

Registered number: 03247530

HANSON HOLDINGS (2) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

TUESDAY



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17/07/2018
COMPANIES HOUSE

HANSON HOLDINGS (2) LIMITED

COMPANY INFORMATION

Directors	N Benning-Prince R C Dowley E A Gretton Dr C M Wendt
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Company secretary	W F Rogers
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Registered number	03247530
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Registered office	Hanson House 14 Castle Hill Maidenhead SL6 4JJ
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HANSON HOLDINGS (2) LIMITED

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HANSON HOLDINGS (2) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

The Company is a group investment holding company. The Company has not traded during the year. During this period the Company received no income and incurred no expenditure and therefore made neither profit or loss.

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 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.

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 10 July 2018 and signed on its behalf.



W F Rogers
Secretary

HANSON HOLDINGS (2) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £000	2016 £000
Exceptional items	4	-	37,093
Profit on ordinary activities before taxation		-	37,093
Taxation on profit on ordinary activities	5	-	-
Profit for the financial year		-	37,093
Total comprehensive income for the financial year		-	37,093

All amounts relate to continuing operations.

The notes on pages 5 to 12 form part of these financial statements.

HANSON HOLDINGS (2) LIMITED
REGISTERED NUMBER:03247530

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £000	2016 £000
Fixed assets			
Investments	6	808,833	808,833
Current assets			
Debtors: amounts falling due within one year	7	758,030	758,030
Creditors: amounts falling due within one year	8	(532,614)	(532,614)
Net current assets		225,416	225,416
Net assets		1,034,249	1,034,249
Capital and reserves			
Called up share capital	9	268	268
Share premium account		662,783	662,783
Profit and loss account		371,198	371,198
Shareholders' funds		1,034,249	1,034,249


For the year ended 31 December 2017 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 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 10 July 2018.


R C Dowley
 Director

The notes on pages 5 to 12 form part of these financial statements.

HANSON HOLDINGS (2) LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2016	268	662,783	334,105	997,156
Comprehensive income for the year				
Profit for the year	-	-	37,093	37,093
Total comprehensive income for the year	-	-	37,093	37,093
At 1 January 2017	268	662,783	371,198	1,034,249
At 31 December 2017	268	662,783	371,198	1,034,249

The notes on pages 5 to 12 form part of these financial statements.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Statement of compliance with FRS 101

Hanson Holdings (2) 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).

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.

2. Accounting policies

2.1 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.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

2.2 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; and
- 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.

2.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

2.4 Foreign currency translation

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.5 Financial instruments

i) Financial assets other than derivatives

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus directly attributable transaction costs.

Subsequent measurement

The Company reviews indicators of impairment on an ongoing basis and where such indicators exist, the Company makes an estimate of the asset's recoverable amount.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. On initial recognition, loans and receivables are measured at fair value plus directly attributable transaction costs. Subsequently, such assets are measured at amortised cost, using the effective interest rate ("EIR") method, less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest receivable in the Statement of Comprehensive Income.

Losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenses.

ii) Financial liabilities other than derivatives

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings or as derivatives designated as hedging instruments in an effective hedge as appropriate. The Company determines the classification of financial liabilities at initial recognition.

Subsequent measurement

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in interest receivable and interest payable.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.6 Current and deferred taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exception:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

However, for taxable temporary differences associated with investment in subsidiaries, branches and associates, and interests in joint ventures, a deferred tax liability shall be recognised in accordance with IAS 12.39.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Statement of Comprehensive Income.

2.7 Exceptional items

The Company presents as exceptional items those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess better trends in financial performance.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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

Impairment of investments

The Company reviews investments in subsidiaries and other investments for impairment if there are any indications that the carrying values may not be recoverable. The carrying value of the investment is compared to the recoverable amount and where a deficiency exists, an impairment charge is considered by management.

The recoverable amount represents the net assets of the investment at the time of the review or where applicable is represented by an estimate of future cash flows expected to arise from the investment. A suitable discount rate is applied to the future cash flows in order to calculate the present value.

Reversals of impairments are recognised where there is a favourable change in the economic assumptions in the period since the provision was made.

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.

4. Exceptional items

	2017	2016
	£000	£000
Release of impairment of fixed asset investment	-	(37,093)

In the prior year, the Company released impairments in its investments in CGF Pty Limited and Visionfocus Limited to bring the carrying values of the investments in line with their underlying net assets.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

5. Taxation

	2017 £000	2016 £000
Current income tax		
Current tax on profit for the year	-	-
Total current tax	-	-

Reconciliation of the tax charge for the year

The tax assessed for the year is the same as (2016 - lower than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £000	2016 £000
Profit on ordinary activities before tax	-	37,093
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	-	7,419
Effects of:		
Non-taxable reversal of impairment in investment	-	(7,419)
Group relief	(1,240)	(1,352)
Transfer pricing adjustm	1,240	1,352
Total tax charge for the year	-	-

Change in corporation tax rate

The main rate of corporation tax reduced from 20% to 19% on 1 April 2017. There is a further reduction in the main rate of corporation tax to 17% on 1 April 2020.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

6. Fixed asset investments

	Investments in subsidiary companies £000	Other investments £000	Total £000
Cost or valuation			
At 1 January 2017 and 31 December 2017	1,288,013	1,016	1,289,029
Impairment			
At 1 January 2017 and 31 December 2017	479,992	204	480,196
Net book value			
At 31 December 2017	808,021	812	808,833
At 31 December 2016	808,021	812	808,833

Direct subsidiary undertakings and investments

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

Name	Country of incorporation	Class of shares	Holding	Principal activity
Visionfocus Limited	England and Wales	Ordinary	100 %	Investment holding company
Hanson (MR) Limited	England and Wales	Ordinary	0.04 %	Dormant
CGF Pty Limited	Australia	Ordinary	100 %	Group finance company
		Preference	100 %	

Indirect subsidiary undertakings and investments

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

Name	Country of incorporation	Class of shares	Holding	Principal activity
Hanson America Holdings (1) Limited	England and Wales	'A' Ordinary	34 %	Dormant
Hanson America Holdings (3) Limited	England and Wales	'A' Ordinary	42 %	Dormant
Hanson FP Holdings BV	The Netherlands	Ordinary	100 %	Investment holding company
Beforeblend Limited	England and Wales	'A' Ordinary	100 %	Dormant

The registered office of the investments incorporated in England and Wales is Hanson House, 14 Castle Hill, Maidenhead, SL6 4JJ.

The registered office of CGF Pty Limited is 35 Clarence Street, Level 10, Sydney, New South Wales, 2000, Australia.

The registered office of Hanson FP Holdings BV is Pettelaarpark 30, 's-Hertogenbosch, 5216 PD, The Netherlands.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

7. Debtors

	2017 £000	2016 £000
Due within one year		
Amounts owed by group undertakings	758,030	758,030

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

	2017 £000	2016 £000
Amounts owed to group undertakings	532,614	532,614

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

9. Share capital

	2017 £000	2016 £000
Authorised		
75,000 'A' ordinary shares of £1 each	75	75
225,000 'B' ordinary shares of £1 each	225	225
	<u>300</u>	<u>300</u>
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
	<u>268</u>	<u>268</u>

The voting, dividend and distribution rights are in the proportion 9,999.97332:1 for each 'A' and 'B' share respectively.

HANSON HOLDINGS (2) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

10. 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:

	2017	2016
	£000	£000
Amounts owed by fellow subsidiary undertakings	758,030	758,030
Amounts owed to fellow subsidiary undertakings	(532,614)	(532,614)
	<u>225,416</u>	<u>225,416</u>

11. 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.