

COTHAM FINANCE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 JULY 2005

REGISTRATION NUMBER: 262866



COTHAM FINANCE LIMITEDDIRECTORS' REPORT

The directors present their annual report and financial statements for the year ended 31 July 2005.

BUSINESS REVIEW

The company did not trade during the year.

RESULTS AND DIVIDENDS

The company made neither a profit nor loss during the year (2004: £nil). The directors do not recommend payment of a dividend (2004: £nil).

DIRECTORS AND DIRECTORS' INTERESTS

The directors who served during the year were:

S P Webster  
M J White

Mr S P Webster is a director of the parent company Wolseley plc, and his interest in the shares of that company are shown in its annual report and accounts for 2005.

The notifiable interests of the directors in the 25p ordinary shares of Wolseley plc and options on those shares granted pursuant to the terms of the various Wolseley Share Option and Long Term Incentive Schemes are shown below: -

Name of Director	Shares at		Options			
	31.7.2005	31.7.2004	31.7.2005	Granted	Exercised	31.7.2004
M J White	-	-	64,007	20,021	-	43,986

Interests in shares under Long term Incentive Plan			
31.7.2005	Granted	Vested	31.7.2004
10,276	10,276	-	-

No director in office at the end of the year had any beneficial interest in the shares of the company or any fellow subsidiary undertaking in Wolseley plc.

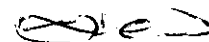
AUDIT

For the year ended 31 July 2005 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

The members of the company have not required the company to obtain an audit of its accounts for the year ended 31 July 2005 in accordance with section 249B(2), Companies Act 1985.

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By order of the Board



A Drew  
Secretary

Parkview 1220  
Arlington Business Park  
Theale  
Reading RG7 4GA  
13 October 2005

COTHAM FINANCE LIMITED

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which 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 apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable 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 also responsible for maintaining adequate records which 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 taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

COTHAM FINANCE LIMITED  
BALANCE SHEET AS AT 31 JULY 2005

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
<b>FIXED ASSETS</b>		
Investment in subsidiaries	<u>33,074</u>	<u>33,074</u>
<b>CURRENT ASSETS</b>		
Amounts owed by group companies	8,470,511	8,470,511
Amounts owed to group companies	<u>(2,742,731)</u>	<u>(2,742,731)</u>
	<u>5,727,780</u>	<u>5,727,780</u>
	<u>5,760,854</u>	<u>5,760,854</u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	93,851	93,851
Share Premium Account	29,693	29,693
Other Reserves	105,796	105,796
Profit & Loss Account	<u>5,531,514</u>	<u>5,531,514</u>
	<u>5,760,854</u>	<u>5,760,854</u>

For the year ended 31 July 2005, the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

- a. Ensuring the company keeps accounting records which comply with section 221; and
- b. Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

Approved by the Board of Directors  
on 13 October 2005  
and signed on its behalf by:



M J White  
Director

The notes on page 6 form part of these financial statements.

COTHAM FINANCE LIMITEDPROFIT AND LOSS ACCOUNT

During the current financial year and the preceding financial year, the company did not trade and received no income and incurred no expenditure. During those financial periods the company made neither a profit nor a loss. In those financial periods the company had no other recognised gains or losses.

NOTES TO THE FINANCIAL STATEMENTS

## 1. ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention. During the period the company has not traded, has not incurred any liabilities and consequently, has made neither profit nor loss.

## 2. PROFIT AND LOSS ACCOUNT

None of the directors received any emoluments in respect of their services to the company during the year (2004 - fnil).

## 3. CALLED-UP SHARE CAPITAL

The company's share capital is as follows:

Called up share capital	<u>2005 and 2004</u>
	£
Authorised	
92,089 ordinary shares of 1p each	921
92,011 3% Non-cumulative preference shares of £1 each	92,011
92,011 3% Non-cumulative preference shares of 1p each	920
1,148 undesignated shares of £1 each	<u>1,148</u>
	<u>95,000</u>
 Allotted, called up and fully paid	
92,011 ordinary shares of 1p each	920
92,011 3% Non-cumulative preference shares of £1 each	92,011
92,011 3% Non-cumulative preference shares of 1p each	<u>920</u>
	<u>93,851</u>

4. CASH FLOW STATEMENT

Under Financial Reporting Standard 1 (Revised 1996), the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

5. ULTIMATE PARENT COMPANY

The ultimate parent company is Wolseley plc, which is incorporated in England. Group accounts may be obtained from the Company Secretary, Wolseley plc, Parkview 1220, Arlington Business Park, Theale, Reading, RG7 4GA.