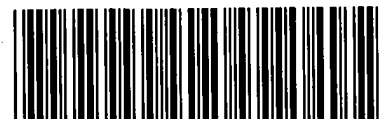


HANSON HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

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HANSON HOLDINGS 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	05009743
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Registered office	Hanson House 14 Castle Hill Maidenhead SL6 4JJ
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Independent auditor	Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX
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HANSON HOLDINGS LIMITED

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HANSON HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Business review

The Company is a group investment holding company.

On 20 February 2018, the Company's subsidiary Hanson Hedging (Dollars) (2) Limited was struck off from the Companies Register. The Company also partially released impairments previously made against its investment in Hanson Finance Limited.

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 proposed risks and uncertainties facing the group headed by HeidelbergCement AG are disclosed in the financial statements of that Company.

This report was approved by the board on 25 June 2019 and signed on its behalf.



W F Rogers
Secretary

HANSON HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors present their report and the financial statements for the year ended 31 December 2018.

Results and dividends

The profit for the year, after taxation, amounted to £217,000 (2017 - £25,180,000).

The Directors do not recommend the payment of a final dividend (2017 - £nil).

On 20 February 2018, the Company's subsidiary Hanson Hedging (Dollars) (2) Limited was struck off from the Companies Register.

Future developments

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

Post balance sheet events

On 22 May 2019, the Company received a dividend of £43,237,000 (AUD 80,685,000) from Hanson Australia Funding Limited. This amount was used to partially repay amounts due to group undertakings.

Going concern

The Company has limited activity and has limited cash flows outside of the HeidelbergCement AG ("HCAG") group. The recoverability of its assets is dependent on the financial position of the HCAG group.

The Directors, having assessed the responses of the management of HCAG to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the HCAG group to continue as a going concern.

On the basis of their assessment of the Company's financial position and relevant enquiries, the 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

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. 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.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Disclosure of information to auditor

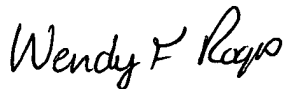
Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

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

This report was approved by the board on 25 June 2019 and signed on its behalf.



W F Rogers
Secretary

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 accounting 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 to 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.

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

Opinion

We have audited the financial statements of Hanson Holdings Limited (the 'Company') for the year ended 31 December 2018, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 15, including a summary of significant accounting policies and Appendix I. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The Directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

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

Use of our report

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.

Ernst & Young LLP

Paul Mapleston (Senior Statutory Auditor)

for and on behalf of

Ernst & Young LLP, Statutory Auditor

The Paragon

Counterslip

Bristol

BS1 6BX

26 June 2019

HANSON HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Exceptional items	4	217	25,146
Operating profit		<u>217</u>	<u>25,146</u>
Income from fixed assets investments		-	34
Profit on ordinary activities before tax		<u>217</u>	<u>25,180</u>
Tax on profit on ordinary activities	7	-	-
Profit for the financial year		<u>217</u>	<u>25,180</u>
Total comprehensive income for the financial year		<u>217</u>	<u>25,180</u>

All amounts relate to continuing operations

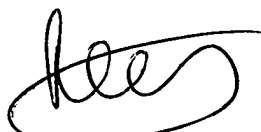
The notes on pages 11 to 21 and Appendix I form part of these financial statements.

HANSON HOLDINGS LIMITED
REGISTERED NUMBER:05009743

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Fixed assets			
Investments	8	3,466,224	3,466,007
Current assets			
Debtors: amounts falling due within one year	9	10,100	10,100
Creditors: amounts falling due within one year	10	(1,269,663)	(1,269,663)
Net current liabilities		(1,259,563)	(1,259,563)
Net assets		<u>2,206,661</u>	<u>2,206,444</u>
Capital and reserves			
Called up share capital	12	2,200,000	2,200,000
Other reserves	11	4,168	4,168
Profit and loss account		2,493	2,276
Shareholders' funds		<u>2,206,661</u>	<u>2,206,444</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 June 2019.


R G Dowley
 Director

The notes on pages 11 to 21 and Appendix I form part of these financial statements.

HANSON HOLDINGS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 January 2017	2,200,000	4,168	(22,904)	2,181,264
Comprehensive income for the year				
Profit for the year	-	-	25,180	25,180
At 1 January 2018	2,200,000	4,168	2,276	2,206,444
Comprehensive income for the year				
Profit for the year	-	-	217	217
At 31 December 2018	2,200,000	4,168	2,493	2,206,661

The notes on pages 11 to 21 and Appendix I form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Statement of compliance with FRS 101

Hanson Holdings 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
- 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 Going concern

The financial statements have been prepared on a going concern basis as the Company's ultimate parent undertaking, which indirectly owns the Company's entire share capital, has committed to continue to support the Company for the foreseeable future, in order that it can meet its liabilities as they fall due.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.4 Impact of new international reporting standards, amendments and interpretations

The Company adopted IFRS 9 and IFRS 15 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

IFRS 9

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company applied IFRS 9 prospectively, with an initial application date of 1 January 2018. The Company has not restated the comparative information, which continues to be reported under IAS 39. Differences arising from the adoption of IFRS 9 have been recognised directly in retained earnings and other components of equity.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- the determination of the business model within which a financial asset is held.
- the designation and revocation of previous designations of certain financial assets and financial liabilities as measured at fair value through profit or loss.

If an investment in a debt security had low credit risk at the date of initial application of IFRS 9, then the Company assumed that the credit risk on the asset had not significantly changed since its initial recognition.

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 9 from 1 January 2018.

IFRS 15

IFRS 15 Revenue from Contracts with Customers supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers.

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

The Company adopted IFRS 15 using the modified retrospective method of adoption with the date of initial application of 1 January 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 January 2018.

The cumulative effect of initially applying IFRS 15 is recognised at the date of transition as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under IAS 11, IAS 18 and related interpretations.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.4 Impact of new international reporting standards, amendments and interpretations (continued)

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 15 from 1 January 2018.

2.5 Financial instruments

Financial assets

Financial assets are initially measured at fair value plus, in the case of a financial asset not subsequently measured at fair value through profit or loss, transaction costs.

The Company's financial assets include amounts owed by group undertakings.

Financial assets are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The ECL required for other debt instruments is determined using a three stage model.

- At the initial recognition of the financial asset an expected credit loss provision is recorded for the twelve month period following the reporting date. Any interest revenue is calculated on the gross carrying amount of the financial asset.
- If the credit risk of that financial instrument has increased significantly since initial recognition, a loss allowance for full lifetime expected credit losses is recorded. Any interest revenue is calculated on the gross carrying amount of the financial asset. Should the significant increase in credit risk reverse within subsequent reporting periods then the expected credit losses on the financial instrument revert to being measured based on an amount equal to the twelve month expected credit losses.
- If objective evidence of impairment exists, a loss allowance for full lifetime expected credit losses is recognised. Any interest revenue is calculated on the net carrying amount of the financial asset.

Financial liabilities

Financial liabilities are initially measured at fair value and, in the case of loans and borrowing and payables, net of directly attributable transactions costs.

The Company's financial liabilities include amounts owed to group undertakings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.5 Financial instruments (continued)

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.6 Investments

Investments in subsidiaries are held at historical cost less provision for impairment.

2.7 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.8 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.

2.9 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018****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

	2018	2017
	£000	£000
Release of impairment of fixed asset investments	217	25,177
Impairment of fixed asset investments	-	(31)
	<u>217</u>	<u>25,146</u>

During the current and prior year a release of impairment has been made against the Company's investment in Hanson Finance Limited to bring the carrying value of the investment in line with its underlying net assets.

In the prior year an impairment was made against the Company's investment in Hanson Hedging (Dollars) (2) Limited to bring the carrying value of the investments in line with their underlying net assets.

5. Auditors' remuneration

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

6. Staff costs

The Directors of the Company are also directors of a number of the group's fellow subsidiaries. The Directors received total remuneration of £843,000 (2017 - £881,000), which was paid by various fellow subsidiaries. The Directors do not believe that it is practicable to apportion this amount between their services as Directors of the Company and their services as directors of fellow subsidiary companies.

HANSON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. Taxation

	2018 £000	2017 £000
Current tax on profits for the year	-	-
Total current tax	<u>-</u>	<u>-</u>

Reconciliation of the tax charge for the year

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19.00% (2017 -19.25%). The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	217	25,180
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2017 -19.25%)	41	4,847
Effects of:		
Non-taxable reversal of impairment in investments	(41)	(4,840)
Dividends from UK companies	-	(7)
Group relief	(3,279)	6,930,865
Transfer pricing adjustments	3,279	(6,930,865)
Total tax charge for the year	<u>-</u>	<u>-</u>

Change in corporation tax rate

There is a reduction in the main rate of corporation from 19% to 17% on 1 April 2020.

HANSON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2018	3,616,791
Disposals	(31)
At 31 December 2018	<u>3,616,760</u>
Impairment	
At 1 January 2018	150,784
Impairment on disposals	(31)
Reversal of impairment losses	(217)
At 31 December 2018	<u>150,536</u>
Net book value	
At 31 December 2018	<u><u>3,466,224</u></u>
At 31 December 2017	<u><u>3,466,007</u></u>

During the year a release of impairment has been made against the Company's investment in Hanson Finance Limited to bring the carrying value of the investment in line with its underlying net assets.

On 20 February 2018 Hanson Hedging (Dollars) (2) Limited was struck off from the Companies Register.

HANSON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. Fixed asset investments (continued)

Subsidiary undertakings

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
Birchwood Concrete Products Limited	England and Wales	Ordinary	100%	Group finance company
Hanson Building Materials Limited	England and Wales	Ordinary	100%	Investment holding company
PILC Limited *	Guernsey	Ordinary	100%	Group finance company
Hanson Finance Limited	England and Wales	Ordinary	100%	Investment holding company
Hanson H4 Limited	England and Wales	Ordinary	100%	Group finance company
Hanson Hedging (Dollars) (1) Limited	England and Wales	Ordinary	100%	Investment holding company
Civil and Marine Limited	England and Wales	Ordinary	100%	Ground granulated blast furnace slag
Hanson Canada Limited	England and Wales	Ordinary	100%	Group finance company
Hanson Australia Funding Limited	Australia	Ordinary	100%	Group finance company
Hanson Holdings (3) Limited	England and Wales	Ordinary	100%	Investment holding company

* Registered as a UK Establishment.

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

The registered office of PILC Limited is 22 Havilland Street, St Peter Port, Guernsey, GY1 2QB, Channel Islands.

The registered office of Hanson Australia Funding Limited is 35 Clarence Street, Level 10, Sydney, Australia.

A full listing of indirectly held investments is presented in Appendix I.

9. Debtors

	2018 £000	2017 £000
Due within one year		
Amounts owed by group undertakings	10,100	10,100

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

HANSON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

10. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Amounts owed to group undertakings	1,269,663	1,269,663

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

11. Reserves

Other reserves

The other reserve represents capital contributions received by the Company.

12. Share capital

	2018 £000	2017 £000
Allotted, called up and fully paid		
2,200,000,001 (2017 - 2,200,000,001) ordinary shares of £1 each	2,200,000	2,200,000

The Company has no authorised share capital limit.

13. 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:

	2018 £000	2017 £000
Amounts owed by immediate parent undertaking	6,895	6,895
Amounts owed by subsidiary undertakings	50	50
Amounts owed by fellow subsidiary undertakings	3,155	3,155
Amounts owed to subsidiary undertakings	(1,036,591)	(1,036,591)
Amounts owed to fellow subsidiary undertakings	(233,072)	(233,072)
	<u>(1,259,563)</u>	<u>(1,259,563)</u>

14. Post balance sheet events

On 22 May 2019, the Company received a dividend of £43,237,000 (AUD 80,685,000) from Hanson Australia Funding Limited. This amount was used to partially repay amounts due to group undertakings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

15. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Hanson 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.

HANSON HOLDINGS LIMITED
**APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS
AT 31 DECEMBER 2018**

Name	Country of incorporation	Group ownership %	Registered office
A.R.C. (Western) Limited	England and Wales	100	*
Amangani SA	Republic of Panama	100	PH ARIFA, 9th and 10th Floors, West Boulevard, Santa Maria Business District, Panama-City, Republic of Panama
Appleby Group Limited	England and Wales	100	*
ARC Concrete (Anglia) Limited	England and Wales	100	*
ARC South Wales Limited	England and Wales	100	*
ARC South Wales Mortar Limited	England and Wales	100	*
ARC South Wales Quarries Limited	England and Wales	100	*
ARC South Wales Surfacing Limited	England and Wales	100	*
C. & G. Concrete Limited (in liquidation)	England and Wales	23.48	Central Square 8th Floor, 29 Wellington Street, Leeds, West Yorkshire, LS1 4DL, England
Calumite Limited	England and Wales	51	*
Calumite s.r.o.	Czech Republic	51	Lihovarská 636/44, Ostrava - Kunčičky, 718 00, Czech Republic
Cement Australia (Coal) Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cement Australia (Darra) Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cement Australia (Exploration) Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cement Australia (Goliath) Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cement Australia (Queensland Transport) Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cement Australia (Queensland) Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cement Australia Holdings Pty Ltd	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cement Australia Packaged Products (Qld) Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cement Australia Packaged Products Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cement Australia Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Cementco Investments Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
CHB Products Limited	England and Wales	100	*
City of London Heliport Limited	England and Wales	55.56	*

HANSON HOLDINGS LIMITED

APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2018

Name	Country of incorporation	Group ownership %	Registered office
Civil and Marine (Holdings) Limited	England and Wales	100	*
Civil and Marine Inc.	United States	100	251 Little Falls Drive, Wilmington, DE, 19808, United States
Civil and Marine Slag Cement Limited	England and Wales	100	*
Claughton Manor Brick Limited (The)	England and Wales	100	*
Coln Gravel Company Limited	England and Wales	100	*
Cumbrian Industrials Limited	England and Wales	100	*
F.C. Precast Concrete Limited	England and Wales	100	*
Geocycle Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Geocycle SBF Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
H.H. & D.E. Drew Limited	England and Wales	49	Caird Avenue, New Milton, Hampshire, BH25 5PX, England
Habfield Limited	England and Wales	100	*
Hanson (FP) Limited	England and Wales	100	*
Hanson Aggregates Holding Nederland B.V.	The Netherlands	100	Amerikahavenweg 11, Amsterdam, 1045AA, The Netherlands
Hanson Aggregates Marine Limited	England and Wales	100	*
Hanson Aggregates South Wales Holdings Limited	England and Wales	100	*
Hanson Aggregates South Wales Limited	England and Wales	100	*
Hanson Aggregates UK Limited	England and Wales	100	*
Hanson Bath and Portland Stone Limited	England and Wales	100	*
Hanson BC Limited	Bermuda	100	Clarendon House, 2 Church Street, Hamilton HM11, Bermuda
Hanson Blocks North Limited	England and Wales	100	*
Hanson Building Materials Europe Limited	England and Wales	100	*
Hanson Building Products (2003) Limited	England and Wales	100	*
Hanson Cement Holdings Pty Ltd	Australia	100	35, Clarence Street, Level 10, Sydney, NSW, 2000, Australia
Hanson Concrete Products Limited	England and Wales	100	*
Hanson Crewing Services Limited	England and Wales	100	*

HANSON HOLDINGS LIMITED

APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2018

Name	Country of incorporation	Group ownership %	Registered office
Hanson Facing Bricks Limited	England and Wales	100	*
Hanson Green Limited	Bermuda	100	Clarendon House, 2 Church Street, Hamilton HM11, Bermuda
Hanson H5	England and Wales	100	*
Hanson Iceland EHF	Iceland	100	Hofdatorg, 18th Floor, Reykjavík, 105, Iceland
Hanson Marine Holdings Limited	England and Wales	100	*
Hanson Marine Limited	England and Wales	100	*
Hanson Quarry Products Europe Limited	England and Wales	100	*
Hanson Quarry Products Holdings Limited	England and Wales	100	*
Hanson Quarry Products Overseas Limited	England and Wales	100	*
Hanson Quarry Products Trade Finance Limited	England and Wales	100	*
Hanson Quarry Products Ventures Limited	England and Wales	100	*
Hanson Trustees Limited	England and Wales	100	*
HeidelbergCement Euro III Limited	England and Wales	100	*
Holme Sand & Ballast LLP	England and Wales	24.5	Caird Avenue, New Milton, Hampshire, BH25 5PX, England
Humber Sand and Gravel Limited	England and Wales	50	CEMEX House, Evreux Way, Rugby, Warwickshire, CV21 2DT, England
Joyce Green Aggregates Limited	England and Wales	50	Church Hill, Wilmington, Dartford, Kent, DA2 7DZ, England
Kimbolton Coal Company Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Kingston Minerals Limited	England and Wales	100	*
Marples Ridgway Limited	England and Wales	100	*
Mendip Rail Limited	England and Wales	50	Bardon Hall, Copt Oak Road, Markfield, Leicestershire, LE67 9PJ, England
Midland Quarry Products Limited	England and Wales	100	*
Milton Hall (Southend) Brick Company Limited (The)	England and Wales	100	*
National Brick Company Limited	England and Wales	100	*
National Star Brick and Tile Holdings Limited	England and Wales	100	*
National Star Limited	England and	100	*

HANSON HOLDINGS LIMITED

APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2018

Name	Country of incorporation	Group ownership %	Registered office
	Wales		
New Milton Concrete Limited	England and Wales	49	Caird Avenue, New Milton, Hampshire, BH25 5PX, England
North Tyne Roadstone Limited	England and Wales	50	Portland House, Bickenhill Lane, Solihull, Birmingham, B37 7BQ, England
Pacific Lime Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Pencrete Limited	England and Wales	100	*
Pozzolanic Enterprises Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Pozzolanic Holdings Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Pozzolanic Industries Pty Limited	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
Purfleet Aggregates Limited	England and Wales	100	*
Rezincote (1995) Limited	England and Wales	100	*
Samuel Wilkinson & Sons Limited	England and Wales	100	*
Seagoe Concrete Products Limited	England and Wales	100	*
Small Lots (Mix-It) Limited	England and Wales	100	*
Smiths Concrete Limited	England and Wales	49	Enslow, Kidlington, Oxford, Oxfordshire, OX5 3AY, England
Solent Industrial Estates Limited	England and Wales	42.39	Caird Avenue, New Milton, Hampshire, BH25 5PX, England
ST JUDE S.à r.l.	Luxembourg	100	43, Avenue J.F. Kennedy, Luxembourg, 1855, Luxembourg
The Cornwall Coal Company Pty Ltd	Australia	25	18, Station Avenue, Darra, QLD, 4076, Australia
The Purfleet Ship to Shore Conveyor Company Limited	England and Wales	100	*
UDS (No 10)	England and Wales	100	*
Viewgrove Investments Limited	England and Wales	100	*
W.G. Hibbs & Co. Limited	England and Wales	49	Caird Avenue, New Milton, Hampshire, BH25 5PX, England

* The registered office of these investments is Hanson House, 14 Castle Hill, Maidenhead, SL6 4JJ.

On 15 January 2019, Coln Gravel Company Limited and Hanson Quarry Products Overseas Limited were struck off from the Companies Register.

On 12 February 2019, Joyce Green Aggregates Limited was struck off from the Companies Register.