

HANSON (BHL) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

IN RESPECT OF THE YEAR ENDED

31 DECEMBER 2005

MONDAY



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COMPANIES HOUSE

DIRECTORS' REPORT

Directors: G Dransfield
R Coulson
N Swift

Secretary: P D Tunnacliffe

Registered Office: 1 Grosvenor Place, London SW1X 7JH

The Directors present their report and the accounts of the Company for the year ended 31 December 2005.

PRINCIPAL ACTIVITY

The Company is a non-trading company.

RESULTS AND DIVIDENDS

The Company did not trade during the year and accordingly made no profit or loss. The Directors do not recommend the payment of a final dividend.

DIRECTORS

The Directors shown at the head of this report are currently in office. R Coulson was appointed as a Director on 1 December 2005 and A C Bolter resigned on the same day. G Dransfield and N Swift served throughout the year.

DIRECTORS' INTERESTS

The Directors have no declarable interest in the share capital of the Company during the year under review.

The shareholding and related interest in Hanson PLC of G Dransfield is disclosed in the Hanson PLC accounts for the year ended 31 December 2005. Those of R Coulson and N Swift are disclosed in the accounts of Hanson Holdings Limited.

ANNUAL GENERAL MEETING

Pursuant to the Elective Resolution of the Company passed on 14 June 1999, 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 S253 of the Companies Act 1985.

DIRECTORS' REPORT (continued)

AUDITORS

The Company is entitled to dispense with the need to appoint auditors as allowed by the provisions of S249AA of the Companies Act 1985.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

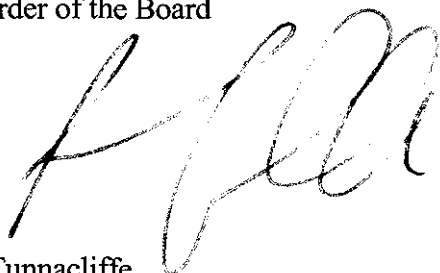
Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that year. In preparing those accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that the accounts comply with the above requirements.

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

A handwritten signature in black ink, appearing to be 'P D Tunnacliffe', written over a faint horizontal line.

P D Tunnacliffe
Secretary
20 October 2006

HANSON (BHL) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2005**

	<u>Note</u>	<u>2005</u> <u>£</u>	<u>2004</u> <u>£</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	-	-
Taxation	3	<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	-
Dividend paid		<u>-</u>	<u>(300)</u>
TRANSFER FROM RESERVES FOR THE YEAR		<u>-</u>	<u>(300)</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses for the year ended 31 December 2005 (£nil for the year ended 31 December 2004).

HANSON (BHL) LIMITED**BALANCE SHEET AT 31 DECEMBER 2005**

	<u>Note</u>	<u>2005</u> £	<u>2004</u> £
CURRENT ASSETS			
Debtors	4	339,660,456	339,660,456
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	5	<u>(61,750,455)</u>	<u>(61,750,455)</u>
NET CURRENT ASSETS		<u>277,910,001</u>	<u>277,910,001</u>
CAPITAL AND RESERVES			
Called up share capital	6	<u>277,910,001</u>	<u>277,910,001</u>
Equity shareholders' funds		<u>277,910,001</u>	<u>277,910,001</u>

For the year ended 31 December 2005 the Company was entitled to exemption under S249AA (1) of the Companies Act 1985;

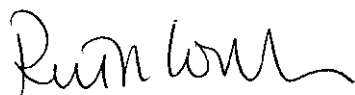
No members have required the Company to obtain an audit of its accounts for the year in question in accordance with S249B (2) of the Companies Act 1985.

The Directors acknowledge their responsibility for:-

a) ensuring the Company keeps accounting records which comply with S221 of the Companies Act 1985; 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 profits and loss account for the financial year in accordance with S226 of the Companies Act 1985, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far applicable to the Company.

Approved by the Board of Directors
20 October 2006



R Coulson
Director

NOTES TO THE ACCOUNTS – 31 DECEMBER 2005**1 ACCOUNTING POLICY****Accounting convention**

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

The Company has taken advantage of the exemption available to it under FRS 1 “Cash Flow Statements” not to prepare a statement of cash flows.

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:

	<u>2005</u> £	<u>2004</u> £
Auditors’ remuneration	-	-
Directors’ remuneration	-	-

Fees for audit and non-audit services provided by Ernst & Young LLP to the Company have been borne by a group undertaking. It is not practicable to ascertain what proportion of such fees relates to the Company.

The Directors are also directors of, and were paid by, the ultimate parent undertaking and/or other group undertakings. The Directors do not believe that it is practicable to apportion these emoluments between their services as Directors of the Company and their services as directors of the ultimate parent undertaking and/or other group undertakings.

3 TAXATION

	<u>2005</u> £	<u>2004</u> £
Profit on ordinary activities before taxation	-	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2004: 30%)	-	-
Effects of:		
Permanent difference	-	3,254,620
Group relief claimed for nil charge	-	(3,254,620)
Current tax charge for the year	-	-

4 DEBTORS

	<u>2005</u> £	<u>2004</u> £
Amount owed by group undertakings	339,660,456	339,660,456

There are no formal agreements for the repayment of amounts due to or from group undertakings.

NOTES TO THE ACCOUNTS – 31 DECEMBER 2005**5 CREDITORS**

	<u>2005</u> <u>£</u>	<u>2004</u> <u>£</u>
Amount owing to group undertakings	<u>61,750,455</u>	<u>61,750,455</u>

6 SHARE CAPITAL

	<u>Authorised</u> <u>£</u>	<u>Allotted, called</u> <u>up and fully</u> <u>paid</u> <u>£</u>
At 31 December 2004 and 31 December 2005		
Ordinary shares of £1 each	<u>300,000,000</u>	<u>277,910,001</u>

7 GROUP ACCOUNTS

The immediate parent undertaking of Hanson (BHL) Limited is Hanson Building Material Europe Limited, a company registered in England and Wales and the ultimate parent undertaking is Hanson PLC, a company registered in England and Wales. The largest and smallest group preparing consolidated group accounts which include Hanson (BHL) Limited is Hanson PLC.

Copies of the accounts of Hanson PLC can be obtained from 1 Grosvenor Place, London, SW1X 7JH.

The Company has taken advantage of the exemption available to it in FRS 8 "Related Party Disclosures" from disclosing transactions with related parties that are part of the Hanson PLC group.