2018 £'000
Allotted, called-up and fully-paid:		
1 (2018: 1) ordinary share of £1	-	-

The Company's allotted and fully-paid share capital consists of one ordinary share with a value of £1.

The Company's other reserves are as follows:

The profit and loss account represents cumulative profits or losses.

10 Contingent liabilities

The Company, together with certain other Group companies, has given its main UK clearing bank authority at any time to transfer any sum outstanding to the credit of the Company against or towards satisfaction of the liability to the bank of the other Group undertakings.

11 Ultimate parent company and parent undertakings

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

The ultimate parent company and controlling part at 31 July 2019 was Ferguson plc, a company incorporated in Jersey whose registered office is 26 New Street, St Helier, Jersey, JE2 3RA, Channel Islands. Ferguson plc was the smallest and largest parent undertaking to consolidate this Company's financial statements as at 31 July 2019. Copies of the Group financial statements of Ferguson plc may be obtained from the Group Company Secretary, Ferguson plc, 1020 Eskdale Road, Winnersh Triangle, Wokingham, Berkshire, RG41 5TS, United Kingdom.