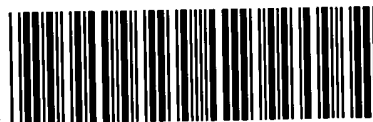


Registered number: 02361287

## **HANSON RETAIL LIMITED**

### **DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

SATURDAY



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## **HANSON RETAIL LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	N Benning-Prince D J Clarke (resigned 1 December 2016) R C Dowley E A Gretton Dr C M Wendt (appointed 1 December 2016)
<b>Company secretary</b>	W F Rogers
<b>Registered number</b>	02361287
<b>Registered office</b>	Hanson House 14 Castle Hill Maidenhead SL6 4JJ

## **HANSON RETAIL LIMITED**

### **CONTENTS**

	<b>Page</b>
<b>Directors' report</b>	<b>1</b>
<b>Statement of comprehensive income</b>	<b>2</b>
<b>Balance sheet</b>	<b>3</b>
<b>Statement of changes in equity</b>	<b>4</b>
<b>Notes to the financial statements</b>	<b>5 - 13</b>

## **HANSON RETAIL LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

The Directors present their report and the financial statements for the year ended 31 December 2016.

#### **Principal activity**

The Company is a group investment holding company. It did not have any transactions which affected the Statement of Comprehensive Income during the current year.

#### **Directors**

The Directors who served during the year were:

N Benning-Prince  
D J Clarke (resigned 1 December 2016)  
R C Dowley  
E A Gretton  
Dr C M Wendt (appointed 1 December 2016)

#### **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.

This report was approved by the board on 6 July 2017 and signed on its behalf.



**W F Rogers**  
Secretary

# HANSON RETAIL LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £000	2015 £000
Exceptional income	5	-	3,761
<b>Profit on ordinary activities before taxation</b>		-	3,761
Taxation on profit on ordinary activities	6	-	-
<b>Profit for the financial year</b>		-	3,761
<b>Total comprehensive income for the financial year</b>		-	3,761

All amounts relate to continuing operations.

The notes on pages 5 to 13 form part of these financial statements.

**HANSON RETAIL LIMITED**  
**REGISTERED NUMBER:02361287**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

	Note	2016 £000	2015 £000
<b>Fixed assets</b>			
Investments	7	495,719	495,719
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	3,992	3,992
<b>Creditors: amounts falling due within one year</b>	9	(108,222)	(108,222)
<b>Net current liabilities</b>		(104,230)	(104,230)
<b>Net assets</b>		391,489	391,489
<b>Capital and reserves</b>			
Called up share capital	10	239	239
Share premium account		238,427	238,427
Profit and loss account		152,823	152,823
<b>Shareholders' funds</b>		391,489	391,489

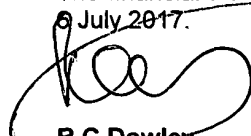
For the year ended 31 December 2016 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

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 6 July 2017.



**R C Dowley**  
 Director

The notes on pages 5 to 13 form part of these financial statements.

# **HANSON RETAIL LIMITED**

## **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
<b>At 1 January 2015</b>	239	238,427	149,062	387,728
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	3,761	3,761
<b>Total comprehensive income for the year</b>	-	-	3,761	3,761
<b>At 1 January 2016</b>	239	238,427	152,823	391,489
<b>At 31 December 2016</b>	239	238,427	152,823	391,489

The notes on pages 5 to 13 form part of these financial statements.

## **HANSON RETAIL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1. Accounting policies**

##### **1.1 Statement of compliance with FRS 101**

Hanson Retail 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.

##### **1.2 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.

##### **1.3 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.

##### **1.4 Going concern**

The financial statements have been prepared on a going concern basis as an indirect parent undertaking has stated that, subject to unforeseen circumstances, it intends to provide financial support to enable the Company to meet its liabilities as and when they fall due and the Directors reasonably believe the indirect parent undertaking would be in a position to provide this support.



## HANSON RETAIL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

#### 1. Accounting policies (continued)

##### 1.5 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 RETAIL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1. Accounting policies (continued)**

##### **1.6 Investments**

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

##### **1.7 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.

##### **1.8 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 RETAIL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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

##### Impairment of investments

The Company reviews investments in subsidiaries 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.

#### 3. 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.

#### 4. 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 £918,000 (2015 - £1,003,000), which was paid by various 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.

#### 5. Exceptional items

	2016 £000	2015 £000
Reversal of provision against amounts owed by subsidiary undertakings	-	3,761

In the prior year, an amount of £3,760,920 owed by group undertakings, that had previously been provided for, was received.

# **HANSON RETAIL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

### **6. Taxation**

	<b>2016 £000</b>	<b>2015 £000</b>
<b>Current income tax</b>		
Current tax on profits for the year	-	-
<b>Total current tax</b>	<u>-</u>	<u>-</u>

### **Reconciliation of tax charge for the year**

The tax assessed for the year is the same as (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	<b>2016 £000</b>	<b>2015 £000</b>
Profit on ordinary activities before tax	-	3,761
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	-	762
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	(762)
Group relief	447	464
Transfer pricing adjustments	(447)	(464)
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

### **Change in corporation tax rate**

The main rate of corporation tax reduces from 20% to 19% on 1 April 2017 and then to 17% on 1 April 2020.

# **HANSON RETAIL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

### **7. Fixed asset investments**

	<b>Investments in subsidiary companies £000</b>
<b>Cost or valuation</b>	
At 1 January 2016 and 31 December 2016	498,457
<b>Impairment</b>	
At 1 January 2016 and 31 December 2016	2,738
<b>Net book value</b>	
At 31 December 2016	495,719
At 31 December 2015	495,719

### **Direct subsidiary undertakings**

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

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
UDS Holdings (1) Limited	England and Wales	Ordinary	100 %	Investment holding company
HPL Properties Limited	England and Wales	Ordinary	100 %	Investment holding company
CHB Group Limited	England and Wales	Ordinary	100 %	Investment holding company
Hanson Land Development Limited	England and Wales	Ordinary	100 %	Investment holding company
James Grant & Company (West) Limited	Scotland	Ordinary	100 %	Dormant

# **HANSON RETAIL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

### **7. Fixed asset investments (continued)**

#### **Indirect subsidiary undertakings and joint ventures**

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

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
CHB P H R Limited	England and Wales	Ordinary	100 %	Holding company
		'A' Ordinary	100 %	
E Sub Limited	England and Wales	Ordinary	100 %	Dormant
Fruitbat Company	England and Wales	Ordinary	100 %	Dormant
HB Hotels Limited	England and Wales	Ordinary	100 %	Dormant
Homes (East Anglia) Limited	England and Wales	Ordinary	100 %	Dormant
HPL Estates Limited	England and Wales	Ordinary	100 %	Dormant
HPL Property Limited	England and Wales	Ordinary	100 %	Holding company
Hurst and Sandler Limited	England and Wales	'A' Ordinary	100 %	Dormant
K.M. Property Development Company Limited	England and Wales	Ordinary	100 %	Dormant
Pimco 2945 Limited	England and Wales	Ordinary	100 %	Dormant
Second City Properties Limited	England and Wales	Ordinary	100 %	Dormant
SJP 1 Limited	England and Wales	Ordinary	100 %	Dormant
UDS Finance Limited	England and Wales	Ordinary	100 %	Dormant
<b>Joint ventures:</b>				
Creative Land Developers Limited	England and Wales	'A' Ordinary	100 %	Dormant
Ensign Park Limited	England and Wales	'A' Ordinary	100 %	Dormant
HPL Albany House Developments Limited	England and Wales	'A' Ordinary	100 %	Dormant
HPL West London Developments Limited	England and Wales	'A' Ordinary	100 %	Dormant
Padyear Limited	England and Wales	'A' Ordinary	100 %	Dormant

Shire Business Park Limited was dissolved on 2 August 2016.

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

The registered office of James Grant & Company (West) Limited is 4th Floor, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN, Scotland.

## HANSON RETAIL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

#### 8. Debtors

	2016 £000	2015 £000
<b>Due within one year</b>		
Amounts owed by group undertakings	3,992	3,992

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

#### 9. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Amounts owed to group undertakings	108,222	108,222

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

#### 10. Share capital

	2016 £000	2015 £000
<b>Shares classified as equity</b>		
<b>Authorised, allotted, called up and fully paid</b>		
238,666 ordinary shares of £1 each	239	239

#### 11. 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:

	2016 £000	2015 £000
Amounts owed by subsidiary undertakings	811	811
Amounts owed by fellow subsidiary undertakings	3,181	3,181
Amounts owed to subsidiary undertakings	(32,300)	(32,300)
Amounts owed to fellow subsidiary undertakings	(75,922)	(75,922)
	(104,230)	(104,230)

## **HANSON RETAIL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **12. Ultimate parent undertaking and controlling party**

The Company's immediate parent undertaking is Hanson International Holdings 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.