

Registered number: 02361287

# **HANSON RETAIL LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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# **HANSON RETAIL LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	N Benning-Prince R C Dowley E A Gretton Dr C M Wendt
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<b>Company secretary</b>	W F Rogers
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<b>Registered number</b>	02361287
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<b>Registered office</b>	Hanson House 14 Castle Hill Maidenhead SL6 4JJ
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# **HANSON RETAIL LIMITED**

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## **HANSON RETAIL 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.

#### **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 or prior year and therefore the financial statements comprise the Balance Sheet, the Statement of Changes in Equity and the related notes only.

#### **Directors**

The Directors who served during the year were:

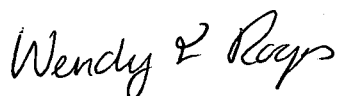
N Benning-Prince  
R C Dowley  
E A Gretton  
Dr C M Wendt

#### **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.

This report was approved by the board on 23 August 2019 and signed on its behalf.



**W F Rogers**  
Secretary

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

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
<b>Fixed assets</b>			
Investments	2	495,719	495,719
<b>Current assets</b>			
Debtors: amounts falling due within one year	3	3,963	3,963
<b>Creditors: amounts falling due within one year</b>	4	(108,193)	(108,193)
<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	5	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

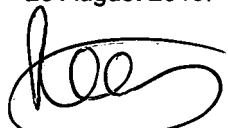
For the year ended 31 December 2018 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

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 23 August 2019.



**R C Dowley**  
Director

The notes on pages 4 to 10 form part of these financial statements.

**HANSON RETAIL LIMITED**

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

	<b>Called up share capital £000</b>	<b>Share premium account £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
<b>At 1 January 2017</b>	239	238,427	152,823	391,489
<b>At 1 January 2018</b>	239	238,427	152,823	391,489
<b>At 31 December 2018</b>	239	238,427	152,823	391,489

The notes on pages 4 to 10 form part of these financial statements.

## **HANSON RETAIL LIMITED**

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

#### **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
- 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.

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

**1. Accounting policies (continued)**

**1.5 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**

**1. Accounting policies (continued)**

**1.5 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.

**1.6 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**

**1. Accounting policies (continued)**

**1.6 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.

**1.7 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income.

**1.8 Investments**

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

## HANSON RETAIL LIMITED

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

#### 2. Fixed asset investments

	Investments in subsidiary companies £000
<b>Cost or valuation</b>	
At 1 January 2018 and 31 December 2018	498,457
<b>Impairment</b>	
At 1 January 2018 and 31 December 2018	2,738
<b>Net book value</b>	
At 31 December 2018	495,719
At 31 December 2017	495,719

#### Direct 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
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%	Group finance company

## HANSON RETAIL LIMITED

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

#### 2. Fixed asset investments (continued)

##### Indirect subsidiary and associated undertakings

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

Name	Country of incorporation	Class of shares	Holding	Principal activity
CHB P H R Limited	England and Wales	Ordinary	100%	Investment holding company
E Sub Limited	England and Wales	'A' Ordinary	100%	Group finance company
Fruitbat Company	England and Wales	Ordinary	100%	Group finance company
HB Hotels Limited	England and Wales	Ordinary	100%	Dormant
Homes (East Anglia) Limited	England and Wales	Ordinary	100%	Group finance company
HPL Estates Limited	England and Wales	Ordinary	100%	Investment holding company
HPL Property Limited	England and Wales	Ordinary	100%	Investment holding company
Hurst and Sandler Limited	England and Wales	'A' Ordinary	100%	Group finance company
K.M. Property Development Company Limited	England and Wales	Ordinary	100%	Investment holding company
Pimco 2945 Limited	England and Wales	Ordinary	100%	Group finance company
Second City Properties Limited	England and Wales	Ordinary	100%	Group finance company
SJP 1 Limited	England and Wales	Ordinary	100%	Investment holding company
UDS Finance Limited	England and Wales	Ordinary	100%	Investment holding company
Joint ventures:				
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

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.

#### 3. Debtors

	2018 £000	2017 £000
<b>Due within one year</b>		
Amounts owed by group undertakings	3,963	3,963

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

## HANSON RETAIL LIMITED

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

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

	2018 £000	2017 £000
Amounts owed to group undertakings	108,193	108,193

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

#### 5. Share capital

	2018 £000	2017 £000
<b>Allotted, called up and fully paid</b>		
238,666 (2017 - 238,666) ordinary shares of £1 each	239	239

The Company has no authorised share capital limit.

#### 6. 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 subsidiary undertakings	811	811
Amounts owed by fellow subsidiary undertakings	3,152	3,152
Amounts owed to subsidiary undertakings	(32,300)	(32,300)
Amounts owed to fellow subsidiary undertakings	(75,893)	(75,893)
	<u>(104,230)</u>	<u>(104,230)</u>

#### 7. 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.