

Registered number: 6569959

WOLSELEY FINANCE (HAWK) LIMITED

Directors' report and financial statements

for the year ended 31 July 2012

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WOLSELEY FINANCE (HAWK) LIMITED

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WOLSELEY FINANCE (HAWK) LIMITED

Directors' report for the year ended 31 July 2012

The directors present their report and the audited financial statements for the year ended 31 July 2012

Principal activities and review of business

The Company is a wholly owned subsidiary of Wolseley plc

The principal activity of the Company is that of an investment company. There have been no significant changes in the Company's principal activity in the year under review. The directors do not foresee, at the date of this report that there will be any major changes in the Company's activities in the next year.

The risks of the Company are managed as part of the portfolio of companies in the Wolseley plc Group (the "Group").

The balance sheet on page 7 of the financial statements shows the Company's financial position at the year end.

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for the understanding of the development, performance or position of the business. The key performance indicators of Wolseley plc, which includes the Company, are discussed in the Group's Annual Report which does not form part of this report.

Principal risks and uncertainties

The Company does not operate external to the Group and therefore its financial risks are governed by the Group policies and procedures. The Group is exposed to market risks arising from its international operations. The Group has well defined and consistently applied policies for the management of foreign exchange and interest rate exposures. There has been no change since the year end in the major financial risks faced by the Group. The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and foreign currency risk. The treasury committee of Wolseley plc reviews and agrees policies for managing each of these risks at Group level and these policies are regularly reviewed and updated.

Group risks are discussed in depth in the Group's Annual Report which does not form part of this report.

Health, safety and environment

The Group recognises the importance of its environmental responsibilities. A key driver of the Wolseley Group's success has been the high degree of autonomy which has been afforded to local management, allowing them to serve local markets in the most appropriate manner. Within this decentralised structure, the Board has set down a number of health, safety and environment principles with which all businesses are required to comply. The principles relating to environment cover the integration of environmental management into business operations, a commitment to the adoption and achievement of best practice wherever this is practicable, a commitment to prevent pollution, compliance with local environmental legislation, the adoption where practicable of local formal environmental management systems, a commitment to strive for continual improvement, and a commitment to ensure proper communication with employees on environmental matters.

The Company operates in accordance with Group policies which are described in the Group's Annual Report which does not form part of this report.

WOLSELEY FINANCE (HAWK) LIMITED

Directors' report for the year ended 31 July 2012

Results and dividends

The profit for the year, after taxation, was £23,000 (2011 - £153,000)

During the year, no dividends have been paid or proposed (2011 - £nil)

Directors

The directors who served during the year and up to the date of signing the financial statements were

J W Martin
R I Shoykov
M J R Verner

Directors' responsibilities statement

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 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). 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.

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.

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.


WOLSELEY FINANCE (HAWK) LIMITED

**Directors' report
for the year ended 31 July 2012**

Qualifying third party 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 is currently in force. The Group also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

This report was approved by the board and signed on its behalf



G Middlemiss
Secretary

Date 18 December 2012

Parkview 1220
Arlington Business Park
Theale
Reading
RG7 4GA

WOLSELEY FINANCE (HAWK) LIMITED

Independent auditors' report to the members of Wolseley Finance (Hawk) Limited

We have audited the financial statements of Wolseley Finance (Hawk) Limited for the year ended 31 July 2012 which comprise the profit and loss account, the balance sheet 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 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. 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 2012 and of its profit for the year 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 year for which the financial statements are prepared is consistent with the financial statements.

WOLSELEY FINANCE (HAWK) LIMITED

Independent auditors' report to the members of Wolseley Finance (Hawk) Limited

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

Neil Grimes

Neil Grimes (Senior Statutory Auditor)

for and on behalf of

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

18 December 2012

WOLSELEY FINANCE (HAWK) LIMITED**Profit and loss account
for the year ended 31 July 2012**

	Note	2012 £000	2011 £000
Interest receivable and similar income	4	33	4,522
Interest payable and similar charges	5	(2)	(4,311)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		31	211
Tax on profit on ordinary activities	6	(8)	(58)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	11	23	153
		<hr/> <hr/>	<hr/> <hr/>

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account

WOLSELEY FINANCE (HAWK) LIMITED
Registered number. 6569959

Balance sheet
as at 31 July 2012

	Note	£000	2012 £000	£000	2011 £000
FIXED ASSETS					
Investments	7		435,128		435,128
CURRENT ASSETS					
Cash at bank and in hand		521		546	
CREDITORS amounts falling due within one year	8	(65)		(99)	
NET CURRENT ASSETS			456		447
TOTAL ASSETS LESS CURRENT LIABILITIES			435,584		435,575
CREDITORS amounts falling due after more than one year	9		-		(14)
NET ASSETS			435,584		435,561
CAPITAL AND RESERVES					
Called up share capital	10		435,128		435,128
Profit and loss account	11		456		433
SHAREHOLDERS' FUNDS	12		435,584		435,561

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2012



J W Martin
Director

The notes on pages 8 to 11 form part of these financial statements

WOLSELEY FINANCE (HAWK) LIMITED

Notes to the financial statements for the year ended 31 July 2012

1. Accounting policies

1.1 Basis of preparation of financial statements

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

1.2 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the Group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1 (revised 1996).

1.3 Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment. The Company assesses at each balance sheet date whether there is objective evidence that an investment or a group of investments is impaired.

1.4 Consolidated financial statements

As a wholly owned subsidiary of Wolseley plc and in accordance with Section 400 of the Companies Act 2006, the Company has not prepared consolidated financial statements. The results of the Company and its subsidiaries are consolidated in the financial statements of Wolseley plc, a company registered in Jersey.

1.5 Foreign currencies

Foreign currency transactions entered into during the year are translated into sterling at the rates of exchange ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All currency translation differences are taken to the profit and loss account.

2. Auditors' remuneration

The audit fee for the year of £2,000 (2011 - £2,000) was borne by Wolseley (Group Services) Limited and was not recharged to the Company.

3. Staff costs

The Company has no employees (2011 - none) other than the directors, who did not receive any emoluments in respect of their services to the Company (2011 - £nil).

4. Interest receivable and similar income

	2012 £000	2011 £000
Interest receivable from Group companies	-	4,518
Bank interest receivable	5	4
Exchange gains on cash	28	-
	<u>33</u>	<u>4,522</u>

WOLSELEY FINANCE (HAWK) LIMITED

Notes to the financial statements for the year ended 31 July 2012

5. Interest payable and similar charges

	2012 £000	2011 £000
On bank loans and overdrafts	2	-
On loans from Group undertakings	-	4,292
Exchange losses on cash	-	19
	<u>2</u>	<u>4,311</u>

6. Tax on profit of ordinary activities

	2012 £000	2011 £000
UK corporation tax charge on profit for the year	<u>8</u>	<u>58</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2011 - the same as) the effective rate of corporation tax in the UK of 25.33% (2011 - 27.33%)

Factors that may affect future tax charges

The standard rate of Corporation tax in the UK changed from 26% to 24% with effect from 1 April 2012 and will change to 23% with effect from 1 April 2013. Accordingly the Company's profits for the year are taxed at the effective rate 25.33%.

7. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 August 2011 and 31 July 2012	<u>435,128</u>
Net book value	
At 31 July 2012	<u>435,128</u>
At 31 July 2011	<u>435,128</u>

WOLSELEY FINANCE (HAWK) LIMITED

Notes to the financial statements for the year ended 31 July 2012

7. Fixed asset investments (continued)

Subsidiary undertakings

The following was a subsidiary undertaking of the Company at 31 July 2012

Name	Class of shares	Holding
Wolseley Capital Limited	Ordinary	100%

Name	Principal Activity	Country of incorporation
Wolseley Capital Limited	Investment	United Kingdom

The Company has indirect investment in Wolseley Finance (Hawn) LLC, a financing company, through Wolseley Capital Limited

In the opinion of the directors, the value of the investment in its subsidiary undertaking is not less than the aggregate amount at which it is stated in the financial statements

8 Creditors. Amounts falling due within one year

	2012 £000	2011 £000
Amounts owed to Group undertakings	61	70
Corporation tax	4	29
	<u>65</u>	<u>99</u>

At 31 July 2012 and at 31 July 2011 amounts owed to Group undertakings were unsecured and non-interest bearing

9 Creditors. Amounts falling due after more than one year

	2012 £000	2011 £000
Amounts owed to Group undertakings	-	14

At 31 July 2011 amounts owed to Group undertakings were unsecured, under a three year revolving loan facility expiring 1 August 2013 and were interest bearing at rates that varied between LIBOR plus 0.5% and LIBOR plus 3.5%

10. Share capital

	2012 £000	2011 £000
Allotted, called up and fully paid		
859,769,100 Ordinary shares of \$1 each	<u>435,128</u>	<u>435,128</u>

WOLSELEY FINANCE (HAWK) LIMITED

Notes to the financial statements for the year ended 31 July 2012

11. Reserves

	Profit and loss account £000
At 1 August 2011	433
Profit for the year	23
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At 31 July 2012	456
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12. Reconciliation of movement in shareholders' funds

	2012 £000	2011 £000
Opening shareholders' funds	435,561	435,408
Profit for the year	23	153
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Closing shareholders' funds	435,584	435,561
	<hr/>	<hr/>

13. Related party transactions

The Company has taken advantage of the exemption available under FRS 8 "Related party disclosures" to dispense with the requirement to disclose transactions with fellow subsidiaries, all of whose voting rights are held within the Group, and which are included in the consolidated financial statements of Wolseley plc which are publicly available

14. Ultimate parent undertaking and controlling party

The immediate parent company is Wolseley Investments, Inc. The ultimate parent company and controlling party is Wolseley plc, which is registered in Jersey. It is the smallest and largest parent undertaking to consolidate these financial statements. Copies of the Group financial statements may be obtained from the Company Secretary, Wolseley plc, Grafenauweg 10, CH 6301, Zug, Switzerland