

Registered number 03247530

HANSON HOLDINGS (2) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

WEDNESDAY



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COMPANIES HOUSE

HANSON HOLDINGS (2) LIMITED

COMPANY INFORMATION

DIRECTORS D J Clarke (appointed 1 June 2011)
E A Gretton
S Pirincciloglu
B J Guyatt (resigned 1 June 2011)

COMPANY SECRETARY R T V Tyson

COMPANY NUMBER 03247530

REGISTERED OFFICE Hanson House
14 Castle Hill
Maidenhead
SL6 4JJ

AUDITOR Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

HANSON HOLDINGS (2) LIMITED

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HANSON HOLDINGS (2) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

The Directors present their report and the financial statements for the year ended 31 December 2011

PRINCIPAL ACTIVITY

The Company is a group investment holding company

RESULTS AND DIVIDENDS

The profit for the year amounted to £348,000 (2010 £313,911,000) as set out in the profit and loss account on page 6. The Directors do not recommend the payment of a dividend (2010 £nil)

During the year the Company sold its investment in Signgrid Limited to a fellow subsidiary, Hanson (CGF) (No2) Limited, for £5,609,000

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 uncertainty, however, by the very nature of its activities, the Company is indirectly exposed to similar risks and uncertainties to those faced by other group companies. Details of the principal risks and uncertainties facing the group headed by HeidelbergCement AG are disclosed in the financial statements of that company.

FUTURE DEVELOPMENTS

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

DIRECTORS

The Directors who served during the year were

D J Clarke (appointed 1 June 2011)
E A Gretton
S Pirincciloglu
B J Guyatt (resigned 1 June 2011)

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 2006. 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.

HANSON HOLDINGS (2) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

GOING CONCERN

The Company is a holding company and its assets comprise investments in group undertakings and amounts receivable from group undertakings. In addition, the carrying value of the Company's investments in group undertakings is also supported by amounts receivable from group undertakings held by those entities. The recoverability of these assets is dependent on the financial position of the HeidelbergCement AG group, of which the Company is an indirect subsidiary.

The Directors, having assessed the responses of the management of the Company's ultimate parent HeidelbergCement AG to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the HeidelbergCement AG group to continue as a going concern.

On the basis of their assessment of the Company's financial position and of the enquiries made of the management of HeidelbergCement AG, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' 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). 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 judgments 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 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.

HANSON HOLDINGS (2) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information

AUDITOR

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

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 7 September 2012 and signed on its behalf



R T V Tyson
Company secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HANSON HOLDINGS (2) LIMITED

We have audited the financial statements of Hanson Holdings (2) Limited for the year ended 31 December 2011, which comprise the Profit and loss account, the Balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HANSON HOLDINGS (2) LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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

Ernst & Young LLP

Jane Barwell (Senior statutory auditor)

for and on behalf of

Ernst & Young LLP, *statutory auditor*

The Paragon
Counterslip
Bristol
BS1 6BX

10 September 2012

HANSON HOLDINGS (2) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 £000	2010 £000
Exceptional items	2	348	(224,907)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INVESTMENT INCOME		348	(224,907)
Income from fixed asset investments		-	538,818
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	348	313,911
Tax on profit on ordinary activities	5	-	-
PROFIT FOR THE FINANCIAL YEAR	10	348	313,911

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

The notes on pages 8 to 13 form part of these financial statements

HANSON HOLDINGS (2) LIMITED
REGISTERED NUMBER 03247530

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£000	2011 £000	2010 £000
FIXED ASSETS				
Investments	6		871,052	876,312
CURRENT ASSETS				
Debtors	7	2,782,107	2,776,498	
CREDITORS: amounts falling due within one year	8	<u>(2,603,194)</u>	<u>(2,603,193)</u>	
NET CURRENT ASSETS			178,913	173,305
NET ASSETS			<u>1,049,965</u>	<u>1,049,617</u>
CAPITAL AND RESERVES				
Called up share capital	9		268	268
Share premium account	10		662,783	662,783
Profit and loss account	10		<u>386,914</u>	<u>386,566</u>
SHAREHOLDERS' FUNDS	11		<u>1,049,965</u>	<u>1,049,617</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 September 2012



E A Gretton
Director

The notes on pages 8 to 13 form part of these financial statements

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Going concern

The accounts have been prepared on a going concern basis as the Company is in a position to meet its obligations as they fall due

1.3 Group financial statements

No consolidated group financial statements have been prepared because as at 31 December 2011, the Company was a wholly owned subsidiary undertaking of HeidelbergCement AG (incorporated in Germany) and thus satisfies the conditions for exemption under section 400 of the Companies Act 2006. These financial statements contain information about the Company as an individual entity, and not its group.

1.4 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.5 Investments

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

1.6 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.

1.7 Dividends

Income is recognised after the Company's right to receive payment is established.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

2. EXCEPTIONAL ITEMS

	2011 £000	2010 £000
Impairment of fixed asset investment	103	224,907
Net profit on sale of investment (note 6)	(451)	-
	<u>(348)</u>	<u>224,907</u>

On 29 March 2011, the Company sold its entire shareholding in Signgrid Limited to a fellow subsidiary, Hanson (CGF) (No2) Limited for the consideration of £5,609,000

3 STAFF COSTS

The Company has no employees other than the Directors, who did not receive any remuneration (2010 - £nil)

4. PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging

	2011 £000	2010 £000
Auditors' remuneration	<u>-</u>	<u>-</u>

Fees for audit and non-audit services provided to the Company have been borne by other group undertakings. It is not practicable to ascertain what proportion of such fees relates to the Company

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

5. TAXATION

	2011 £000	2010 £000
UK corporation tax charge on profit for the year	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 26.5% (2010 - 28%). The differences are explained below

	2011 £000	2010 £000
Profit on ordinary activities before tax	348	313,911
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 - 28%)	92	87,895
Effects of:		
Impairment of fixed asset investment - not deductible	27	62,974
Book profit on chargeable assets	(119)	-
Dividend received not taxable	-	(150,869)
Group relief	(1,575)	895
Transfer pricing adjustments	1,575	(895)
Current tax charge for the year	-	-

Factors that may affect future tax charges

Announcements were made to changes in the tax rates that will have an effect on future tax charges of the Company. From 1 April 2012, the rate of corporation tax was reduced from 26% to 24% and from 1 April 2013, the rate will reduce from 24% to 23%. However, as at the balance sheet date, the corporation tax change that had been substantively enacted was a reduction, from 1 April 2012, in the rate from 26% to 25%.

A further annual reduction of 1% from 1 April 2014 to reduce the rate to 22% has been announced but not substantively enacted.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

6. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2011	1,299,002
Disposals	(9,973)
At 31 December 2011	1,289,029
Impairment	
At 1 January 2011	422,690
Charge for the year	103
Impairment on disposals	(4,816)
At 31 December 2011	417,977
Net book value	
At 31 December 2011	871,052
At 31 December 2010	876,312

On 29 March 2011, the Company sold its entire shareholding in Signgrid Limited to a fellow subsidiary Hanson (CGF) (No2) Limited for the consideration of £5,609,000

Subsidiary undertakings

The investments in which the Company directly held any class of share capital are as follows

<u>Name</u>	<u>Class of share</u>	<u>Holding</u>	<u>Business</u>	<u>Registered office</u>
Visionfocus Limited	Ordinary	100 %	Investment holding company	England and Wales
Hanson (MR) Limited	Ordinary	0.04 %	Dormant	England and Wales
CGF Pty Limited	Ordinary	100 %	Investment holding company	Australia
	Preference	100 %		

The Directors of the Company are of the opinion that the number of indirectly owned subsidiary undertakings in respect of which the Company is required to disclose information under section 409 of the Companies Act 2006 is such that it would result in information of excessive length. Advantage has been taken of section 410 of the Companies Act 2006 in that the information is only given relating to directly held investments.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

7. DEBTORS

	2011 £000	2010 £000
Due within one year		
Amounts owed by group undertakings	2,782,107	2,776,498

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

8. CREDITORS

Amounts falling due within one year

	2011 £000	2010 £000
Amounts owed to group undertakings	2,603,194	2,603,193

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

9. SHARE CAPITAL

	2011 £000	2010 £000
Allotted, called up and fully paid		
66,305 'A' ordinary shares of £1 each	66	66
201,800 'B' ordinary shares of £1 each	202	202
	268	268

The voting, dividend and distribution rights are in the proportion 9,999 97332 1 for each 'A' and 'B' share respectively

10. RESERVES

	Share premium account £000	Profit and loss account £000
At 1 January 2011	662,783	386,566
Profit for the year	-	348
At 31 December 2011	662,783	386,914

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

11. MOVEMENT ON RESERVES AND RECONCILIATION OF SHAREHOLDERS' FUNDS

	2011 £000	2010 £000
Opening shareholders' funds	1,049,617	735,706
Profit for the year	348	313,911
Closing shareholders' funds	<u>1,049,965</u>	<u>1,049,617</u>

12. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in FRS8 Related Party Transactions, not to disclose transactions with wholly owned subsidiaries in the group headed by HeidelbergCement AG

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Beforebeam 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.