

# **HANSON BUILDING PRODUCTS (2003) LIMITED**

**Report and financial statements**

**in respect of the year ended**

**31 December 2008**

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## **HANSON BUILDING PRODUCTS (2003) LIMITED**

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### **DIRECTORS**

R R Gimmler  
E A Gretton  
B J Guyatt  
C Leclercq

### **COMPANY SECRETARY**

R T V Tyson

### **AUDITORS**

Ernst & Young LLP  
One Bridewell Street  
Bristol  
BS1 2AA

### **REGISTERED OFFICE**

Hanson House  
14 Castle Hill  
Maidenhead  
Berkshire  
SL6 4JJ

### **COMPANY NUMBER**

2448833

# HANSON BUILDING PRODUCTS (2003) LIMITED

## DIRECTORS' REPORT

The Directors present their report and audited financial statements for the year ended 31 December 2008. The Directors' Report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

### PRINCIPAL ACTIVITIES

The Company is a group investment holding company.

### FINANCIAL RESULTS AND BUSINESS REVIEW

The profit for the year amounted to £2,128,000 (2007: £32,259,000) as set out in the profit and loss account on page 5. The Directors do not recommend the payment of a dividend (2007: £nil). The Directors are satisfied with the Company's position at the year-end.

### FUTURE DEVELOPMENTS

The Directors expect that the Company will continue as a group investment holding company for the foreseeable future.

### PRINCIPAL RISKS AND UNCERTAINTIES

The Company's results arise from transactions with fellow group undertakings in the group headed by HeidelbergCement AG. The Directors are therefore of the opinion that the Company is not directly exposed to significant risks and uncertainties, however, by the very nature of its trade the Company is indirectly exposed to similar risks and uncertainties to those faced by other group undertakings. Details of the principal risks and uncertainties facing the group headed by HeidelbergCement AG are disclosed in the financial statements of that Company.

### DIRECTORS

The Directors who served during the year, and to the date of this report, were as follows:

E A Gretton	(appointed 2 June 2008)
C Leclercq	(appointed 2 June 2008)
R R Gimmler	(appointed 13 June 2008)
B J Guyatt	(appointed 13 June 2008)
G Dransfield	(resigned 30 June 2008)
R Coulson	(resigned 20 June 2008)
D J Egan	(resigned 16 June 2008)

### 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 the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and is in force at the date of approving the Directors' Report.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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). The financial statements are required by law to 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 then apply them consistently;
- make judgements and 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;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements 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.

## HANSON BUILDING PRODUCTS (2003) LIMITED

### DIRECTORS' REPORT (continued)

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#### DISCLOSURE OF INFORMATION TO AUDITORS

The Directors who held office at the date of approval of this Directors' Report each confirm that, so far as they are aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the Company's auditors are unaware; and that they have each taken all the steps that ought to have been taken as a Director of the Company to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### AUDITORS

Ernst & Young LLP, having confirmed their willingness to act, will continue in office as auditors of the Company.

By order of the Board



R T V Tyson, Company Secretary

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26 October 2009

## INDEPENDENT AUDITOR'S REPORT to the members of Hanson Building Products (2003) Limited

We have audited the Company's financial statements for the year ended 31 December 2008 which comprises the Profit and Loss Account, Balance Sheet and related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
Bristol

27 October 2009

# HANSON BUILDING PRODUCTS (2003) LIMITED

## PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2008

	Note	2008 £'000	2007 £'000
Impairment of investments		-	(51)
Release of impairment of investments	6	3,453	32,310
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	3,453	32,259
Tax on profit on ordinary activities	5	-	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>	10	<u>3,453</u>	<u>32,259</u>

All of the Company's results arise from continuing operations

There were no other gains or losses recognised in respect of the current or previous year other than those reported above.

There are no material differences between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents.

# HANSON BUILDING PRODUCTS (2003) LIMITED

## BALANCE SHEET

at 31 December 2008

	Note	2008 £'000	2007 £'000 (restated)
<b>FIXED ASSETS</b>			
Investments	6	184,272	180,819
<b>CURRENT ASSETS</b>			
Debtors	7	1,718,509	1,718,509
<b>CREDITORS: amounts falling due within one year</b>	8	(392,701)	(392,701)
<b>NET CURRENT ASSETS</b>		<u>1,325,808</u>	<u>1,325,808</u>
<b>NET ASSETS</b>		<u>1,510,080</u>	<u>1,506,627</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	1,653	1,653
Share premium account	10	1,651,828	1,651,828
Profit and loss account	10	(143,401)	(146,854)
<b>EQUITY SHAREHOLDERS' FUNDS</b>	10	<u>1,510,080</u>	<u>1,506,627</u>

The financial statements on pages 5 to 10 were approved by the Board of directors and signed on their behalf by:

  
 B J Guyatt  
 Director

26 October 2009

# HANSON BUILDING PRODUCTS (2003) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards.

#### Cash flow statement

In accordance with FRS1 (revised), the Company has not prepared a cash flow statement as it is a wholly owned subsidiary undertaking within the group headed by HeidelbergCement AG.

#### Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events have occurred that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation of fixed assets (and similar fair value adjustments), or gains on disposal of fixed assets only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made when, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled into replacement assets and charged to tax only when the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### Group accounts

No consolidated group accounts have been prepared because at 31 December 2008 the Company was a wholly owned subsidiary undertaking of HeidelbergCement AG (incorporated in Germany) and thus satisfies the conditions for exemption under Section 228 of the Companies Act 1985. These financial statements contain information about the Company as an individual undertaking, and not its group.

#### Prior year adjustment

The directors have reviewed the prior year comparatives and feel that it is appropriate to reclassify certain amounts in the balance sheet. There has been no impact to the reported profit for the financial year or net assets as a result of these reclassifications.

### 2. STAFF COSTS

There were no employees during the year (2007: nil).

### 3. DIRECTORS EMOLUMENTS

The directors received no emoluments for their services during the year (2007: £nil).

### 4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Certain costs including Auditors' remuneration are borne by other group companies and are disclosed in their financial statements, where applicable.



# HANSON BUILDING PRODUCTS (2003) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2008

5. TAX ON PROFIT ON ORDINARY ACTIVITIES	2008 £'000	2007 £'000
<b>a) Tax on profit on ordinary activities</b>		
UK corporation tax on profit for the year	-	-
<b>b) Factors affecting current tax charge</b>		
The tax assessed for the year is different to the standard rate of corporation tax in the UK of 28.5% (2007: 30%).		
The differences are explained below:		
Profit on ordinary activities before tax	3,453	32,259
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28.5% (2007: 30%)	984	9,678
<i>Effects of:</i>		
Non taxable reversal of impairments to investments	(984)	(9,677)
Imputed interest on loans	25,297	26,014
Group losses claimed without payment	(25,297)	(26,015)
Total current tax	-	-
<b>c) Factors affecting future tax charges</b>		

The standard rate of Corporation Tax in the UK changed from 30% to 28% with effect from 1 April 2008. Accordingly, the Company's profits for this accounting period are taxed at an effective rate of 28.5% and will be taxed at 28% in the future.

# HANSON BUILDING PRODUCTS (2003) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2008

### 6. INVESTMENTS

	Shares in subsidiary undertakings £'000
<b>Cost:</b>	
At 1 January and 31 December 2008	333,406
<b>Provision for impairment:</b>	
At 1 January 2008	152,587
Release during the year	(3,453)
At 31 December 2008	149,134
<b>Net book value:</b>	
At 31 December 2008	184,272
At 31 December 2007	180,819

The investments in which the Company held more than 20% of the nominal value of any class of share capital are as follows:

<u>Company</u>	<u>Proportion of shares held</u> %	<u>Class</u>	<u>Nature of business</u>
Hanson Concrete Products Limited	100	Ordinary Deferred	Non-trading
Hanson Aggregates Marine Limited	100	Ordinary	Marine aggregates
Hanson Quarry Products Trade Finance Limited	100	Ordinary	Finance
Hanson Quarry Products Holdings Limited	100	Ordinary B Cumulative Preference	Holding company
Hanson Bath and Portland Stone Limited	100	Ordinary	Dormant
Consolidated Goldfields Finance Limited	100	Ordinary	Dormant

All of the companies are incorporated in England and Wales.

The Company has presented information above relating to principal subsidiaries only as full compliance with Schedule 5 of the Companies Act 1985 would result in a statement of excessive length.

The Company is a wholly-owned subsidiary undertaking of a body incorporated in the European Union and advantage has been taken of S228 of the Companies Act 1985 in that consolidated accounts have not been prepared. The accounts present information about the Company as an individual undertaking.

### 7. DEBTORS

	2008 £'000	2007 £'000 (restated)
Due within one year:		
Other debtors	2	2
Amounts owed by group undertakings	1,718,507	1,718,507
	<u>1,718,509</u>	<u>1,718,509</u>

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

# HANSON BUILDING PRODUCTS (2003) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2008

8. CREDITORS: amounts falling due within one year	2008 £'000	2007 £'000
Amounts due to group undertakings	392,701	392,701
	<u>392,701</u>	<u>392,701</u>

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

9. CALLED UP SHARE CAPITAL	2008 £'000	2007 £'000
<b>Authorised:</b>		
2,000,000 ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>
<b>Allotted, issued and fully paid:</b>		
1,653,481 ordinary shares of £1 each	<u>1,653</u>	<u>1,653</u>

### 10. MOVEMENT ON RESERVES AND RECONCILIATION OF SHAREHOLDERS' FUNDS

	Share capital £'000	Share premium account £'000	Profit and loss reserve £'000	Total £'000
At 1 January 2007	1,653	1,651,828	(179,113)	1,474,368
Profit for the financial year	-	-	32,259	32,259
At 31 December 2007	1,653	1,651,828	(146,854)	1,506,627
Profit for the financial year	-	-	3,453	3,453
At 31 December 2008	<u>1,653</u>	<u>1,651,828</u>	<u>(143,401)</u>	<u>1,510,080</u>

### 11. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the 90% owned subsidiary exemption afforded by FRS8: Related Party Transactions, and has not disclosed transactions with companies in the group headed by HeidelbergCement AG.

### 12. ULTIMATE PARENT UNDERTAKING

The Company's immediate parent undertaking is Hanson Building Materials Europe 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.