

**HANSON BLOCKS NORTH LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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20/07/2019 #83  
COMPANIES HOUSE

# **HANSON BLOCKS NORTH LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	N Benning-Prince R C Dowley E A Gretton Dr C M Wendt
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<b>Company secretary</b>	W F Rogers
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<b>Registered number</b>	00615899
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<b>Registered office</b>	Hanson House 14 Castle Hill Maidenhead SL6 4JJ
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# **HANSON BLOCKS NORTH LIMITED**

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# **HANSON BLOCKS NORTH LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

The Directors present their report and the financial statements for the year ended 31 December 2018.

### **Principal activity**

The Company is a group finance company. It had no transactions that affected the Statement of Comprehensive Income in the current or prior year and, therefore, the financial statements comprise the Balance Sheet, the Statement of Changes in Equity and related notes only.

### **Directors**

The Directors who served during the year were:

N Benning-Prince  
R C Dowley  
E A Gretton  
Dr C M Wendt

### **Directors' indemnity**

A fellow group undertaking has indemnified, by means of directors' and officers' liability insurance, one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' Report.

The articles of association also provide for the Directors to be indemnified by the Company subject to the provisions of the Companies Act.

This report was approved by the board on 11 July 2019 and signed on its behalf.



**W F Rogers**  
Secretary

**HANSON BLOCKS NORTH LIMITED**  
**REGISTERED NUMBER:00615899**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
<b>Current assets</b>			
Debtors: amounts falling due within one year	3	13,201	13,201
<b>Net assets</b>		<u>13,201</u>	<u>13,201</u>
<b>Capital and reserves</b>			
Called up share capital	4	24,150	24,150
Share premium account		320	320
Capital redemption reserve		30	30
Profit and loss account		(11,299)	(11,299)
<b>Shareholders' funds</b>		<u>13,201</u>	<u>13,201</u>

For the year ended 31 December 2018 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

Members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 July 2019.

  
**R C Dowley**  
Director

The notes on pages 4 to 8 form part of these financial statements.

# HANSON BLOCKS NORTH LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000	Total equity £000
At 1 January 2017	24,150	320	30	(11,299)	13,201
At 1 January 2018	24,150	320	30	(11,299)	13,201
At 31 December 2018	24,150	320	30	(11,299)	13,201

The notes on pages 4 to 8 form part of these financial statements.

## **HANSON BLOCKS NORTH LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **1. Accounting policies**

##### **1.1 Statement of compliance with FRS 101**

Hanson Blocks North Limited ("the Company") is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business is disclosed in the Company Information.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have, unless otherwise stated, been consistently applied to all periods presented.

##### **1.2 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 (FRS101) 'Reduced Disclosure Framework' and the Companies Act 2006.

##### **1.3 Financial reporting standard 101 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

##### **1.4 Impact of new international reporting standards, amendments and interpretations**

The Company adopted IFRS 9 and IFRS 15 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

###### **IFRS 9**

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**1. Accounting policies (continued)**

**1.4 Impact of new international reporting standards, amendments and interpretations (continued)**

The Company applied IFRS 9 prospectively, with an initial application date of 1 January 2018. The Company has not restated the comparative information, which continues to be reported under IAS 39. Differences arising from the adoption of IFRS 9 have been recognised directly in retained earnings and other components of equity.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- the determination of the business model within which a financial asset is held.
- the designation and revocation of previous designations of certain financial assets and financial liabilities as measured at fair value through profit or loss.

If an investment in a debt security had low credit risk at the date of initial application of IFRS 9, then the Company assumed that the credit risk on the asset had not significantly changed since its initial recognition.

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 9 from 1 January 2018.

**IFRS 15**

IFRS 15 Revenue from Contracts with Customers supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers.

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

The Company adopted IFRS 15 using the modified retrospective method of adoption with the date of initial application of 1 January 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 January 2018.

The cumulative effect of initially applying IFRS 15 is recognised at the date of transition as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under IAS 11, IAS 18 and related interpretations.

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 15 from 1 January 2018.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**1. Accounting policies (continued)**

**1.5 Financial instruments**

**Financial assets**

Financial assets are initially measured at fair value plus, in the case of a financial asset not subsequently measured at fair value through profit or loss, transaction costs.

The Company's financial assets include amounts owed by group undertakings.

Financial assets are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

**Impairment of financial assets**

The Company recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The ECL required for other debt instruments is determined using a three stage model.

- At the initial recognition of the financial asset an expected credit loss provision is recorded for the twelve month period following the reporting date. Any interest revenue is calculated on the gross carrying amount of the financial asset.
- If the credit risk of that financial instrument has increased significantly since initial recognition, a loss allowance for full lifetime expected credit losses is recorded. Any interest revenue is calculated on the gross carrying amount of the financial asset. Should the significant increase in credit risk reverse within subsequent reporting periods then the expected credit losses on the financial instrument revert to being measured based on an amount equal to the twelve month expected credit losses.
- If objective evidence of impairment exists, a loss allowance for full lifetime expected credit losses is recognised. Any interest revenue is calculated on the net carrying amount of the financial asset.

**2. Judgments in applying accounting policies and key sources of estimation uncertainty**

**Recoverability of amounts owed by group undertakings**

The Company reviews the recoverability of amounts owed by group undertakings by reviewing the net assets of the counterparty. If the counterparty has net liabilities a provision is made by management for the amount considered irrecoverable.

## HANSON BLOCKS NORTH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 3. Debtors

	2018 £000	2017 £000
<b>Due within one year</b>		
Amounts owed by group undertakings	13,201	13,201

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

#### 4. Share capital

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
24,149,972 (2017 - 24,149,972) deferred shares of £1 each	24,149,972	24,149,972
24,149,972 (2017 - 24,149,972) ordinary shares of US\$0.00001 each	160	160
	<u>24,150,132</u>	<u>24,150,132</u>

The Company has no authorised share capital limit.

##### Dividends

Ordinary shareholders have the right to receive, in priority to any payment of dividends to the holders of any other class of shares in the capital of the Company, out of the profits of the Company which the Company may determine to distribute in respect of any financial year ("the distributable profits"), a dividend equivalent to 99.99% of the distributable profits.

Deferred shareholders have the right to receive the balance of the distributable profits.

##### Voting

On a poll, each ordinary share shall confer the right of 9,999 votes and each deferred share shall confer the right of one vote.

##### Return of Capital

Ordinary shareholders, on a winding-up or on a return of capital, have the right to receive in priority to any payment to the holders of any other class of shares in the capital of the Company and in the following order:

- i) repayment in full of the capital paid up or credited as paid up on such ordinary shares; and
- ii) a further sum equal to 99.99% of the assets available for distribution to members.

Deferred shareholders, on a winding-up or other return of capital, have the right to receive the balance of the assets available for distribution.

#### 5. Contingent liabilities

The Company has been notified of a number of claims from former employees in relation to alleged health related issues. The Directors do not consider it probable that an outflow of economic resources will be required by the Company to settle the obligation nor can the amount of any obligation be measured with sufficient reliability.

## **HANSON BLOCKS NORTH LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **6. Related party transactions**

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with wholly owned subsidiaries in the group headed by HeidelbergCement AG. Balances outstanding at 31 December with related parties, are as follows:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Amounts due from fellow subsidiary undertakings	13,201	13,201

#### **7. Ultimate parent undertaking and controlling party**

The Company's immediate parent undertaking is Hanson Concrete Products Limited, a company registered in England and Wales. The Company's ultimate parent undertaking is HeidelbergCement AG, a company registered in Germany. The largest and smallest group in which the results of the Company are consolidated is that headed by HeidelbergCement AG. Copies of the consolidated financial statements of HeidelbergCement AG may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany.