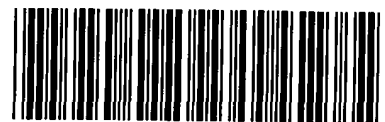


Registered number: 07918020

Homeoutlet Online Limited
Annual report and financial statements
for the year ended 31 July 2015

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Homeoutlet Online Limited

Annual report and financial statements for the year ended 31 July 2015

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Homeoutlet Online Limited

Directors and advisers

Directors

M A Ronchetti

Wolseley UK Directors Limited

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

07918020

Homeoutlet Online Limited

Strategic report for the year ended 31 July 2015

The Directors present their strategic report on the Company for the year ended 31 July 2015.

Review of the business

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").

The principal activity of the Company during the year was the sale of plumbing and heating products via the internet to consumers using www.discountedheating.co.uk website brand which recommenced trading in March 2014.

As shown by the profit and loss account on page 9, the Company has made a loss on ordinary activities before taxation of £229,000 (2014: £2,385,000). The operating loss from continuing operations of £290,000 relates wholly to the www.discountedheating.co.uk brand which resumed trading in the prior year.

The balance sheet on page 10 of the financial statements shows that the Company's financial position at the year end has, in net asset terms, reduced by £182,000 to a net asset position of £1,208,000.

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 across the Group are shown on pages 16 to 17 of the Group's Annual Report for the year ended 31 July 2015 ("the Group's Annual Report"). The performance of the UK division of the Group, which includes the Company, is discussed on pages 24 to 25 of the Group's Annual Report.

Going concern

In the opinion of the Directors it is appropriate to draw up the financial statements on the going concern basis as the immediate parent company has given an undertaking to provide continued financial support for a period of at least 12 months from the date on which these financial statements are signed.

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 conducts a six-monthly risk review 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 44 to 51.

Homeoutlet Online Limited

Strategic report for the year ended 31 July 2015 (continued)

Principal risks and uncertainties (continued)

There are a number of risks and uncertainties which the Directors believe could have an impact on the Company's long-term financial performance, including but not limited to: pressure on margins; market conditions; execution of strategic initiatives; leakage; major contract compliance; health and safety; customer or supplier default; and product liability. Additionally, the Company can only carry on business as long as it has the information technology and physical infrastructure to do so. The UK business has in place an extensive risk management programme which is designed to ensure that significant and emerging risks are identified, assessed and managed effectively.

The principal risks to financial performance faced by the Company relate to market conditions and pressure on margins. The Company's products are in the main distributed to residential consumers for small scale home improvement projects and the Company's results are consequently dependent on the levels of activity in this market. The Company can only carry on business as long as it has the information technology and physical infrastructure to do so. Market conditions have continued to drive greater competition during the year under review which, if not mitigated, could lead to downward pressure on sales prices and profit margins.

By order of the board



M A Ronchetti
Director
15 December 2015

Homeoutlet Online Limited

Directors' report for the year ended 31 July 2015

The Directors present their report and the audited financial statements of the Company for the year ended 31 July 2015.

Future developments

The Company expects to continue to trade using the www.discountedheating.co.uk brand.

Results and dividends

The Company's loss for the financial year was £182,000 (2014: £1,816,000). The Directors do not recommend the payment of a dividend (2014: £nil).

Financial instruments

It is the Company's policy to establish terms and conditions of trading with its suppliers and to make payments to suppliers within these agreed terms.

Post balance sheet events

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

Directors

The Directors of the Company during the year ended 31 July 2015 and up to the date of signing the financial statements were:

M A Ronchetti

Wolseley UK Directors Limited

V French acted as Company Secretary.

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.

Employees

Details of the number of employees and related costs can be found in note 2 to the financial statements.

It is the UK business'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 UK business 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.

Homeoutlet Online Limited

Directors' report for the year ended 31 July 2015 (continued)

Health and safety

The UK business recognises the importance of its health, safety and environmental responsibilities and operates in accordance with the Group's Sustainability programme which is described on pages 36 – 43 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.

Statement of directors' responsibilities

The Directors are responsible for preparing the Strategic Report, 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 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; 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.

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.

Homeoutlet Online Limited

Directors' report for the year ended 31 July 2015 (continued)

Statement of 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 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



M A Ronchetti
Director
15 December 2015

Homeoutlet Online Limited

Independent auditors' report to the members of Homeoutlet Online Limited

Report on the financial statements

Our opinion

In our opinion, Homeoutlet Online Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 July 2015 and of its loss 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.

What we have audited

The financial statements, included within the Annual report (the "Annual Report"), comprise:

- the Balance sheet as at 31 July 2015;
- the Profit and loss account for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Homeoutlet Online Limited

Independent auditors' report to the members of Homeoutlet Online Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 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 & Ireland) ("ISAs (UK & 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Randal Casson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
15 December 2015

Homeoutlet Online Limited

Profit and loss account for the year ended 31 July 2015

		2015	2015	2015	2014	2014	2014
		Before	Exceptional	Total after	Before	Exceptional	Total after
		exceptional	items	exceptional	exceptional	items	exceptional
		items		items	items		items
Note			(note 4)			(note 4)	
		£'000	£'000	£'000	£'000	£'000	£'000
Turnover							
Continuing operations		1,209	-	1,209	113	-	113
Discontinued operations		-	-	-	6,664	-	6,664
Total turnover	1	1,209	-	1,209	6,777	-	6,777
Cost of Sales		(1,196)	-	(1,196)	(6,012)	(46)	(6,058)
Staff costs	2	(103)	-	(103)	(1,002)	(208)	(1,210)
Other operating charges		(170)	31	(139)	(1,702)	(192)	(1,894)
Operating loss	3						
Continuing operations		(290)	-	(290)	(48)	-	(48)
Discontinued operations		30	31	61	(1,891)	(446)	(2,337)
Loss on ordinary activities before taxation		(260)	31	(229)	(1,939)	(446)	(2,385)
Tax on loss on ordinary activities	5	60	(13)	47	469	100	569
Loss for the financial year	9	(200)	18	(182)	(1,470)	(346)	(1,816)

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 11 to 20 form part of these financial statements.

Homeoutlet Online Limited

Balance sheet as at 31 July 2015

Registered number: 07918020

	Note	2015 £'000	2014 £'000
Current assets			
Debtors: amounts falling due within one year	6	718	795
Debtors: amounts falling due after more than one year	6	77	92
Cash at bank and in hand		526	649
		1,321	1,536
Creditors: amounts falling due within one year	7	(113)	(146)
Net assets		1,208	1,390
Capital and reserves			
Called up share capital	8	7,500	7,500
Profit and loss account	9	(6,292)	(6,110)
Total shareholders' funds	10	1,208	1,390

The financial statements on pages 9 to 20 were approved by the Board of directors on 15 December 2015 and were signed on its behalf by:



M A Ronchetti
Director

Homeoutlet Online Limited

Accounting policies for the year ended 31 July 2015

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.

Going concern

The Directors have received a letter of support from the Company's immediate parent company, Wolseley UK Limited, which confirms that Wolseley UK Limited will provide such financial support as is necessary for the Company to meet its debts as they fall due for a period of not less than 12 months from the date on which the financial statements are approved by the Directors. On this basis the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis. If the financial statements had been prepared on a 'break up' basis, no adjustments to the carrying values of the assets and liabilities would have been required.

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 falling within the Company's ordinary activities, excluding estimated and actual sales returns; 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 the customer.

Tangible fixed assets and depreciation

The Company holds no tangible fixed assets. Its head office is located in and its continuing operations are conducted from the premises of its immediate parent undertaking, Wolseley UK Limited. A charge for the use of assets is levied on the Company.

Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the period of the lease.

Stock

The Company holds no stock. All goods for sale are delivered directly from the supplier to the consumer and at no point does the Company take legal possession.

Cash at bank and in hand

Cash includes cash in hand and deposits held at call with banks.

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.

Homeoutlet Online Limited

Accounting policies for the year ended 31 July 2015 (continued)

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 tax

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.

Pensions – defined benefit

Defined benefit accounting has not been adopted because it is not possible to separately identify the Company's share of the underlying assets and liabilities of the group retirement plan. Pension contributions for employees in the Wolseley Group Retirement Benefits Plan are charged to the profit and loss account when payable.

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 year ended 31 July 2015 which are publicly available. Under FRS 1 "Cash flow statements (revised 1996)" no cash flow statement is therefore required in the financial statements of this company.

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 whose Annual Report and Accounts are publicly available.

Homeoutlet Online Limited

Notes to the financial statements for the year ended 31 July 2015

1 Turnover

Turnover originates primarily from the UK and relates entirely to the principal activity.

2 Staff costs

	2015	2014
	£'000	£'000
Staff costs		
Wages and salaries	113	758
Social security costs	(18)	274
Other pension costs	8	37
Redundancy costs	-	141
	103	1,210

During the year, a liability for employee tax equalisation charges in relation to the discontinued business was released for £28,000 to social security costs.

	2015	2014
	Number	Number
Average monthly number of employees:		
Office, warehouse and management	5	28
	5	28

Some employees are disclosed as employees of the Company because they are under its full operational control, even though they have contracts of employment with the immediate parent company, Wolseley UK Limited.

Included within staff costs is £131,000 (2014: £323,000) recharged from other Group companies in relation to costs incurred by their employees working for the Company during the year.

One of these employees is a member of the Wolseley Group Retirement Benefits Plan, a defined benefit multi-employer plan, the assets and liabilities of which are held independently of the Wolseley Group. Defined benefit accounting and disclosure in accordance with FRS 17 Retirement Benefits has not been adopted because it is not possible to separately identify the Company's share of the underlying assets and liabilities of the group retirement plan. The actuarial position of the Wolseley Group Retirement Benefits Plan at 31 July 2015, calculated using the Projected Unit method, was a surplus of £56.6m (2014: £94.9m). Further details concerning the scheme are disclosed in the Group's Annual Report on pages 133 to 136. The pension contributions that were charged to the profit and loss account for the year are disclosed above. The Company had no accrued or prepaid contributions at either year-end.

Homeoutlet Online Limited

Notes to the financial statements for the year ended 31 July 2015 (continued)

2 Staff costs (continued)

Exceptional staff costs of £nil (2014: £208,000) relating to internal restructuring are included above and are broken down as follows; wages and salaries £nil (2014: £74,000), social security costs £nil (2014: £7,000) and redundancy costs £nil (2014: £128,000).

During the year ended 31 July 2015, the emoluments of M A Ronchetti (appointed 31 July 2014) were paid by and disclosed in the financial statements of the immediate parent company Wolseley UK Limited, which makes no recharge to the Company.

During the year ended 31 July 2014, the emoluments of S Gray (resigned 31 July 2014) were paid by the fellow group company Wolseley (Group Services) Limited, which makes no recharge to the Company.

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.

3 Operating loss

	2015 £'000	2014 £'000
Operating loss is stated after charging:		
Operating lease rentals (other)	11	3
Services provided by the Company's auditor		
Fees payable for the audit	5	9
Fees payable for other services – tax compliance	6	1

Homeoutlet Online Limited

Notes to the financial statements for the year ended 31 July 2015 (continued)

4 Exceptional items

Exceptional items are analysed as follows:

	2015 £'000	2014 £'000
Staff costs (note 2)	-	208
IT hosting costs	(31)	70
Stock impairment recharges	-	30
Tangible fixed asset impairment recharges	-	33
Other operating charges	-	105
	(31)	446

The exceptional credit this year relates to the release of an accrual which was recognised in the prior year for IT hosting costs which is no longer required. The tax credit for the year includes a tax charge of £13,000 (2014: £100,000 credit) relating to exceptional items.

5 Tax on loss on ordinary activities

The tax credit for the year comprises:

	2015 £'000	2014 £'000
Current tax		
UK corporation tax on loss for the year	(64)	(555)
Adjustments in respect of prior year	2	(15)
Total current tax credit	(62)	(570)
Deferred tax		
Current year	16	22
Adjustments in respect of prior year	(1)	(21)
Total deferred tax (note 6)	15	1
Tax on loss on ordinary activities	(47)	(569)

Homeoutlet Online Limited

Notes to the financial statements for the year ended 31 July 2015 (continued)

5 Tax on loss on ordinary activities (continued)

The tax credit for the year is higher (2014: higher) than the standard rated corporation tax in the UK. The differences are explained below:

	2015 £'000	2014 £'000
Loss on ordinary activities before taxation	(229)	(2,385)
Loss on ordinary activities multiplied by standard rate of UK tax of 20.67% (2014: 22.33%)	(47)	(533)
Effect of:		
Expenses not deductible for tax purposes	-	1
Capital allowances in excess of depreciation	(17)	(23)
Adjustments in respect of prior year	2	(15)
Current tax credit for the year	(62)	(570)

Factors that may affect future tax charges

The standard rate of UK corporation tax changed from 23% to 21% with effect from 1 April 2014, and to 20% from 1 April 2015. UK deferred tax is, therefore, recognised at the reduced rate of 20%.

Homeoutlet Online Limited

Notes to the financial statements for the year ended 31 July 2015 (continued)

6 Debtors

	2015 £'000	2014 £'000
Amounts falling due within one year		
Corporation tax	64	555
Amounts owed by parent undertakings	630	240
Amounts owed by group undertakings	15	-
Prepayments and accrued income	9	-
	718	795

Amounts owed by parent and group undertakings are unsecured, interest free and repayable on demand.

	2015 £'000	2014 £'000
Amounts falling due after more than one year		
Deferred tax asset	77	92

The elements of deferred tax are as follows:	2015 £'000	2014 £'000
Accelerated capital allowances	77	92
Deferred tax asset	77	92

The movements in the deferred tax balance were as follows:

Asset at beginning of year	92	93
Amount charged to profit and loss account	(15)	(1)
Asset at end of year	77	92

Homeoutlet Online Limited

Notes to the financial statements for the year ended 31 July 2015 (continued)

7 Creditors - amounts falling due within one year

	2015 £'000	2014 £'000
Trade creditors	-	3
Taxation and social security	23	3
Accruals and deferred income	88	140
Amounts owed to group undertakings	2	-
	113	146

8 Called up share capital

	2015 £'000	2014 £'000
Allotted and fully paid		
7,500,001 (2014: 7,500,001) ordinary shares of £1 each	7,500	7,500

9 Profit and loss account

	2015 £'000	2014 £'000
Balance at 1 August	(6,110)	(4,294)
Loss for the financial year	(182)	(1,816)
Balance at 31 July	(6,292)	(6,110)

Homeoutlet Online Limited

Notes to the financial statements for the year ended 31 July 2015 (continued)

10 Reconciliation of movements in total shareholders' funds/(deficit)

	2015 £'000	2014 £'000
Loss for the financial year	(182)	(1,816)
Issue of shares	-	7,500
Net (deduction from)/increase to shareholders' funds	(182)	5,684
Opening total shareholders' funds / (deficit)	1,390	(4,294)
Closing total shareholders' funds	1,208	1,390

11 Obligations under leases

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

	Other operating leases	
	2015 £'000	2014 £'000
Expiring:		
- Within one year	7	-

12 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 whose Annual Report and Accounts are publicly available.

13 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 these other Group undertakings.

Homeoutlet Online Limited

Notes to the financial statements for the year ended 31 July 2015 (continued)

14 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 2015 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 2015. 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.