

Registered number: 02361287

HANSON RETAIL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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HANSON RETAIL LIMITED

COMPANY INFORMATION

Directors	N Benning-Prince R C Dowley E A Gretton Dr C M Wendt
Company secretary	W F Rogers
Registered number	02361287
Registered office	Hanson House 14 Castle Hill Maidenhead SL6 4JJ

HANSON RETAIL LIMITED

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HANSON RETAIL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors present their report and the financial statements for the year ended 31 December 2019.

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.

Future developments

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

The impact of COVID-19 on UK businesses is changing on a daily basis and the measures being adopted by the UK Government could have a significant adverse impact for the foreseeable future. The Company is monitoring and managing the impact of this on a frequent basis.

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.

Post balance sheet events

On 26 August 2020 the Company was assigned a receivable of £3,152,000 due from Houserate Limited by Lindustries Limited to fully settle its liability to the Company. Subsequently the Company assigned £1,287,000 of its receivable due from Houserate Limited to fully settle its liability to Hanson (CGF) Finance Limited.

This report was approved by the board on 29 September 2020 and signed on its behalf.



W F Rogers
Secretary

HANSON RETAIL LIMITED
REGISTERED NUMBER:02361287

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £000	2018 £000
Fixed assets			
Investments	2	495,719	495,719
Current assets			
Debtors: amounts falling due within one year	3	3,963	3,963
Creditors: amounts falling due within one year	4	(108,193)	(108,193)
Net current liabilities		(104,230)	(104,230)
Net assets		391,489	391,489
Capital and reserves			
Called up share capital	5	239	239
Share premium account		238,427	238,427
Profit and loss account		152,823	152,823
Shareholders' funds		391,489	391,489

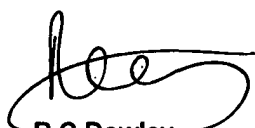
For the year ended 31 December 2019 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

Members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the 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 29 September 2020.


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 2019**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2018	239	238,427	152,823	391,489
At 1 January 2019	239	238,427	152,823	391,489
At 31 December 2019	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 2019

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.

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'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.

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 2019**

1. Accounting policies (continued)

1.4 Going concern (continued)

The impact of COVID-19 on global economic development is currently unpredictable, however HeidelbergCement AG has adopted COPE ('Covid-19 Contingency Plan Execution'), which is focussed on cost savings and has significant liquidity headroom as a result of actions already taken during its refinancing strategy. 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 about 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 existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.5 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.

HANSON RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting policies (continued)

1.5 Financial Instruments (continued)

- 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.

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 Balance Sheet if there is an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis.

1.6 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.

1.7 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 2019

2. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2019 and 31 December 2019	498,457
Impairment	
At 1 January 2019 and 31 December 2019	2,738
Net book value	
At 31 December 2019	495,719
At 31 December 2018	495,719

There is no impairment during the year as net assets exceed or equal the carrying value.

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 2019

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

	2019 £000	2018 £000
Due within one year		
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 2019

4. Creditors: Amounts falling due within one year

	2019 £000	2018 £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

	2019 £000	2018 £000
Allotted, called up and fully paid		
238,666 (2018 - 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:

	2019 £000	2018 £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. Post balance sheet events

On 26 August 2020 the Company was assigned a receivable of £3,152,000 due from Houserate Limited by Lindustries Limited to fully settle its liability to the Company. Subsequently the Company assigned £1,287,000 of its receivable due from Houserate Limited to fully settle its liability to Hanson (CGF) Finance Limited.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

8. 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.