

**GALILEO BRICK LIMITED**

**REGISTERED NO. 4358273**

**DIRECTORS' REPORT**

**AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

MONDAY



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25/06/2012

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COMPANIES HOUSE

**GALILEO BRICK LIMITED**

**DIRECTORS**

**H A SCHWARZMAYR  
B J KOEKOEK  
P STEVENSON**

**SECRETARY**

**K S FEW**

**REGISTERED NO 4358273**

**REGISTERED OFFICE**

**WIENERBERGER HOUSE  
BROOKS DRIVE  
CHEADLE ROYAL BUSINESS PARK  
CHEADLE  
CHESHIRE  
SK8 3SA**

**AUDITORS**

**KPMG LLP**

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## **GALILEO BRICK LIMITED**

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## **GALILEO BRICK LIMITED**

### **DIRECTORS' REPORT**

The directors present their Directors' Report and the financial statements for the year ended 31 December 2011

### **PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The company has been dormant during the period

On 30 November 2011 Wienerberger BV, the immediate parent company transferred its shares in Galileo Brick Limited to Wienerberger Limited, a fellow subsidiary of Wienerberger BV. As at the 31 December 2011 the directors consider the ultimate parent company to remain unchanged as Wienerberger AG

### **RESULTS AND DIVIDENDS**

The company's profit after taxation on ordinary activities for the year was £194,000 (2010 £174,000)

Dividends of £nil (2010 £nil) were paid or proposed in the year

### **DIRECTORS DURING THE YEAR**

H Scheuch                      resigned 28 November 2011  
B J Koekoek  
H Schwarzmayer  
P Stevenson

### **DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware there is no relevant audit information of which the company's auditors are unaware and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

### **AUDITORS**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



K S FEW  
SECRETARY

15 June 2012

Company Number 4358273

Wienerberger House  
Brooks Drive  
Cheadle Royal Business Park  
Cheadle  
Cheshire  
SK8 3SA

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTOR'S REPORT  
AND THE FINANCIAL STATEMENTS**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 the 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, and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions



St James' Square  
Manchester M2 6DS  
United Kingdom

## **Independent auditor's report to the members of Galileo Brick Limited**

We have audited the financial statements of Galileo Brick Limited for the year ended 31 December 2011 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 2 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 set out on page 2, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **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 UK 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**

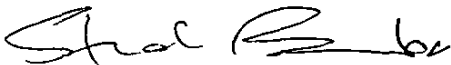
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the members of Galileo Brick Limited (continued)**

**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



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**Stuart Burdass (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants  
St James' Square  
Manchester M2 6DS  
United Kingdom

15 June 2012

**GALILEO BRICK LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<i>NOTE</i>	<b>2011 £000</b>	<b>2010 £000</b>
Interest receivable	<i>4</i>	297	251
Interest payable and similar charges	<i>5</i>	(103)	(77)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<i>2-5</i>	<b>194</b>	<b>174</b>
Taxation	<i>6</i>	-	-
<b>PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS</b>		<b>194</b>	<b>174</b>

The result above relates to continuing operations

There are no other gains and losses other than those presented above and therefore no Statement of Total Recognised Gains and Losses has been presented

The notes from pages 7 to 11 form part of the financial statements



# **GALILEO BRICK LIMITED**

## **BALANCE SHEET AS AT 31 DECEMBER 2011**

	<i>NOTE</i>	<b>2011 £000</b>	<b>2010 £000</b>
<b>FIXED ASSETS</b>			
Investments	7	18,508	18,508
<b>CURRENT ASSETS</b>			
Debtors due in less than one year	8	1,112	832
Creditors due in less than one year	9	(19,590)	(19,504)
<b>NET CURRENT LIABILITIES</b>		<b>(18,478)</b>	<b>(18,672)</b>
<b>NET ASSETS ( LIABILITIES)</b>		<b>30</b>	<b>(164)</b>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	10	2,000	2,000
Profit and loss account	11	(1,970)	(2,164)
<b>SHAREHOLDERS' FUNDS/ (DEFICIT)</b>	12	<b>30</b>	<b>(164)</b>

The notes from pages 7 to 11 form part of the financial statements

These financial statements were approved by the board on 15 June 2012 and were signed on its behalf by



(P STEVENSON) DIRECTOR

Company Number 4358273

## **GALILEO BRICK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1 ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements,

##### **Basis of preparation**

The financial statements are prepared on the historical cost basis of accounting in accordance with applicable accounting standards. The financial statements have been prepared on a going concern basis.

##### **Going Concern**

The directors are formally required to consider whether it is appropriate to prepare the accounts of the company on a going concern basis. Their considerations include:

- Debtors include amounts due from group companies, who are funded by other group companies or as part of a wide banking facility
- Strong operational cash flows of €204m in 2011 (2010: €151m), together with a bond issue in July 2011 (€100m), left the Wienerberger Group with liquid assets at 31 December 2011 of €584m and gearing at that date of just 18% (2010: 15%). The bond issue completed in January 2012 (€200m) has further strengthened the financial position of the group.
- Wienerberger AG have confirmed they will continue to financially support Wienerberger Limited for at least a period of 12 months from the signing of these statutory accounts.

On the basis of the above, the directors consider it appropriate to continue to prepare the accounts on a going concern basis.

##### **Cashflow**

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

##### **Consolidation**

As permitted by section 400 of the Companies Act 2006, no group financial statements have been prepared as the company is a wholly owned subsidiary undertaking of Wienerberger AG, which has drawn up group financial statements.

The group financial statements can be obtained from the address listed in note 13.

##### **Related Party Transactions**

The directors have taken advantage of the exemptions from the disclosures of related party transactions with the other group companies as permitted by paragraph 3 of Financial Reporting Standards 8 - "Related Party Disclosures".

##### **Investments in subsidiary companies**

Investments in subsidiary companies are stated at cost less provision for any impairment in value.

##### **Deferred taxation**

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not yet reversed by the balance sheet date, except as otherwise required by FRS 17.

# **GALILEO BRICK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS - Continued**

### **2 DIRECTORS' EMOLUMENTS AND EMPLOYEES**

No amounts were paid for the services of directors during the year (2010 £nil) The company had no employees in the year (2010 none)

### **3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX**

Auditor's remuneration in respect of the audit of these financial statements of £1,500 (2010 £1,500) has been borne by another group company and no recharge has been made

### **4 INTEREST RECEIVABLE**

	2011 £000	2010 £000
Preference dividends receivable	175	175
Interest receivable from group undertakings	<u>122</u>	<u>76</u>
	<u><u>297</u></u>	<u><u>251</u></u>

### **5 INTEREST PAYABLE**

	2011 £000	2010 £000
Interest payable to group undertakings	<u><u>103</u></u>	<u><u>77</u></u>

### **6 TAXATION CHARGE**

	2011 £000	2010 £000
Current tax	-	-
Deferred tax	-	-
<b>Taxation (credit) / charge</b>	<u><u>-</u></u>	<u><u>-</u></u>

#### *Factors affecting the tax charge for the current year*

The current tax charge for the year is lower (2010 lower) than the standard rate of corporation tax in the UK 26.49% (2010 28%) The difference is explained below

#### *Current tax reconciliation*

Profit on ordinary activities before tax	<u>194</u>	<u>174</u>
Current tax at 26.49% (2010 28%)	51	49
<i>Effects of</i>		
Expenses not deductible for tax purposes	(46)	-
Group relief	(5)	(49)
Total current tax credit	<u><u>-</u></u>	<u><u>-</u></u>

# GALILEO BRICK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - Continued

### 6 TAXATION CHARGE continued

On the 23 March 2011 the Chancellor announced that the main rate of UK corporation tax will reduce from 26% to 25% with effect from 1 April 2012. This change became substantively enacted in July 2011 and therefore the effect of the rate reduction on the deferred tax balances at 31 December 2011 has been included in the figures above.

On 21 March 2012 the Chancellor announced a further reduction in the main rate of UK corporation tax to 24% with effect from 1 April 2012. This change became substantially enacted on 26 March 2012.

### 7 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	Chelwood Group Unlimited
Cost and Net Book Value at At 31 December 2011 and 31 December 2010	<u>18,508</u>

The company owns the share capital of the following subsidiaries

<i>Company</i>	<i>Business</i>	<i>Ordinary share capital owned by the company</i>
Galileo Trustee Limited	Non-trading	100.0%
Chelwood Group Unlimited	Non-trading	99.9%
All subsidiary undertakings are registered in England and Wales		

### 8 DEBTORS

	2011 £000	2010 £000
<i>Amounts falling due within one year</i>		
Amounts due from fellow group companies	1,112	832
	<u>1,112</u>	<u>832</u>

The amounts shown above include unpaid preference share dividends of £702,000 (2010: 526,000) plus its associated interest. This is accrued at the rate of Libor plus 2%.

### 9 CREDITORS

	2011 £000	2010 £000
<i>Amounts falling due within less than one year</i>		
Amounts owed to fellow group companies	<u>19,590</u>	<u>19,504</u>

Amounts owed to parent and subsidiary companies bear interest at Libor plus 2%. All amounts are repayable on demand.

# GALILEO BRICK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - Continued

### 10 CALLED-UP SHARE CAPITAL

	2011 £000	2010 £000
<b>Authorised:</b>		
9,560,000 "A" Ordinary shares of 10p each	956	956
440,000 "B" Ordinary shares of 10p each	44	44
10,000,000 Deferred shares of 10p each	1,000	1,000
	<u>2,000</u>	<u>2,000</u>
<b>Allotted, called-up and fully paid:</b>		
9,560,000 "A" Ordinary shares of 10p each	956	956
440,000 "B" Ordinary shares of 10p each	44	44
10,000,000 Deferred shares of 10p each	1,000	1,000
	<u>2,000</u>	<u>2,000</u>

The shares of the company have the following rights -

#### "A" ORDINARY SHARES

##### Dividends

"A" ordinary share holders are entitled to receive 91 4% of dividends declared from distributable profits

##### Voting

Each "A" ordinary shareholder is entitled to one vote for every share held

##### Conversion

Conversion on a one to one basis into ordinary shares is to take place in the event of -

- 1) Admission of the company to the London Stock Exchange, or
- 2) The whole of the issued ordinary shares and "A" ordinary shares are sold to a single purchaser, or
- 3) A members' voluntary winding up

##### Winding Up

In the event of a winding up the "A" ordinary shares rank alongside the ordinary shares in any distribution of company assets to the total value of subscription price

Further, in the event of surplus assets remaining after repayment of all subscription capital, dividend arrears and interest thereon "A" ordinary shares shall receive a proportion of such surplus *pari passu* with ordinary shares

#### "B"ORDINARY SHARES

##### Dividends

Ordinary shareholders are entitled to receive 8 6% of dividends declared from distributable profits

##### Voting

Each ordinary shareholder is entitled to one vote for every share held

##### Winding Up

In the event of a winding up the Ordinary shares rank alongside the "A" ordinary shares in any distribution of company assets to the total value of subscription price

Further, in the event of surplus assets remaining after repayment of all subscription capital, dividend arrears and interest thereon ordinary shares shall receive a proportion of such surplus *pari passu* with "A" ordinary shares

# **GALILEO BRICK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS - Continued**

### **11 RESERVES**

	<b>Profit and Loss account £000</b>
At 31 December 2010	(2,164)
Profit for the financial year	194
<b>At 31 December 2011</b>	<b><u>(1,970)</u></b>

### **12 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS/ (DEFICIT)**

	<b>2011 £000</b>	<b>2010 £000</b>
Profit for the financial year	<u>194</u>	<u>174</u>
Net increase in shareholders' funds	194	174
Opening shareholders' deficit	(164)	(338)
<b>Closing shareholders' funds/ (deficit)</b>	<b><u>30</u></b>	<b><u>(164)</u></b>

### **13 ULTIMATE PARENT UNDERTAKING**

The directors' consider the ultimate parent company to be Wienerberger AG, which is the only undertaking that prepares group accounts including the financial statements of the company

The consolidated group accounts are available from Wienerberger AG, Wienerbergerstrasse 11, A-1100 Wien, Wienerberg City, Austria