

NO: 2362176

HANSON BUILDING HOLDINGS LIMITED

DIRECTORS' REPORT AND ACCOUNTS

IN RESPECT OF THE YEAR ENDED

30 SEPTEMBER 1993



HANSON BUILDING HOLDINGS LIMITED

DIRECTORS' REPORT

Directors: D C Bonham
G Dransfield
W M Landuyt

Secretary: R T V Tyson

Registered office: 1 Grosvenor Place, London SW1X 7JH

The directors present their report and the audited accounts of the company for the year ended 30 September 1993.

PRINCIPAL ACTIVITY

The company is a group investment holding company.

RESULTS AND DIVIDENDS

The profit for the year attributable to shareholders amounts to £52,310,643 and is dealt with as shown in the profit and loss account. Having paid interim dividends totalling £52,310,643, the directors do not recommend the payment of a final dividend for the year.

FIXED ASSET INVESTMENTS

During the year the company acquired the whole of the issued share capital of Beazer Homes Limited (formerly Hanson Homes Limited) and Hanson Beazer Properties Limited for a total consideration of £330,662,000 from fellow subsidiary undertakings.

SHARE CAPITAL

On 15 January 1993 the company issued 330,662 fully paid ordinary shares of £1 each at a premium of £999 per share.

DIRECTORS

The directors shown at the head of this report are currently in office. On 24 September 1993, A G L Alexander and M C Murray resigned from the board and W M Landuyt was appointed a director. The remaining directors served throughout the year under review.

There were no other directors during the year.

DIRECTORS' INTERESTS

None of the directors had any declarable interests in the share or loan capital of the company or any associated company during the year under review.

HANSON BUILDING HOLDINGS LIMITED

DIRECTORS' REPORT

ANNUAL GENERAL MEETINGS

Pursuant to the Elective Resolution of the company passed on 19 July 1991, the company has dispensed with the need to hold Annual General Meetings. Any member of the company is entitled to require the laying of the accounts before a general meeting on giving due notice to that effect in accordance with Section 253 of the Companies Act 1985.

AUDITORS

Ernst & Young, having consented to act, will continue in office as auditors.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 for that year. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

By order of the Board



R T V Tyson
Secretary
26 April 1994

REPORT OF THE AUDITORS TO THE MEMBERS OF HANSON BUILDING HOLDINGS LIMITED

We have audited the accounts on pages 5 to 9 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 30 September 1993 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

Ernst & Young
Chartered Accountants
Registered Auditor

Hull

26 April 1994

HANSON BUILDING HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 1993

	<u>Note</u>	<u>1993</u> £	<u>1992</u> £
Income from shares in group undertakings		58,218,151	483,350
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	58,218,151	483,350
Taxation	3	5,907,508	120,837
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		52,310,643	362,513
Dividends paid	4	52,310,643	362,513
Retained profit		<u>£ -</u>	<u>£ -</u>

Movements on reserves are set out in note 7.

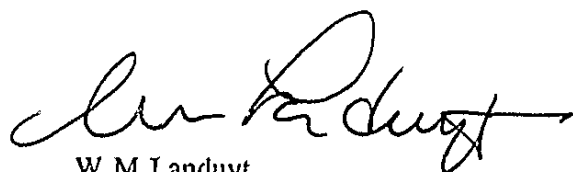
RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit for the financial year of £52,310,643 in the year ended 30 September 1993 (profit of £362,513 in the year ended 30 September 1992).

HANSON BUILDING HOLDINGS LIMITED

BALANCE SHEET - 30 SEPTEMBER 1993

	<u>NOTE</u>	<u>1993</u> £	<u>1992</u> £
FIXED ASSETS			
Investments	5	3,099,812,000	2,769,150,000
CURRENT ASSETS			
Amount due from ultimate parent undertaking		14,611,064	362,515
Amount due from subsidiary undertakings		347,813,000	315,813,000
Cash at bank		-	13,937,998
		<u>362,424,064</u>	<u>330,113,513</u>
CREDITORS - Amounts falling due within one year			
Amount due to fellow subsidiary undertaking		362,364,235	330,111,513
Bank overdraft		57,829	-
		<u>362,422,064</u>	<u>330,111,513</u>
NET CURRENT ASSETS		<u>2,000</u>	<u>2,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£3,099,814,000</u>	<u>£2,769,152,000</u>
CAPITAL AND RESERVES			
Called up share capital	6	3,099,814	2,769,152
Share premium	7	3,096,714,186	2,766,382,848
		<u>£3,099,814,000</u>	<u>£2,769,152,000</u>



W M Landuyt
Director

Approved by the Board of Directors on
26 April 1994

HANSON BUILDING HOLDINGS LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 1993

1 ACCOUNTING POLICIES

a) Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Fixed asset investments

Fixed asset investments are stated at cost except where it is required to make a provision for diminution in value.

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:

	<u>1993</u>	<u>1992</u>
	£	£
Auditors' remuneration	-	-
Directors' remuneration	<u>-</u>	<u>-</u>

Certain fees for non-audit services provided by Ernst & Young to the company have been borne by the ultimate parent undertaking. It is not practicable to ascertain what proportion of such fees relates to the company.

3 TAXATION

	<u>1993</u>	<u>1992</u>
Tax credit on UK dividends received	<u>£5,907,508</u>	<u>£120,837</u>

There is no liability to corporation tax on the result for the year.

4 DIVIDENDS

	<u>1993</u>	<u>1992</u>
	£	£
Interim paid	<u>52,310,643</u>	<u>362,513</u>

HANSON BUILDING HOLDINGS LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 1993

5 FIXED ASSET INVESTMENTS

£

Shares in subsidiary undertakings at cost:	
At 30 September 1992	2,769,150,000
Additions in year	330,662,000
At 30 September 1993	<u>3,099,812,000</u>

At the balance sheet date the wholly owned directly held subsidiary undertakings of the company were:-

Beazer Homes Limited (formerly Hanson Homes Limited)
Hanson Beazer Properties Limited
Hanson Facing Bricks Limited
Hanson Fletton Bricks Limited
Hanson Building Products Limited
Hanson ARC-Ventures Limited
Hanson ARC-Overseas Limited

In March 1994, Beazer Homes Limited was the subject of a public flotation.

All are registered in England and Wales and act as group investment holding companies. Principal indirect subsidiaries registered in England and Wales are:-

ARC Limited	Aggregates producer
London Brick Company Limited	Bricks manufacturer
Butterley Brick Limited	Bricks manufacturer

The company is a wholly-owned subsidiary of a body incorporated in the European Community and advantage has been taken of Section 228 of the Companies Act 1985 in that consolidated accounts have not been prepared. In the opinion of the directors the value of the company's investments in its subsidiary undertakings is not less than the amount at which they are stated in the balance sheet.

HANSON BUILDING HOLDINGS LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 1993

6 SHARE CAPITAL

The share capital of the company is:

	<u>Authorised</u>	<u>Allotted, called up and fully paid</u>
	£	£
Ordinary shares of £1 each:		
As at 30 September 1992	3,000,000	2,769,152
increase in authorised share capital in year	1,000,000	-
Issued and fully paid in year	-	330,662
	<u>£4,000,000</u>	<u>£3,099,814</u>

7 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>Share Capital</u>	<u>Share Premium</u>	<u>Profit and loss account</u>	<u>Total</u>
	£	£	£	£
At 30 September 1991	2,769,152	2,766,382,848	-	2,769,152,000
Profit for the year	-	-	362,513	362,513
Dividends paid	-	-	(362,513)	(362,513)
At 30 September 1992	2,769,152	2,766,382,848	-	2,769,152,000
Profit for the year	-	-	52,310,643	52,310,643
Dividends paid	-	-	(52,310,643)	(52,310,643)
Shares issued and fully paid in year	330,662	-	-	330,662
Share premium arising from issue of shares in year	-	330,331,338	-	330,331,338
At 30 September 1993	<u>£3,099,814</u>	<u>£3,096,714,186</u>	<u>£ -</u>	<u>£3,099,814,000</u>

8 GROUP ACCOUNTS

The parent undertaking of the group of undertakings for which group accounts are drawn up and of which the company is a member is Hanson PLC, registered in England and Wales. Hanson PLC is also the ultimate parent undertaking. Copies of Hanson PLC's accounts can be obtained from 1 Grosvenor Place, London, SW1X 7JH.