

Registered Number 1344211

R. J. Hosking Building Supplies Limited  
Annual report & financial statements  
for the year ended 31 July 2008



# **R. J. Hosking Building Supplies Limited**

## **Annual report & financial statements for the year ended 31 July 2008**

### **Contents**

Directors and advisers .....	1
Directors' report for the year ended 31 July 2008 .....	2
Independent auditors' report to the members of R. J. Hosking Building Supplies Limited .....	4
Profit and loss account for the year ended 31 July 2008 .....	6
Balance sheet as at 31 July 2008 .....	7
Statement of accounting policies .....	8
Notes to the financial statements for the year ended 31 July 2008.....	9

# **R. J. Hosking Building Supplies Limited**

## **Directors and advisers**

### **Directors**

M J Neville

S Ashmore

G Middlemiss (appointed 22 September 2008)

### **Secretary**

G Middlemiss

### **Independent Auditors**

PricewaterhouseCoopers LLP

Benson House

33 Wellington Street

Leeds

LS1 4JP

### **Registered Office**

The Wolseley Center

Harrison Way

Leamington Spa

CV31 3HH

### **Registered Number**

1344211

# **R. J. Hosking Building Supplies Limited**

## **Directors' report for the year ended 31 July 2008**

The directors present their report and the audited financial statements of the Company for the year ended 31 July 2008.

### **Principal activities**

The Company is a wholly owned subsidiary of Wolseley plc and operates as part of the Group's UK business within its European Distribution segment.

The principal activity of the Company was that of the supply of building materials and services. On 22 December 2006 the entire share capital of the Company was acquired by Wolseley UK Limited.

The entire business and assets of the Company were transferred to Wolseley UK Limited on 31 July 2007, as described in note 4 on page 10. The Company did not trade after 31 July 2007 and there are no plans to reactivate the business.

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

The Wolseley Group manages its operations on a segmental basis. For this reason, the Company's 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. The performance of the European distribution of Wolseley plc, which includes the Company, is discussed in the Group Annual Report on pages 10-31, which does not form part of this report.

### **Principal risks and uncertainties**

There are no specific risks and uncertainties facing the Company at this point in time.

Group risks are discussed further in the Group's performance review within the Annual Report which does not form part of this Report.

### **Dividends**

The directors do not recommend the payment of a dividend (15 month period ended 31 July 2007: £nil).

### **Directors**

The directors of the Company during the year ended 31 July 2008 and up to the date of signing the financial statements were:

M J Neville

S Ashmore

G Middlemiss (appointed 22 September 2008)

# **R. J. Hosking Building Supplies Limited**

## **Directors' report for the year ended 31 July 2008 (continued)**

### **Statement of directors' responsibilities in respect of the Annual Report and the financial statements**

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). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

### **Auditors**

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution proposing that they be reappointed will be put to the Annual General Meeting.

### **Disclosure of information to auditors**

So far as the directors of the Company 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 each director has taken all the steps that they ought to have taken as a director 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**



**G Middlemiss**  
Company Secretary  
15 May 2009

# **R. J. Hosking Building Supplies Limited**

## **Independent auditors' report to the members of R. J. Hosking Building Supplies Limited**

We have audited the financial statements of R. J. Hosking Building Supplies Limited for the year ended 31 July 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body 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 into 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

# **R. J. Hosking Building Supplies Limited**

## **Independent auditors' report to the members of R. J. Hosking Building Supplies Limited (continued)**

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2008, and of its profit for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*PricewaterhouseCoopers LLP*

**PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors

Leeds

15 May 2009

# R. J. Hosking Building Supplies Limited

## Profit and loss account for the year ended 31 July 2008

	Note	Year ended 31 July 2008 £	15 month period ended 31 July 2007 £
Turnover		-	4,634,086
Cost of sales		-	(3,214,256)
Gross Profit		-	1,419,830
Administration expenses		-	(1,096,948)
Other operating income		-	250
Operating profit	1	-	323,132
Profit on sale of trade and assets	4	-	1,925,915
Profit on ordinary activities before interest		-	2,249,047
Interest receivable and similar income	5	199,546	23,004
Interest payable and similar charges	6	-	(3,474)
Profit on ordinary activities before taxation		199,546	2,268,577
Tax on profit on ordinary activities	7	-	(87,588)
Profit for the financial period	10,11	199,546	2,180,989

The Company's trading activities were discontinued on 31 July 2007.

There are no recognised gains or losses other than those included in the profit and loss account.

There are no material differences between the results as described in the profit and loss account and the results on an unmodified historical cost basis.




# **R. J. Hosking Building Supplies Limited**

## **Balance sheet as at 31 July 2008**

	<b>Note</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
<b>Current assets</b>			
Debtors	8	3,306,357	3,106,811
<b>Net assets</b>		<b>3,306,357</b>	<b>3,106,811</b>
<b>Capital and reserves</b>			
Called up share capital	9	60	60
Profit and loss reserve	10	3,306,297	3,106,751
<b>Shareholders' funds</b>	11	<b>3,306,357</b>	<b>3,106,811</b>

The financial statements on pages 6 to 14 were approved by the Board of Directors on 15 May 2009 and were signed on its behalf by:



**M J Neville**  
Director

# **R. J. Hosking Building Supplies Limited**

## **Statement of accounting policies**

### **Accounting convention**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985.

### **Cash flow statement**

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

### **Turnover**

Turnover represents amounts net invoiced on the sales of goods, excluding value added tax and has been derived from the Company's principal activity wholly undertaken in the United Kingdom.

# R. J. Hosking Building Supplies Limited

## Notes to the financial statements for the year ended 31 July 2008

### 1 Operating profit

	Year ended 31 July 2008	15 month period ended 31 July 2007
	£	£
Operating profit is stated after charging/(crediting):		
Hire of plant and machinery	-	399
Depreciation of owned assets	-	57,564
Depreciation of assets on hire purchase contracts	-	192
Profit on disposal of fixed assets	-	(22,317)

Audit fees are borne by the immediate parent company, Wolseley UK Limited.

### 2 Employees

	Year ended 31 July 2008	15 month period ended 31 July 2007
	£	£
<b>Staff costs</b>		
Wages and salaries	-	753,193
Social security costs	-	3,320
	-	756,513

	Year ended 31 July 2008	15 month period ended 31 July 2007
	Number	Number
Average monthly number of employees	-	24

## **R. J. Hosking Building Supplies Limited**

### **Notes to the financial statements for the year ended 31 July 2008 (continued)**

#### **3 Directors' emoluments**

	<b>Year ended 31 July 2008</b>	<b>15 month period ended 31 July 2007</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	-	40,138

M J Neville and S Ashmore are remunerated by Wolseley UK Limited, which makes no recharge to the Company. The services of the directors to this company are deemed to be non-executive in nature and the emoluments are deemed to be wholly attributable to other group companies.

#### **4 Profit on sale of trade and assets**

The trade and assets of the Company were hived up on 31 July 2007 to the immediate parent company Wolseley UK Limited, for a consideration of £3,106,811, resulting in a net hive up profit in the 15 month period ended 31 July 2007 of £1,925,915.

#### **5 Interest receivable**

	<b>Year ended 31 July 2008</b>	<b>15 month period ended 31 July 2007</b>
	<b>£</b>	<b>£</b>
Interest receivable from group undertakings (note 8)	199,546	23,004

# R. J. Hosking Building Supplies Limited

## Notes to the financial statements for the year ended 31 July 2008 (continued)

### 6 Interest payable

	Year ended 31 July 2008	15 month period ended 31 July 2007
	£	£
Bank interest	-	141
Bank loan interest	-	1,107
PAYE interest	-	8
Hire purchase	-	2,218
	-	3,474

### 7 Taxation

The tax charge on the profit on ordinary activities for the period was as follows:

	Year ended 31 July 2008	15 month period ended 31 July 2007
	£	£
<b>Current tax</b>		
UK corporation tax	-	103,305
Over provided tax in earlier years	-	(7,639)
Total current tax	-	95,666
<b>Deferred tax</b>		
Current period	-	(8,078)
<b>Tax on profit on ordinary activities</b>	-	87,588

# R. J. Hosking Building Supplies Limited

## Notes to the financial statements for the year ended 31 July 2008 (continued)

### 7 Taxation (continued)

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Year ended 31 July 2008 £	15 month period ended 31 July 2007 £
Profit on ordinary activities before tax	199,546	2,268,577
Profit on ordinary activities multiplied by UK tax rate of 29.33% (2007: 30.00%)	58,527	680,573
Effects of:		
Non deductible expenses	-	2,880
Depreciation in excess of capital allowances	-	4,397
Profit on sale of trade and assets	-	(577,774)
Profit on sale of fixed assets	-	(6,695)
Non-taxable receipts	-	(75)
Group relief not paid for	(58,527)	-
Over provided in earlier years	-	(7,639)
<b>Current tax charge for the period</b>	<b>-</b>	<b>95,667</b>

The standard rate of Corporation Tax in the UK changed from 30% to 28% with effect from 1 April 2008. Accordingly, the Company's profits for this accounting period are taxed at an effective rate of 29.33% and will be taxed at 28% in the future.

### 8 Debtors

	2008 £	2007 £
<b>Amounts falling due within one year</b>		
Amounts due from group undertakings	3,306,357	3,106,811

The amounts due from group undertakings are repayable on demand and interest is receivable at a rate of 6 months GBP LIBOR + 0.5%.

# **R. J. Hosking Building Supplies Limited**

## **Notes to the financial statements for the year ended 31 July 2008 (continued)**

### **9 Share capital**

	2008 £	2007 £
<b>Authorised</b>		
100 (2007: 100) ordinary shares of £1 each	100	100
<b>Total authorised</b>	100	100
<b>Allotted, issued and fully paid</b>		
60 (2007: 60) ordinary shares of £1 each	60	60
<b>Total allotted, issued and fully paid</b>	60	60

### **10 Reserves**

	Profit and loss reserve £
Balance at 1 August 2007	3,106,751
Profit for the year	199,546
<b>Balance at 31 July 2008</b>	<b>3,306,297</b>

### **11 Reconciliation of movements in shareholders funds**

	Year ended 31 July 2008 £	15 month period ended 31 July 2007 £
Profit for the financial period	199,546	2,180,989
Opening shareholders' funds	3,106,811	925,822
Closing shareholders' funds	3,306,357	3,106,811

# **R. J. Hosking Building Supplies Limited**

## **Notes to the financial statements for the year ended 31 July 2008 (continued)**

### **12 Related party disclosures**

The Company has taken advantage of the exemption under paragraph 3 of Financial Reporting Standard No. 8 from disclosure of transactions with group undertakings. Amounts due from group undertakings are disclosed in note 8.

### **13 Ultimate parent company and parent undertakings**

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

The Company's ultimate parent company and controlling party and the smallest and largest group to consolidate these accounts is Wolseley plc, a company registered in England and Wales, which prepares group accounts. Copies of the group accounts may be obtained from the Company Secretary, Wolseley plc, Parkview 1220, Arlington Business Park, Theale, Reading, RG7 4GA.