

Registered number
933387

BEAZER LIMITED
DIRECTORS' REPORT AND ACCOUNTS

in respect of the year ended

31 December 2007



BEAZER LIMITED
Directors' Report

Directors	G Dransfield R Coulson D J Egan
Secretary	G Dransfield
Registered office	1 Grosvenor Place, London SW1X 7JH

The Directors present their report and accounts for the year ended 31 December 2007

Principal activities and review of the business

The principal activity of the Company is that of an investment holding company

Results and dividends

The loss for the year amounted to £100 and is dealt with as shown in the profit and loss account. The Directors do not recommend the payment of a dividend for the year.

Directors

The Directors shown at the head of this report are currently in office. N Swift resigned and D J Egan was appointed on 1 June 2007. All other Directors served throughout the year.

Annual General Meeting

Pursuant to an Elective Resolution of the Company passed on 9 October 1998 the Company has dispensed with the need to hold Annual General Meetings.

Any member of the Company is entitled to require the laying of the accounts before a general meeting on giving due notice to that effect in accordance with S253 of the Companies Act 1985.

Auditors

Ernst & Young LLP will be re-appointed as the Company's auditor in accordance with the elective resolution passed by the Company under S386 of the Companies Act 1985.

BEAZER LIMITED

Directors' Report

Directors' responsibilities

The Directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts are required by law to 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 year. In preparing these accounts, the Directors are required to

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

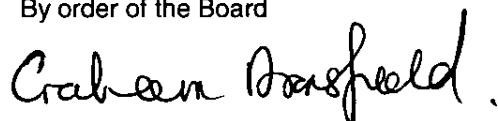
The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors and disclosure of information to auditors

The Directors who held office at the date of approval of this Report of the Directors each confirm that, so far as they are aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the Company's auditors are unaware, and that they have each taken all the steps that ought to have been taken as a Director of the Company to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given in accordance with provisions of Section 234ZA of the Companies Act 1985.

By order of the Board



G Dransfield
Secretary
29 May 2008

BEAZER LIMITED

Independent auditors' report to the shareholders of BEAZER LIMITED

We have audited the accounts of Beazer Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet, and the Statement of Total Recognised Gains and Losses and the related notes 1 to 12. These accounts have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors

The Directors' responsibilities for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions with the Company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its result for the year then ended,
- the accounts have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the accounts.


Ernst & Young LLP
Registered auditors
London
29 May 2008

BEAZER LIMITED
Profit and Loss Account
for the year ended 31 December 2007

	Notes	2007 £	2006 £
Operating profit	2	-	-
Provision for diminution in value of fixed assets investments		(100)	-
Loss on ordinary activities before taxation		(100)	-
Taxation	3	-	-
Retained loss for the financial year		(100)	-

Movements in reserves are set out in note 10

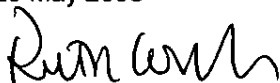
Statement of total recognised gains and losses

There are no recognised gains or losses other than the loss of £100 for the year ended 31 December 2007 (None for the year ended 31 December 2006)

BEAZER LIMITED
Balance Sheet
at 31 December 2007

	Notes	2007 £	2006 £
Fixed assets			
Investments	4	407,102,317	407,102,417
Current assets			
Debtors	5	319,662,315	319,662,315
Creditors: amounts falling due within one year	6	(723,388,536)	(723,388,536)
Net current liabilities		<u>(403,726,221)</u>	<u>(403,726,221)</u>
Net assets		<u>3,376,096</u>	<u>3,376,196</u>
Capital and reserves			
Called up share capital	7	78,500,438	78,500,438
Share premium	8	249,749,839	249,749,839
Other reserves	9	70,097,914	70,097,914
Profit and loss account	10	(394,972,095)	(394,971,995)
Shareholders' funds	11	<u>3,376,096</u>	<u>3,376,196</u>
Represented by			
Equity shareholders' deficit		(46,623,904)	(46,623,804)
Non-equity shareholders' funds		50,000,000	50,000,000
		<u>3,376,096</u>	<u>3,376,196</u>

Approved by the Board of Directors
29 May 2008



R Coulson
Director

BEAZER LIMITED
Notes to the Accounts
for the year ended 31 December 2007

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards

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

Basis of preparation

The accounts have been prepared under the going concern concept because a group subsidiary undertaking has stated that subject to unforeseen circumstances it intends to provide financial support to enable the Company to meet its liabilities as they fall due

Fixed asset investments

Fixed asset investments are stated at cost except where it is required to reflect a provision for a permanent diminution in value

2 Operating profit

	2007	2006
	£	£
This is stated after charging		
Auditors' remuneration	-	-
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

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

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

BEAZER LIMITED**Notes to the Accounts****for the year ended 31 December 2007****3 Taxation****2007**
£**2006**
£

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30%) The differences are explained below

	2007 £	2006 £
Loss on ordinary activities before taxation	<u>(100)</u>	<u>-</u>
Standard rate of corporation tax in the UK	30%	30%
	£	£
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 30%)	(30)	-
Effects of		
Provision for diminution in value of fixed asset investments not deductible	30	-
Imputed interest	(1,225,735)	(1,055,051)
Group relief surrendered for nil charge	1,225,735	1,055,051
Current tax charge for the year	<u>-</u>	<u>-</u>

BEAZER LIMITED
Notes to the Accounts
for the year ended 31 December 2007

4 Investments

	Cost	Provision	Net
	£	£	Book Value
			£
Investments in subsidiary undertakings			
At 1 January 2007	416,828,355	(9,725,938)	407,102,417
Dissolution of subsidiary	(100)	100	-
Provided in year	-	(100)	(100)
	<u>416,828,255</u>	<u>(9,725,938)</u>	<u>407,102,317</u>
At 31 December 2007			

In the opinion of the Directors, the value of the Company's investments in its subsidiary undertakings is not less than the amount at which they are stated in the balance sheet. The principal subsidiary undertakings are as follows

Company	Country of registration and operation	Shares held	Principal activity	Proportion of voting rights and shares held
		Class		%
Bath Plant Hire Services (Southern) Limited	England and Wales	Ordinary	Dormant	100%
CHB (1984) Limited	England and Wales	Ordinary	Dormant	100%
CHB Exeter Limited	England and Wales	Ordinary	Dormant	100%
HB Pacific Limited	England and Wales	Ordinary	Non-trading	100%
HPL Investments Ltd	England and Wales	Ordinary	Dormant	100%
Queens Buildings (Manchester) Limited	England and Wales	Ordinary	Dormant	100%

The Company is a wholly-owned subsidiary undertaking of a body incorporated in the European Union and advantage has been taken of S228 of the Companies Act 1985 in that consolidated accounts have not been prepared. The accounts present information about the Company as an individual undertaking.

On October 30, 2007 application was made to strike off Company Investments Limited, a wholly-owned subsidiary of the Company.

Other investments	2007	2006
	£	£
Loans	250,000	250,000
Provision for impairment	(250,000)	(250,000)
Net book value	<u>-</u>	<u>-</u>

BEAZER LIMITED
Notes to the Accounts
for the year ended 31 December 2007

5 Debtors	2007 £	2006 £
Amounts owed by group undertakings	<u>319,662,315</u>	<u>319,662,315</u>

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

6 Creditors: amounts falling due within one year	2007 £	2006 £
Amounts owed to group undertakings	<u>723,388,536</u>	<u>723,388,536</u>

7 Share capital	2007 No	2006 No	2007 £	2006 £
Authorised				
Ordinary shares of 10p each	390,000,000	390,000,000	39,000,000	39,000,000
8 67% cumulative redeemable preference shares of £1 each	50,000,000	50,000,000	<u>50,000,000</u>	<u>50,000,000</u>
			<u>89,000,000</u>	<u>89,000,000</u>
	2007 No	2006 No	2007 £	2006 £
Allotted, called up and fully paid				
Ordinary shares of 10p each	285,004,380	285,004,380	28,500,438	28,500,438
8 67% cumulative redeemable preference shares of £1 each	50,000,000	50,000,000	<u>50,000,000</u>	<u>50,000,000</u>
			<u>78,500,438</u>	<u>78,500,438</u>

The 8 67% cumulative redeemable preference shares

(i) entitles holders to a fixed cumulative preferential dividend at a rate of 8 67% per annum per share, payable if so far as in the opinion of the Directors the profits of the Company justify such payments, half yearly on 2 January and 2 July

(ii) may be purchased at the option of the Company at any time

(iii) on a return of capital on a winding up, or otherwise, will carry the right to repayment of capital plus a premium not exceeding three times the nominal value plus any accruals and arrears of the fixed dividends

(iv) carry the right to attend and vote on a resolution at a general meeting of the Company only if, at the date of the notice convening the meeting, payment of a dividend to which they are entitled is six months or more in arrears, or the shares have not been redeemed on the date of redemption, or if a resolution to be considered at the meeting is for the winding up of the Company, reducing its share capital, altering the limit on borrowings of the Company or varying or abrogating any special rights attaching to the shares

BEAZER LIMITED
Notes to the Accounts
for the year ended 31 December 2007

8 Share premium	2007 £	2006 £
At 1 January	249,749,839	249,749,839
At 31 December	<u>249,749,839</u>	<u>249,749,839</u>

9 Other reserves	2007 £	2006 £
At 1 January	70,097,914	70,097,914
At 31 December	<u>70,097,914</u>	<u>70,097,914</u>

10 Profit and loss account	2007 £	2006 £
At 1 January	(394,971,995)	(394,971,995)
Loss for the financial year	(100)	-
At 31 December	<u>(394,972,095)</u>	<u>(394,971,995)</u>

11 Reconciliation of movement in shareholders' funds	2007 £	2006 £
At 1 January	3,376,196	3,376,196
Loss for the financial year	(100)	-
At 31 December	<u>3,376,096</u>	<u>3,376,196</u>

	<u>Equity shareholders' deficit</u> £	<u>Non-equity shareholders' funds</u> £	<u>Total</u> £
At 1 January 2007	(46,623,804)	50,000,000	3,376,196
Loss for the financial year	(100)	-	(100)
At 31 December 2007	<u>(46,623,904)</u>	<u>50,000,000</u>	<u>3,376,096</u>

BEAZER LIMITED

Notes to the Accounts

for the year ended 31 December 2007

12 Group accounts

The immediate parent undertaking of Beazer Limited is Hanson Overseas Holdings Limited, a company registered in England and Wales and the ultimate parent undertaking is HeidelbergCement AG, a company registered in Germany. The largest and smallest group preparing consolidated group accounts which include Beazer Limited is HeidelbergCement AG for the year ended 31 December 2007.

Copies of the accounts of HeidelbergCement AG can be obtained from Berliner Strasse 6, D-69120 Heidelberg, Germany.

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