

Registered number: 08144358

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)
Annual report and financial statements
for the period ended 31 July 2013



Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

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Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Directors and advisers

Executive directors

S Ashmore

P Turner

Company secretary

V French

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Benson House

33 Wellington Street

Leeds

LS1 4JP

Registered office

The Wolseley Center

Harrison Way

Leamington Spa

CV31 3HH

Registered number

08144358

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Directors' report for the period ended 31 July 2013

The Directors present their report and the audited financial statements of the Company for the period ended 31 July 2013

Business review and principal activities

The Company was incorporated on 16 July 2012 under the name Aghoco 1124 Limited. The Company was acquired by Wolseley UK Limited on 29 October 2012 and the Company's name was changed to Wolseley Utilities Limited on 22 November 2012.

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

On 2 November 2012 the Company purchased part of the business and assets that were trading under the Burdens brand name. The principal activity of the Company up to 31 July 2013 was the sale of infrastructure, construction and utilities products and services. The operating loss on ordinary activities before exceptional items was £8,834,000 for this period.

On 31 July 2013 the business and trading assets of the Company were transferred to its immediate parent company, Wolseley UK Limited, as shown in note 5 on page 15. The profit on sale of the business and trading assets to Wolseley UK Limited generated a profit of £23,635,000. Following the transfer the business has continued to operate within Wolseley UK Limited under the Burdens brand name.

The Company's principal activity is now that of a landlord for certain properties to Wolseley UK Limited. Income based on market valuations will be received by the Company for this service.

The Group manages its operations on a segmental basis. For this reason, the Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. Details of the key performance indicators are shown on pages 18 to 19 of the Group's Annual Report for the year ended 31 July 2013 ("the Group's Annual Report"). The performance of the UK division of the Group, which includes the Company, is discussed on pages 30 to 31 in the Group's Annual Report.

Principal risks and uncertainties

The Company's operations are affected by various statutes, regulations and laws in the countries and markets in which it operates. While the Company is not engaged in a highly regulated industry, it is subject to the laws governing businesses generally, including laws affecting competition, international trade, fraud, bribery and corruption, land usage, zoning, the environment, health and safety, transportation, labour and employment practices (including pensions), data protection, payment terms and other matters.

The principal risks and uncertainties facing the Company are integrated with the principal risks of the Wolseley UK business of which the Company forms part. The UK business has identified product liability, customer and supplier default, the economic downturn, IT systems performance, major contract compliance, and fraud, bribery and corruption as its top risks. Ongoing actions are in place to provide appropriate mitigations, including a programme to ensure appropriate written contracts are in place with major suppliers, a product integrity programme, an anti-bribery and corruption programme, and compliance with the UK business's Code of Conduct.

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Directors' report for the period ended 31 July 2013 (continued)

Principal risks and uncertainties (continued)

During the year, the Company, as part of the UK business, has reviewed and augmented its anti-fraud, bribery and corruption processes, including launching an online Code of Conduct training programme to managers. The UK business also underwent a product integrity audit, and has started to implement a programme of activities to reflect the audit's findings and drive product integrity initiatives to ensure the sourcing and supply of safe products that are of suitable quality.

The UK business conducts a six-monthly risk assessment to identify risks and ensure appropriate action plans are in place. This is part of the wider Group risk management process, which is designed to identify, manage and mitigate business risk. The reports submitted by the UK business and other Group businesses are aggregated to identify the overall Group risks and the principal risks and risk management activities / controls of Wolseley plc, which include and reflect those of the Company, are discussed in the Group's Annual Report on pages 42 to 47 (which does not form part of this report).

Health, safety and environment

The Company recognises the importance of its health, safety and environmental responsibilities and operates in accordance with the Group's Corporate Responsibility programme which is described on pages 48 to 63 of the Group's Annual Report.

Health and safety principles include the prohibition of substance abuse, fleet maintenance in compliance with local legislation, the provision and use of protective clothing and apparatus and full safety training for all employees. Tools such as risk assessments, documented safe working practices and self-assessments are in place.

Environmental principles include the integration of environmental management into business operations, a commitment to comply with local environmental legislation and ensuring proper communication with employees on environmental matters. There is a risk of increased operational cost due to rising energy and fuel prices, increasing carbon and waste taxes and more burdensome regulatory requirements. To address the risk, the UK business has targets in place to improve energy, fuel and waste efficiency.

Employment policies

Details of the number of employees and related costs can be found in note 2 to the financial statements on page 13. The employees transferred from the Company to Wolseley UK Limited with effect from 1 August 2013, as part of the sale of business and trading assets on 31 July 2013.

It is the Company's policy to give full and fair consideration to applications for employment made by disabled persons, to continue wherever possible the employment of staff who become disabled and to provide equal opportunities for the training and career development of disabled employees.

Considerable importance is placed on the involvement of employees. The Company is committed to providing employees with information on matters of concern to them on a regular basis, so that the views of employees can be taken into account when making decisions that are likely to affect their interests. This is done through formal and informal meetings, in-house publications and the UK business's intranet site, which provides up to date information on significant developments in the UK business and the Group.

Company employees can participate in the Wolseley plc savings related share option scheme.

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Directors' report for the period ended 31 July 2013 (continued)

Dividends and transfers to reserves

The Company's profit for the financial period was £11,466,000

The Directors do not recommend the payment of a dividend

Directors

The Directors of the Company during the period ended 31 July 2013 and up to the date of signing the financial statements were

S Ashmore (appointed 29 October 2012)

P Turner (appointed 29 October 2012)

D Harding (appointed 29 October 2012, resigned 30 July 2013)

R Hart (appointed 16 July 2012, resigned 29 October 2012)

Inhoco Formations Limited (appointed 16 July 2012, resigned 29 October 2012)

A G Secretarial Limited (appointed 16 July 2012, resigned 29 October 2012)

During the period there were the following changes to the Company Secretary A G Secretarial Limited was appointed on 16 July 2012 and resigned on 29 October 2012, Graham Middlemiss was appointed on 29 October 2012 and resigned on 14 June 2013, and Vanessa French was appointed on 14 June 2013

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.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Directors' report for the period ended 31 July 2013 (continued)

Statement of Directors' responsibilities (continued)

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.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware, and the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



V French
Company Secretary
13 January 2014

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Independent auditors' report to the members of Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

We have audited the financial statements of Wolseley Utilities Limited (formerly Aghoco 1124 Limited) for the period ended 31 July 2013 which comprise the profit and loss account, the balance sheet, the accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' responsibilities, set out on pages 4 to 5, 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). 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.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 July 2013 and of its profit for the period 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Independent auditors' report to the members of Wolseley Utilities Limited (formerly Aghoco 1124 Limited) (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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



Randal Casson (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Leeds

13 January 2014

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Profit and loss account for the period ended 31 July 2013

		2013 Before exceptional items	2013 Exceptional items (note 4)	2013 Total after exceptional items
	Note	£'000	£'000	£'000
Turnover				
Continuing operations		112	-	112
Discontinued operations		79,872	-	79,872
	1	79,984	-	79,984
Other operating income		1,605	-	1,605
Raw materials and consumables		(68,609)	-	(68,609)
Staff Costs	2	(10,889)	(2,227)	(13,116)
Goodwill amortisation	8	(298)	-	(298)
Tangible fixed asset depreciation and impairment	10	(826)	(259)	(1,085)
Other operating charges		(9,801)	(2,289)	(12,090)
Operating (loss) / profit	3			
Continuing operations		74	-	74
Discontinued operations		(8,908)	(4,775)	(13,683)
		(8,834)	(4,775)	(13,609)
Profit on sale of tangible fixed assets		184	-	184
Profit on disposal of discontinued operations	5	-	23,635	23,635
(Loss) / profit on ordinary activities before interest		(8,650)	18,860	10,210
Interest payable and similar charges	6	(1,494)	-	(1,494)
(Loss) / profit on ordinary activities before taxation		(10,144)	18,860	8,716
Tax on (loss) / profit on ordinary activities	7	2,045	705	2,750
(Loss) / profit for the financial period	15	(8,099)	19,565	11,466

The profit for the financial period relates to discontinued activities

There are no recognised gains or losses other than those disclosed in the profit and loss account and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the results as described in the profit and loss account above and the results on an unmodified historical cost basis

The accounting policies and notes on pages 10 to 24 form part of these financial statements

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

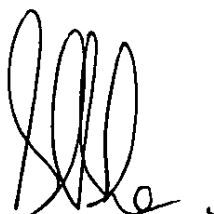
Balance sheet as at 31 July 2013

Registered number 08144358

	Note	2013 £'000
Tangible fixed assets	10	12,389
Current assets		
Debtors amounts falling due within one year	11	5,410
Creditors amounts falling due within one year	12	(1,254)
Net current assets		4,156
Total assets less current liabilities		16,545
Creditors: amounts falling due after more than one year	12	(5,000)
Provisions for liabilities	13	(79)
Net Assets		11,466
Capital and reserves		
Called up share capital	14	-
Profit and loss account	15	11,466
Total shareholders' funds	16	11,466

The financial statements on pages 8 to 24 were approved by the Board of directors on 13 January 2014 and were signed on its behalf by

S Ashmore
Director



Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Accounting policies for the period ended 31 July 2013

Basis of accounting

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been applied consistently, is set out below.

Exceptional items

Exceptional items are those material items which, by virtue of their size or incidence, are presented separately in the profit and loss account to enable a full understanding of the Company's financial performance. Transactions which may give rise to exceptional items include restructurings of business activities, gains or losses on the disposal of businesses and the impairment of investments.

Turnover

Turnover is the amount derived from the provision of goods and services falling within the Company's ordinary activities, estimated and actual sales returns, trade and early settlement discounts, value added tax and similar sales taxes.

Revenue from the provision of goods is recognised when the risks and rewards of ownership of goods have been transferred to the customer. The risks and rewards of ownership of goods are deemed to have been transferred when the goods are shipped to, or are picked up by, the customer.

Revenue from services, including rental income, is recognised when the service provided to the customer has been completed.

Other operating income

Other operating income includes income for the provision of logistics and stock holding services, income from other parties for the provision of transitional services and rental income.

Supplier rebates

The Company enters into arrangements with certain suppliers for stock purchase rebates. These purchase rebates are accrued as earned and are recorded initially as a reduction in stock with a subsequent reduction in cost of sales when the related product is sold.

Impairment of fixed assets

In accordance with FRS 11, "Impairment of Fixed Assets and Goodwill", fixed assets are subject to review for impairment. Any impairment is recognised in the profit and loss account or revaluation reserve as appropriate in the year in which it occurs.

Intangible assets – goodwill

Goodwill arising on acquisitions represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired and is capitalised and amortised over its estimated useful life.

Goodwill arising from acquisitions is capitalised and amortised on a straight-line basis over a period of not more than 20 years.

The net assets of businesses acquired are incorporated in the Company at their fair value. Fair value adjustments relate principally to adjustments necessary to bring the accounting policies of the acquired businesses into line with those of the Company, but may also include other adjustments necessary to restate assets and liabilities at their fair values at the date of acquisition.

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Accounting policies for the period ended 31 July 2013 (continued)

Intangible assets: brand

The brand is capitalised separately from goodwill at a value calculated by the relief from royalty method and amortised on a straight-line basis over a period of not more than 20 years

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all tangible fixed assets (except freehold land) on a straight-line basis to write off the cost or valuation of those assets, less their residual values, over their estimated useful lives. The principal rates of depreciation are as follows

Land and buildings	2% - life of lease
Plant and machinery	10 - 15%
Fixtures, fittings, tools and equipment	15 - 33⅓%
Motor vehicles	25%

Leased assets

Where the Company enters into a lease agreement which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease". The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter.

Future lease obligations, excluding interest, are included as creditors in the balance sheet. The interest element of the lease rental is charged to the profit and loss account as incurred. Costs in respect of operating leases are charged on a straight-line basis over the period of the lease.

Properties awaiting disposal

Properties awaiting disposal are transferred to current assets at the lower of net written down value and estimated net realisable value. Depreciation is not applied to properties awaiting disposal, but the carrying value is reviewed annually and written down through the profit and loss account to current estimated net realisable value if lower than the carrying amount.

Stock

Stock is valued at the lower of cost and net realisable value, due allowance being made for obsolete or slow moving items. Goods purchased for resale are stated at cost on a first in, first out basis.

Trade debtors

Trade debtors are recognised initially at fair value and measured subsequently at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

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.

Foreign currencies

Foreign denominated currency balances are translated at the exchange rate ruling at the balance sheet date with exchange differences arising taken to the profit and loss account.

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Accounting policies for the period ended 31 July 2013 (continued)

Current taxation

Current tax represents the expected tax payable (or recoverable) on the taxable income for the period using tax rates enacted or substantively enacted at the balance sheet date and taking into account any adjustments arising from prior periods

Deferred taxation

Provision is made for deferred tax in so far as a liability or asset arises as a result of transactions that have occurred by the balance sheet date and give rise to an obligation to pay more tax in the future, or a right to pay less tax in the future. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward losses and from which the future reversal of underlying timing differences can be deducted. Deferred tax assets and liabilities recognised have not been discounted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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.

Dilapidations provision is made against the estimated costs to be incurred under leasehold property dilapidation claims anticipated in respect of properties within ten years of the end of the lease period.

Environmental liabilities include known and potential legal claims and environmental liabilities.

Pensions – defined contribution

The assets of the defined contribution scheme are held separately from those of the company in an independently administered fund. The pension cost charge disclosed in note 2 represents contributions payable by the Company to the fund.

Share capital

The Company only has one class of issued share, ordinary shares, which are classified as equity.

Cash flow statement

Wolseley plc, the Company's ultimate parent company, has included a cash flow statement in its group financial statements for the period ended 31 July 2013. Under FRS 1 "Cash Flow Statements (revised 1996)" no cash flow statement is therefore required in the financial statements of this company.

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013

1 Turnover

The turnover relating to discontinued operations is attributable to the principal activity of the Company up to 31 July 2013, being the sale of infrastructure, construction and utilities products and services

The turnover relating to continuing operations is attributable to rental income received by the Company from non-Group companies

All activities were undertaken in the UK

2 Staff costs

	2013 £'000
Staff costs	
Wages and salaries	9,750
Social security costs	907
Other pension costs	232
Redundancy costs	2,227
	13,116

	2013 Number
Average monthly number of employees	
Distribution	214
Administration	294
	508

Three of the directors are members of a defined benefit pension scheme, details of which are disclosed in the financial statements of Wolseley UK Limited

During the period ended 31 July 2013, the emoluments of D Harding were paid by the fellow group company Wolseley (Group Services) Limited, recharged in full to Wolseley UK Limited and disclosed in the financial statements of Wolseley UK Limited, which makes no recharge to the Company

During the period ended 31 July 2013, the emoluments of S Ashmore and P Turner were paid by the parent company, Wolseley UK Limited, which makes no recharge to the Company. The emoluments of S Ashmore are disclosed in the financial statements of Wolseley UK Limited

It is not possible to make an accurate apportionment of the Directors' emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments in respect of their services

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

3 Operating (loss) / profit before exceptional items

	2013 £'000
Operating loss is stated after charging / (crediting)	
Operating lease rentals	
Property	198
Plant and machinery	118
Rent receivable	(112)
Services provided by the Company's auditors:	
Fees payable for the audit of financial statements pursuant to legislation	28
Fees payable for services relating to taxation	14

4 Exceptional items

Exceptional items are analysed as follows	2013 £'000
Redundancy costs (note 2)	2,227
Tangible fixed asset impairment	259
Restructuring costs	2,289
Profit on disposal of the business and trading assets	(23,635)
	(18,860)

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

4 Exceptional items (continued)

Redundancy costs relate to head office and branch reorganisations following the acquisition of Burdens on 2 November 2012

Impairment costs relate to a property which was transferred to property awaiting disposal during the period

Restructuring costs relate to the cost of restructuring the business following the acquisition of Burdens on 2 November 2012

Profit on disposal of assets relates to the sale of the business and trading assets to Wolseley UK Limited on 31 July 2013

The tax impact of the exceptional items was a credit of £705,000

5 Profit on sale of business and trading assets

On 31 July 2013, the business and trading assets were transferred to Wolseley UK Limited for a consideration of £53,760,000, resulting in a profit of £23,635,000

The items sold were as shown below

	Book value £'000
Goodwill (note 8)	7,649
Intangible assets (note 9)	1,333
Tangible fixed assets (note 10)	2,931
Stock	9,773
Bank & Cash	5,793
Debtors	27,703
Creditors	(24,444)
Provisions (note 13)	(613)
	30,125

6 Interest payable and similar charges

	2013 £'000
Interest payable to group undertakings	1,400
Other interest payable	94
	1,494

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

7 Tax on (loss) / profit on ordinary activities

The tax credit for the period comprises 2013
£'000

Current tax

UK corporation tax on (loss) / profit for the period	(2,750)
Total current tax credit (note 11)	(2,750)

The tax credit for the period is lower than the standard rated corporation tax in the UK of 23.56%. The differences are explained below

	2013 £'000
Tax reconciliation	
Profit on ordinary activities before tax	8,716
Profit on ordinary activities multiplied by standard rate of UK tax of 23.56%	2,053
Effect of	
Profit on disposal not taxable	(5,568)
Expenses not deductible for tax purposes	765
Current tax credit for the period	(2,750)

Factors that may affect future tax charges

During the period, there was a change in the UK main corporation tax rate that was enacted on 17 July 2012, to 23% which became effective from 1 April 2013. A further reduction to the UK corporation tax rate was enacted in Finance Act 2013 on 17 July 2013, reducing the rate to 21% from 1 April 2014 and 20% from 1 April 2015. As all of these changes had been enacted at the balance sheet date, deferred tax balances have been remeasured accordingly.

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

8 Intangible fixed assets: goodwill

	2013 £'000
Cost	
Acquisitions (note 19)	7,947
Disposal to the parent company	(7,947)
At 31 July 2013	-
Accumulated amortisation and impairment	
Charge for the period	298
Disposal to the parent company	(298)
At 31 July 2013	-
Net book value	
At 31 July 2013	-

A life of 20 years has been determined to reflect the estimated useful economic life and goodwill is being amortised on a straight-line basis over this period

The disposal to the parent company, with a net book value of £7,649,000 (note 5), relates to the sale of the business and trading assets to Wolseley UK Limited (note 5)

9 Intangible fixed assets: brand

	2013 £'000
Cost	
Acquisitions (note 19)	1,403
Disposal to the parent company	(1,403)
At 31 July 2013	-
Accumulated amortisation and impairment	
Charge for the period	70
Disposal to the parent company	(70)
At 31 July 2013	-
Net book value	
At 31 July 2013	-

The disposal to the parent company with a net book value of £1,333,000 (note 5), relates to the sale of the business and trading assets to Wolseley UK Limited (note 5)

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

10 Tangible fixed assets

	Land and buildings £'000	Plant and machinery £'000	Fixtures, fittings, tools and equipment £'000	Motor vehicles £'000	Total £'000
Cost or valuation					
At acquisition (note 19)	13,316	686	116	2,916	17,034
Additions	-	-	8	-	8
Disposals	-	-	(3)	(24)	(27)
Transfer to property awaiting disposal	(853)	-	-	-	(853)
Disposal to the parent company	-	(686)	(121)	(2,892)	(3,699)
At 31 July 2013	12,463	-	-	-	12,463
Accumulated depreciation and impairment					
Depreciation charge for period	81	278	18	449	826
Impairment charge for period	224	35	-	-	259
Disposals	-	-	-	(12)	(12)
Transfer to property awaiting disposal	(231)	-	-	-	(231)
Disposal to the parent company	-	(313)	(18)	(437)	(768)
At 31 July 2013	74	-	-	-	74
Net book value					
At 31 July 2013	12,389	-	-	-	12,389

The disposal to the parent company, with a net book value of £2,931,000 (note 5), relates to the sale of the business and trading assets to Wolseley UK Limited (note 5)

Cost or valuation of land and buildings comprises

	2013 £'000
Freehold	11,193
Long leasehold	1,270
	12,463

Included above is freehold land, of £5,450,000 and long leasehold land of £600,000, which is not depreciated

Future capital expenditure authorised by the Directors

There is no future capital expenditure authorised by the directors that is contracted but not provided in the financial statements

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

11 Debtors

	2013 £'000
Amounts falling due within one year	
Corporation tax (note 7)	2,750
Other debtors	2,038
Property awaiting disposal	622
	5,410

Included within Other debtors are amounts owed by the administrators of Burdens

12 Creditors

	2013 £'000
Amounts falling due within one year	
Amounts owed to group undertakings	290
Other creditors	154
Accruals and deferred income	810
	1,254

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

	2013 £'000
Amounts falling due after more than one year	
Loan from parent undertaking	5,000
	5,000

There is one loan from the parent of £5,000,000 which is repayable on 1 August 2015 and is unsecured

This is subject to interest at a rate of LIBOR plus 3 5% for the utilisation period

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

13 Provisions for liabilities

	On Acquisition (note 19)	Charged	Utilised	Transferred to parent (note 5)	31 July 2013
	£'000	£'000	£'000	£'000	£'000
Restructuring	-	2,405	(2,383)	(22)	-
Property dilapidations	775	86	(253)	(591)	17
Environmental	92	1	(31)	-	62
	867	2,492	(2,667)	(613)	79

Restructuring

Restructuring provision includes the provision for the estimated costs of restructuring the business following the acquisition of Burdens on 2 November 2012

Property dilapidations

The dilapidations provision includes provision against the estimated costs to be incurred under leasehold property dilapidation claims anticipated in respect of properties within ten years of the end of the lease period

Environmental

Environmental provision includes the provision for estimated costs to be incurred in respect of environmental liabilities relating to properties. The provision is expected to unwind over the next five years

14 Called up share capital

	2013 £'000
Allotted and fully paid	
1 ordinary share of £1.00	-

The Company's allotted and fully paid share capital consists of one ordinary share with a value of £1.00

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

15 Reserves

	Profit and loss account £'000
Balance at 16 July 2012	-
Profit for the financial period	11,466
Balance at 31 July 2013	11,466

16 Reconciliation of movements in total shareholders' funds

	2013 £'000
Net addition to shareholders' funds	11,466
Opening total shareholders' funds	-
Closing total shareholders' funds	11,466

17 Contingent liabilities

The Directors have confirmed that there were no contingent liabilities which should be disclosed at 31 July 2013

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

18 Obligations under leases

The Company has entered into non-cancellable operating leases for which the annual commitments are as follows

	Land and buildings
	2013 £'000
Expiring	
Within one year	25
After five years	540
	565
	Other
	2013 £'000
Expiring	
Within one year	3
Between one and five years	75
	78

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

19 Acquisition of Burdens

On 2 November 2012 the Company acquired part of the business and trading assets of Burdens for a cash consideration of £28,330,000. Burdens' main activity was the sale of products and services for infrastructure, construction and utilities.

Identifiable assets acquired and liabilities assumed

	Book value £'000	Fair Value Adjustments £'000	Final Fair Value £'000
Intangible fixed assets (note 9)	-	1,403	1,403
Tangible fixed assets (note 10)	17,702	(668)	17,034
Inventory	8,305	(918)	7,387
Sundry debtors	6	-	6
Finance leases	(2,837)	(36)	(2,873)
Provisions (note 13)	-	(867)	(867)
Other liabilities	-	(1,707)	(1,707)
	23,176	(2,793)	20,383

Goodwill

Goodwill was recognised as a result of the acquisition as follows

	£'000
Total consideration transferred	28,330
Less fair value of identifiable assets	(20,383)
Goodwill acquired (note 8)	7,947

20 Related party transactions

The Company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS 8, "Related Party Disclosures" from disclosure of transactions with group undertakings on the grounds that it is a wholly owned subsidiary of a group headed by Wolseley plc (note 21) whose Annual Report and financial statements are publicly available.

Wolseley Utilities Limited (formerly Aghoco 1124 Limited)

Notes to the financial statements for the period ended 31 July 2013 (continued)

21 Ultimate parent company and controlling party

The immediate parent company is Wolseley UK Limited, a company registered in England and Wales

The Company's ultimate parent company and controlling party at 31 July 2013 was Wolseley plc, which is registered in Jersey and was the smallest and largest parent undertaking to consolidate these financial statements as at 31 July 2013. Copies of the Group financial statements may be obtained from The Group Company Secretary, Wolseley plc, c/o Wolseley Limited, Parkview 1220, Arlington Business Park, Theale, Reading, RG7 4GA