

Registered Number: 00058189

Hall & Co. Limited

Annual report and financial statements

for the year ended 31 July 2018



Hall & Co. Limited

Annual report and financial statements

For the year ended 31 July 2018

Contents	Page
Directors and advisers.....	1
Directors' report.....	2
Directors' responsibilities statement.....	4
Independent auditor's report to the members of Hall & Co. Limited	5
Statement of income and retained earnings	8
Balance sheet	9
Notes to the financial statements	10

Hall & Co. Limited

Directors and advisers

Directors

S Gray

Wolsley UK Directors Limited

Company secretary

K M McCormick

Independent auditor

Deloitte LLP

Statutory Auditor

One Trinity Gardens

Broad Chare

Newcastle-upon-Tyne

United Kingdom

NE1 2HF

Registered office

2 Kingmaker Court

Warwick Technology Park

Warwick

United Kingdom

CV34 6WG

Registered number

00058189

Hall & Co. Limited

Directors' report

The Directors present their annual report and the audited financial statements of Hall & Co. Limited ("the Company") for the year ended 31 July 2018.

The Company is a wholly owned subsidiary of its ultimate parent company Ferguson plc and operates as part of the UK business of the Ferguson plc group of companies (the "Group"). The Company did not trade during the current or prior year.

The Directors' report has been prepared in accordance with the special provisions relating to small companies under Section 415(A) of the Companies Act 2006 and consequently a separate Strategic Report is not presented.

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 at least 12 months from the date on which these financial statements are signed.

Future developments

The Directors do not foresee, at the date of this report, that there will be any trade by the Company in the next year.

Results and dividends

The Company's profit for the financial year was £60,000 (2017: £684,000 loss). This was a result in the increase in the insurance receivable for asbestos related litigation, partially offset by an increase in the liability. The Directors do not recommend the payment of a dividend (2017: £nil).

Post balance sheet events

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

Principal risks and uncertainties

Given the nature of the Company, there are no material risks and uncertainties facing the Company.

Directors

The Directors of the Company during the year ended 31 July 2018 and up to the date of signing the financial statements were:

E L Hancox (resigned 2 March 2018)

S Gray (appointed 1 March 2018)

Wolseley UK Directors Limited

K M McCormick 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.

Hall & Co. Limited

Directors' report (continued)

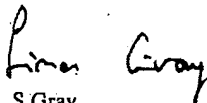
~~Auditor:~~

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the board and signed on its behalf by:



S Gray

Director

25 January 2019

Hall & Co. Limited

Directors' responsibilities statement

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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; 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 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.

Hall & Co. Limited

Independent auditor's report to the members of Hall & Co. Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Hall & Co. Limited (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 July 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Statement of income and retained earnings;
- the Balance sheet; and
- the related notes 1 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Hall & Co. Limited

Independent auditor's report to the members of Hall & Co. Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit for the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Hall & Co. Limited

Independent auditor's report to the members of Hall & Co. Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report.

Matters on which we are required to report by exception

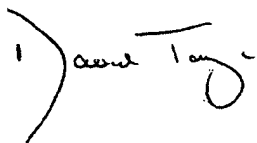
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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; or
- the Directors were not entitled to take advantage of the small companies exemption in preparing the Directors' report and from the requirement to prepare a Strategic report.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Taylor FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Newcastle-upon-Tyne
United Kingdom
25 January 2019

Hall & Co. Limited

Statement of income and retained earnings For the year ended 31 July 2018

	Note	2018 £'000	2017 £'000
Other operating income/ (costs)	4	60	(684)
Operating profit / (loss)		60	(684)
Profit / (loss) before taxation		60	(684)
Tax on profit / (loss)	5	-	-
Profit / (loss) for the financial year attributable to the equity shareholders of the Company		60	(684)
Profit and loss account at 1 August 2017		(525)	159
Profit and loss account at 31 July 2018		(465)	(525)

The notes on pages 10 to 14 form part of these financial statements.

Hall & Co. Limited

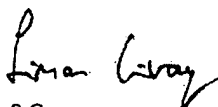
Balance sheet

As at 31 July 2018

Registered Number: 00058189

	Note	2018 £'000	2017 £'000
Current assets			
Debtors: amounts falling due within one year	6	40,635	40,635
Debtors: amounts falling due after more than one year	6	637	488
Net current assets		41,272	41,123
Provisions for liabilities	7	(1,565)	(1,476)
Net assets		39,707	39,647
Capital and reserves			
Called-up share capital	8	40,000	40,000
Other reserves	8	172	172
Profit and loss account	8	(465)	(525)
Total shareholders' funds		39,707	39,647

The financial statements of Hall & Co. Limited on pages 8 to 14 were approved and authorised for issue by the Board of Directors on 25 January 2019 and were signed on its behalf by:



S Gray
Director

Hall & Co. Limited

Notes to the financial statements

For the year ended 31 July 2018

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

Hall & Co. Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with The Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

The functional and presentational currency of Hall & Co. Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Hall & Co. Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Hall & Co. Limited is consolidated in the financial statements of its ultimate parent, Ferguson plc, which may be obtained from The Group Company Secretary, Ferguson plc, Grafenauweg 10, CH-6301 Zug, Switzerland. Exemptions have been taken in these separate company financial statements in relation to financial instruments, intragroup related party transactions, presentation of a cash flow statement and remuneration of key management personnel.

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. Based on the ability of Wolseley UK Limited to provide this support and after having taken account of the principal risks and uncertainties as set out in the Directors report the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Other operating income/ (costs)

Other operating costs comprises of movements in the provision recognised in relation to asbestos litigation and movements in the associated insurance receivable. These are recognised based on the review of Company asbestos liabilities advised by a third party actuary.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Hall & Co. Limited

Notes to the financial statements (continued)

For the year ended 31 July 2018

1 Accounting policies (continued)

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.

Critical accounting judgements and key sources of estimation uncertainty

Due to the nature of the Company there are no critical accounting judgements or key sources of estimation uncertainty that the Directors have made in the process of applying the Company's accounting policies.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price and, where applicable, are subsequently measured at amortised cost.

Financial assets and liabilities are only offset in the Balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Auditor's remuneration

Audit fees for the Company for the year ended 31 July 2018 and year ended 31 July 2017 in relation to the auditing of the financial statements were borne by the immediate parent undertaking, Wolseley UK Limited. During the current and previous year Wolseley UK Limited paid £1,000 on behalf of the Company.

Fees payable to auditor and their associates for non-audit services to the Company are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis.

3 Employees and directors

There were no employees of the Company in either the current or previous year.

During the year ended 31 July 2018 and the year ended 31 July 2017, the emoluments of E L Hancox were paid by and disclosed in the financial statements of the immediate parent Company Wolseley UK Limited, which makes no recharge to the Company

Hall & Co. Limited

Notes to the financial statements (continued)

For the year ended 31 July 2018

3 Employees and directors (continued)

During the year ended 31 July 2018, the emoluments of S Gray were paid by and disclosed in the financial statements of the immediate parent Company Wolseley UK Limited, which makes no recharge to the Company.

Wolseley UK Directors Limited received no remuneration in its capacity as director of the Company during the years ended 31 July 2018 and 31 July 2017.

During the year ended 31 July 2018 and the year ended 31 July 2017, the Directors acted as unpaid non-executive directors for the Company. Accordingly, no emoluments in respect of their services are disclosed in the Company's financial statements.

4 Other operating income / (costs)

	2018 £'000	2017 £'000
Increase / (Decrease) in insurance receivable (see note 6)	149	(207)
Increase in provisions (see note 7)	(89)	(477)
	60	(684)

5 Tax on profit / (loss)

The current tax charge for the year is £nil (2017: £nil). The tax charge for the year is lower (2017: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

Tax reconciliation	2018 £'000	2017 £'000
Profit / (loss) before taxation	60	(684)
Profit / (loss) before taxation multiplied by the effective standard rate of UK tax of 19% (2017: 19.67%)	11	(135)
Effects of:		
Tax charge on imputed interest	83	89
Group relief claimed for nil consideration	(83)	-
Current year losses not recognised for deferred tax	-	46
Utilisation of losses brought forward	(11)	-
Total tax charge for the year	-	-

Finance Act No.2 2015, which was substantively enacted on 26 October 2015, included provisions to reduce the corporation tax rate to 19% with effect from 1 April 2017. Following that, Finance Act 2016 was substantively enacted on 6 September 2016, further reducing the corporation tax rate to 17% from 1 April 2020.

Hall & Co. Limited

Notes to the financial statements

For the year ended 31 July 2018

5 Tax on profit / (loss) (continued)

UK to UK transfer pricing rules require companies to make an assessment of the interest rate charged on intra group loans to ensure they are at arm's length. Tax legislation requires an arm's length interest charge to be imputed and tax charged thereon where an arm's length pricing mechanism is not in place. The tax disclosures include the tax on such imputed interest charges.

6 Debtors

	2018 £'000	2017 £'000
Amounts falling due within one year		
Amounts owed by group undertakings	40,635	40,635
Amounts falling due after more than one year		
Other debtors	637	488

The amounts owed by group undertakings are unsecured, interest free and repayable on demand.

The Company has insurance cover for certain asbestos related litigation and accordingly an insurance receivable of £637,000 (2017: £488,000) has been recorded in other debtors due after more than one year.

7 Provisions for liabilities

	£'000
At 1 August 2017	1,476
Charge for the year	89
At 31 July 2018	1,565

The provision relates to asbestos litigation and has been actuarially determined as at 31 July 2018 based on advice from professional advisers. The provision is expected to unwind over approximately thirty years.

Hall & Co. Limited

Notes to the financial statements

For the year ended 31 July 2018

8 Called-up share capital and reserves

	2018 £'000	2017 £'000
Allotted, called-up and fully-paid		
40,000,000 (2017: 40,000,000) ordinary shares of £1 each	40,000	40,000

The Company has one class of ordinary shares which has no right to fixed income.

The Company's other reserves are as follows:

- The other reserve is a non-distributable capital reserve.
- The profit and loss reserve represents cumulative profits or losses and other reserves.

9 Ultimate parent company and parent undertakings

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

The ultimate parent company and controlling party at 31 July 2018 was Ferguson plc, a company incorporated in Jersey whose registered office is 26 New Street, St Helier, Jersey, JE2 3RA. Ferguson Plc was the smallest and largest parent undertaking to consolidate these financial statements as at 31 July 2018. Copies of the Group financial statements may be obtained from The Group Company Secretary, Ferguson plc, Grafenauweg 10, CH-6301 Zug, Switzerland.