Alun Griffiths (Contractors) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018

Registration number: 01493003

ALUN GRIFFITHS (CONTRACTORS) LIMITED

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ALUN GRIFFITHS (CONTRACTORS) LIMITED

STRATEGIC REPORT

PRINCIPAL ACTIVITIES

The principal activity of the Company is infrastructure, rail and building activities in England and Wales for both the public and private sector. It constantly reviews its position and performance and evaluates alternatives and new markets for the purposes of advancement, efficiency and effectiveness and continued consolidation of presence throughout its operating regions.

On 4 January 2018 100% of the ordinary share capital of Purple Alpha Limited, the Company's immediate parent company, was acquired by Tarmac Trading Limited.

Tarmac Trading Limited is a wholly owned subsidiary of Tarmac Holdings Limited. Tarmac Holdings Limited is part of the CRH Group. Tarmac Holdings Limited and its subsidiaries are referred to throughout as Tarmac, and CRH plc and its subsidiaries are referred to as the Group.

During the year the Company transitioned from FRS102 to FRS101 - Reduced Disclosure Framework and has taken advantage of the disclosure exemptions allowed under this standard. There were no material recognition or measurement differences arising on adoption of FRS101 apart from a change arising from the decision to carry freehold property at amortised cost as opposed to at valuation.

BUSINESS REVIEW

Financial performance

During the year, the Company generated turnover of £202,723,050 (2017: £182,403,106) and an operating profit of £444,976 (2017: £874,590 restated). EBITDA (being earnings before interest, tax, depreciation and amortisation) was £525,027 (2017: £956,984).

Balance sheet

At 31 December 2018, the Company had net assets of £1,563,949 (2017: £1,146,109 restated) and net current liabilities of £1,858,597 (2017: £2,321,143 restated).

Key performance indicators

In order to realise its strategic aims, the Company has identified areas of particular focus and has put into place a number of Key Performance Indicators (KPIs) to measure and assess progress against them. The following indicators are calculated for the continuing operations of the Company and before exceptional items:

	2018	2017
Turnover	£202.7m	£182.4m
Gross profit	£9.8m	£10.8m
Net profit before tax and exceptional items (2017: restated)	£0.3m	£1.1m
Gross profit margin	4.8%	5.9%

ALUN GRIFFITHS (CONTRACTORS) LIMITED

STRATEGIC REPORT (continued)

BUSINESS REVIEW (continued)

Development and performance

The Directors aim to maintain the management policies which have resulted in the Company's growth in the current and previous years.

Major projects have been secured in the infrastructure division including securing a region on Highways England RDP framework. This contributes towards underpinning the business model in the medium term and the Company has strategically placed resources to enable itself to carry out these works.

The Rail division is committed to expansion and development and raising its profile through participation in bidding and tendering processes, particularly through support to Amey Keolis in their bid for the Wales and Borders railway operating franchise.

The Company continues to commit to joint arrangements where appropriate in order to secure work and support our experience portfolio including new ventures with fellow Group companies.

The Company has operated under the ownership of Tarmac Trading Limited since 4 January 2018. The day to day running of the business has remained consistent with only limited changes to the key personnel within the Company. Management are working to consolidate and develop the above factors to enhance results in 2019. These include optimising site efficiencies, focused tendering and optimising financial entitlement.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company operates in a highly regulated market, where health and safety and other statutory compliances are strictly monitored and the Company manages these risks by employing staff and operatives qualified to the appropriate industry regulatory standards. The Company has built a strong reputation within its operating area through high standards of workmanship, flexibility through in house delivery and its commitment to meet the specific requirements of its clients.

The principal risks and uncertainties facing the Company are considered to be:

- External market outlook - as noted in the "Future Developments" section in the Directors' Report, changes in the UK macro-environment and government policy could impact the Company's performance. The Company continues to monitor the market and government policy to mitigate risks where possible;
- Competitive environment - increasing competition has the potential to impact the Company's margins. The Company is in a position to mitigate this threat by being part of a vertically integrated business, and is therefore able to leverage on other Group companies in order to differentiate itself from its competitors;
- Health & safety - see separate section on page below;
- Liquidity and cash flow risk - in order to maintain liquidity, the Company's funding requirements are under constant review. The Company is part of a Tarmac wide cash pooling arrangement and as such the cash is managed at a Tarmac level. Cash is able to be placed on deposit within the CRH Group cash pooling system which allows advantageous interest rates to be gained on cash put on deposit. Cash placed with CRH is able to be accessed by Tarmac at any time;
- Credit risk - the Company's principal financial assets are cash and bank balances, trade and other receivables. The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are stated net of allowances for doubtful receivables. The Company has no significant concentration of credit risk;
- Interest rate risk - the Company has interest rate exposure primarily on its amounts owed to Group undertakings. The Company has no significant further exposure to interest rate risk; and
- Price risk - the Company seeks to mitigate its exposure to commodity price risk through using appropriate pricing mechanisms in the course of business with its customers.

SUSTAINABILITY

Sustainability remains a cornerstone to managing the long-term future of the Company and plays a fundamental role in shaping growth strategy. It also underpins the Company's vision of being recognised by clients as their contractor of first choice. For the Company, this encompasses keeping people safe, building a business that people want to work for and supporting local communities. It considers how operations are managed to protect the environment, maximise social and economic benefits, ensure strong financial and ethical governance and build stronger relationships with customers.

Whilst proud of the achievements made during the 2017-2018 Sustainability Challenge, it is important that the Company continues to set challenging targets and measure performance.

The 2019-2021 Sustainability Challenge will push this further, meeting the needs of clients, customers and stakeholders. It is vital that objectives meet local, national and international policy, including Welsh Government's Well-being of Future Generations Act and the United Nations' Sustainable Development Goals.

The Company has achieved a 12% improvement in accident statistics since January 2017. Support of Welsh-based businesses, community groups and charities has increased by 14%. Apprentice and Graduate Programmes and Staff Training Plans have been recognised with two prestigious national awards.

The decision to align the Sustainability Challenge with the Well-being of Future Generations Act has strengthened relationships with public body clients, including Welsh Government, Transport for Wales, Network Rail and Local Authorities. The Sustainability Challenge ensures the decisions made as a business take into account the needs of current and future generations.

The Company will continue to increase the visibility and understanding of the Sustainability Challenge, working towards a common goal of making the Company a more sustainable and responsible business.

Priorities

The 2019/21 Sustainability Challenge approach is built around four key priorities:

- Health & safety
- Economy
- Social & culture
- Environment

Under each key priority objectives and targets are set which will support the seven goals of the Well-being of Future Generations Act and deliver the sustainability vision.

Sustainability vision

The aim is to provide the infrastructure to support a vibrant economy with cohesive communities without a detrimental effect on the environment.

SUSTAINABILITY (continued)

Delivery

Through the Sustainability Challenge the Company will:

- Set short and long-term objectives and targets against which performance will be measured and reported;
- Identify opportunities to embed sustainability into all projects;
- Minimise any adverse impact caused by operations;
- Raise the profile of the sustainability agenda with staff, supply chain and stakeholders.

Recognition and awards

As a result of the Sustainability Challenge, the Company has achieved various awards including:

- winner of Constructing Excellence's National People Development Award 2018;
- winner of the Civil Engineering Contractors Association's Inspiring Change Award for Education;
- highly commended in the Chartered Institution of Highways and Transportation National Sustainability Award;
- highly commended in the Chartered Institution of Highways and Transportation National Skills and Training Award.

HEALTH AND SAFETY

Sending everyone home safe and well at the end of every working day remains the ultimate safety priority.

To help achieve this goal, the Risk Management Maturity Model (RM3) has been used to assess the ability to successfully manage health and safety risks, help identify areas for improvement and provide a benchmark for year on year comparison.

Working with the Health and Safety Leadership Team, and supported by Regional Workforce Safety Committees, the 2019 Improvement Plan will be implemented. This will support the target of a zero Accident Frequency Rate with zero Dangerous occurrences.

STRATEGIC REPORT (continued)

LOCAL COMMUNITIES AND PARTNERSHIPS

Economy

The Company is committed to developing a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work. Providing jobs for local people and opportunities for training and development throughout project delivery, ensures everyone reaches their full potential - irrespective of their background or circumstances. Further work needs to be done to address the current skills gap within the industry. In 2019, the Company joined The 5% Club. This commits to providing formal apprenticeships to over 5% of the workforce. Once again, the Apprentice Development Programme was recognised at a national level by winning Constructing Excellence's National People Development Award.

As a globally responsible business, the Company also ensures the supply chain mirrors its business ethics. The growth of local micro businesses, small and medium sized enterprises (SME's) and third sector organisations are supported, removing barriers faced during procurement and prompt payment.

Social and culture

Effective engagement with stakeholders throughout all stages of projects will help to develop and deliver well-connected cohesive communities. To do this, a team of Public Liaison Officers will be tasked with developing community-specific Customer Care & Communication Plans whilst Community Benefit Coordinators focus on addressing community issues. Project teams will embed themselves within the local community, reflect and have respect for local diversity, enhance the community identity and sense of belonging to the area and provide fair and equal opportunities for all residents.

Contributing to local education will remain a priority as the Company continues to strive to attract the next generation of Civil Engineers. Working with Business in the Community (BitC), a Business Class relationship with local educational institutions has been established which will help to engage with students at Key Stage Five with special educational needs and disabilities.

In delivering the infrastructure to enable economic progression, a lasting positive community legacy will remain. New targets will challenge projects to deliver lasting community legacy-benefits rather than short-term financial support.

ALUN GRIFFITHS (CONTRACTORS) LIMITED

STRATEGIC REPORT (continued)

LOCAL COMMUNITIES AND PARTNERSHIPS (CONTINUED)

Environment

The aim is to provide the infrastructure to support a vibrant economy and cohesive communities without a detrimental effect on the environment. It is understood that operations may have environmental consequences and the Company strives to mitigate, minimise and offset any negative impacts. Producing project-specific Environmental Management Plans is standard practice on all projects together with opportunities to enhance local biodiversity and incorporate new habitats into projects. Reducing the impact on climate change and natural resource remains a key long-term objective. In 2019, the Company achieved its target of 20% reduction in carbon emissions, a year ahead of schedule and has started working towards an 80% reduction by 2050. The Waste to Wealth campaign which aims to eliminate avoidable waste by 2030 is being supported.

The Company will continue to upskill and educate the workforce, clients and stakeholders on sustainability, living within means and protecting the environment for future generations.

Quality

The Company operates with a culture of "Right First Time." Accordingly the Company provides the competencies and quality control systems to ensure best quality work is delivered to the agreed requirements and standards. Developed over the past 10 years the Company IMS accredited to PAS 99.(2012), encompasses the three main registrations namely: Quality to BS.EN.ISO.9001.2015; Environment to BS.EN.ISO.2015 and Health & Safety to OHSAS 18001.2007. Each Individual system is backed up by Company procedures which are enhanced by the introduction of contract specific issues in the form of a Contract IMS Plan. The Contract IMS Plan is specifically developed for the contract to ensure all legal, contractual and employer specific requirements are fully met.

Approved by the Board and signed on its behalf by:

N Mason
Director
11 November 2019

ALUN GRIFFITHS (CONTRACTORS) LIMITED

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements of Alun Griffiths (Contractors) Limited ("the Company"), a private company limited by shares, incorporated and domiciled in England and Wales operating under the Companies Act 2006, for the year ended 31 December 2018.

GOING CONCERN

The Company has considered going concern in preparing these financial statements.

The Company is an indirect subsidiary of Tarmac Trading Limited.

Detailed forecasts including the Company are prepared on a Tarmac basis for a period of at least 12 months from the date of approval of these financial statements. Given that forecasts are not prepared by statutory entity, confirmation of ongoing support throughout an equivalent period has been obtained from the Company's ultimate parent company, CRH plc.

After receiving this confirmation, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

DIVIDEND AND TRANSFERS TO RESERVES

No dividends have been paid in the year (2017: £1,550,638). The Company's profit for the year of £417,840 (2017: £382,736 restated) has been transferred to reserves.

EMPLOYMENT POLICIES

It is Company and Tarmac group wide policy to communicate with, and involve employees on, matters affecting their interests at work and to inform them of the performance of the business. This includes adopting such employee consultation as is appropriate, including consultative committees, training and development and communication programmes. The information is complemented by the inhouse magazine and information on the Company intranet, which contain items of news, current affairs and information relevant to employees.

It is also Company and Tarmac group wide policy to treat all employees and potential employees equally and to give full consideration to suitable applications for employment from disabled persons where they have the necessary abilities and skills for the position and, wherever possible, to re-train employees who become disabled so that they can continue their employment.

FUTURE DEVELOPMENTS

Market conditions remain challenging on the back of the political uncertainty and continuing Brexit impacts. Market growth is expected to be flat at best year on year with big infrastructure projects delayed until 2020 onwards. The medium to long term prospects remain positive given the level of investment which is required in UK infrastructure and the confirmation the Government has given for their support for a number of key infrastructure projects in the UK pipeline. Management remain focused on what can be controlled as a business and will continue to work towards investing in construction solutions for the future.

The Company has implemented a policy of investment in research and development in order to maintain a competitive position in the market.

DIRECTORS' REPORT (continued)

DIRECTORS

The Directors of the Company throughout the year and to the date of this report, except where otherwise stated, were as follows:

M Evans (appointed 4 January 2018)
A Morgan (appointed 4 January 2018)
S Thompson (appointed 4 January 2018)
N Mason (appointed 4 January 2018)
P Fleetham (appointed 4 January 2018 and resigned 7 March 2018)
P Fleetham (re-appointed 13 July 2018)
H Llywelyn (appointed 1 May 2018)
A Griffiths (resigned 4 January 2018)
W Griffiths (resigned 4 January 2018)
P Griffiths (resigned 4 January 2018)
E Marlborough (resigned 4 January 2018)

DIRECTORS' INDEMNITIES

The Articles of Association of the Company contain an indemnity in favour of all of the Directors of the Company that, subject to law, indemnifies the Directors, out of the assets of the Company, from any liability incurred by them in defending any proceedings in which judgement is given in their favour (or otherwise disposed of without any finding or admission of any material breach of duty on their part).

AUDITOR

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Appointment of auditors

During the year James & Uzzell Limited resigned as the Company's auditor and Ernst & Young LLP were appointed in their place.

Reappointment of auditors

Ernst & Young LLP have indicated their willingness to be reappointed as auditor. No notice in accordance with s488 of the Companies Act 2006 (which would operate to prevent the deemed reappointment of auditors under s487(2) of that Act) has been or is expected to be received and accordingly the necessary conditions are in place for the deemed reappointment of the auditors to take place in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:

N Mason
Director
11 November 2019

ALUN GRIFFITHS (CONTRACTORS) LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors acknowledge their responsibilities for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements 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; and
- 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 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 ALUN GRIFFITHS (CONTRACTORS) LIMITED

Opinion

We have audited the financial statements of Alun Griffiths (Contractors) Limited (the 'Company') for the year ended 31 December 2018, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

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 below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 this 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. We have nothing to report in this regard.

Opinion on other matter 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 and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic and Directors' Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALUN GRIFFITHS (CONTRACTORS) LIMITED (continued)

Matters on which we are required to report by exception
In the light of our 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 and the Directors' Report.

We have nothing to report in respect of the following matters where 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' Responsibility Statement set out on page 10, 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.

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

Andrew Merrick (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
Statutory Auditor Birmingham

11 November 2019

ALUN GRIFFITHS (CONTRACTORS) LIMITED

PROFIT AND LOSS ACCOUNT
For the Year Ended 31 December 2018

	Note	2018 £	2017 £
Turnover	5	202,723,050	182,403,106
Cost of sales		(192,898,167)	(171,726,068)
Gross profit		9,824,883	10,677,038
Administrative expenses		(9,386,739)	(9,648,834)
Other operating income		6,832	6,315
Exceptional item	6	-	(159,929)
Operating profit	6	444,976	874,590
Finance income	8	4,310	16,600
Finance costs	8	(120,856)	-
Profit on ordinary activities before tax		328,430	891,190
Tax	9	89,410	(508,454)
Profit for the financial year		417,840	382,736

All activities derive from continuing operations.

The comparative income statement has been restated following the adoption of FRS 101 in the year as explained in note 22.

ALUN GRIFFITHS (CONTRACTORS) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 31 December 2018

	2018 £	2017 £
Profit for the year	417,840	382,736
Other comprehensive income	-	-
Total comprehensive income for the year	417,840	382,736

ALUN GRIFFITHS (CONTRACTORS) LIMITED

BALANCE SHEET
As at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	10	3,629,961	3,710,012
		3,629,961	3,710,012
Current assets			
Debtors	11	37,534,947	33,326,275
Cash at bank and in hand		9,146,448	8,955,696
		46,681,395	42,281,971
Creditors: Amounts falling due within one year	12	(48,539,992)	(44,603,114)
Net current liabilities		(1,858,597)	(2,321,143)
Total assets less current liabilities		1,771,364	1,388,869
Deferred tax liabilities	14	(207,415)	(242,760)
Net assets		**1,563,949**	**1,146,109**
Capital and reserves			
Called up share capital	15	562,709	562,709
Revaluation reserve	16	472,818	472,818
Profit and loss account	16	528,422	110,582
Total shareholders' funds		**1,563,949**	**1,146,109**

The comparative balance sheet has been restated following the adoption of FRS 101 in the year, as explained in note 22. The comparative balance sheet has also been restated to recategorise certain balances from creditors falling due after one year to offset accrued income, as described in note 1.

The financial statements of Alun Griffiths (Contractors) Limited, registered number 01493003, were approved by the Board of Directors and authorised for issue on 11 November 2019. They were signed on its behalf by:

N Mason
Director

ALUN GRIFFITHS (CONTRACTORS) LIMITED

STATEMENT OF CHANGES IN EQUITY
As at Year Ended 31 December 2018

	Share capital	Revaluation reserve	Profit and loss account	Total
	£	£	£	£
Balance at 1 January 2017	562,709	480,000	1,271,302	2,314,011
Profit for the year (as restated)	-	-	382,736	382,736
Transfer from revaluation reserve	-	(7,182)	7,182	-
Total comprehensive (expense)/income for the year	-	(7,182)	389,918	382,736
Dividends	-	-	(1,550,638)	(1,550,638)
Balance at 1 January 2018	562,709	472,818	110,582	1,146,109
Profit for the year	-	-	417,840	417,840
Total comprehensive income for the year	-	-	417,840	417,840
Balance at 31 December 2018	562,709	472,818	528,422	1,563,949

1 General information

Alun Griffiths (Contractors) Limited is a private company limited by shares, incorporated and domiciled in England and Wales operating under the Companies Act 2006. The address of the registered office is Waterways House, Merthyr Road, Llanfoist, Abergavenny NP7 9PE. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

These financial statements were prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and in accordance with applicable accounting standards. The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out in note 3.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard including:

- the requirements of IFRS 7 Financial Instruments: Disclosures,
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a)(iv) of IAS 1 and (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment; and (iii) paragraph 118(e) of IAS 38 Intangible Assets
- the requirements of paragraphs 10(d), 10(f), 39(c) 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 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
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets

1 General information (continued)

Where required, equivalent disclosures are given in the group accounts of CRH plc. The group accounts of CRH plc are available to the public and can be obtained as set out in note 21.

The financial statements have been prepared on a going concern basis as discussed in the Directors' Report on page 8.

This is the first year that the Company has presented its financial statements under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. The last financial statements under a previous GAAP (FRS 102) were for the year ended 31 December 2017 and the date of transition to FRS 101 was therefore 1 January 2017. The Company has taken advantage of the transition exemption under FRS101 to take deemed cost of freehold land and buildings. This has resulted in a prior year depreciation charge of £74,588 to the profit and loss account and a decrease in net assets at 31 December 2017 from £1,220,697 to £1,146,109. Tangible assets at 31 December 2017 previously disclosed at £3,808,058 have been restated to £3,710,012 at 31 December 2017 after charging depreciation of £74,588.

Long term contract provisions of £3,661,426 as at 31 December 2017 have been reclassified to offset accrued income in trade and other debtors. The Directors' have considered the presentation and classification of a provision against doubtful contract balances and concluded that this should be offset against the receivable rather than recorded as a long term creditor. This has been adjusted in the comparative balance sheet with impacts resulting in a decrease in creditors falling due after more than one year of £3,661,426 and a decrease in debtors of £3,661,426. Net current assets reduced from £1,340,283 to net current liabilities of £2,321,143. There is no change in net assets as at 31 December 2017 or profit after tax for the year ended 31 December 2017 as a result of this reclassification.

2 Adoption of new and revised Standards

In the current year, the following new standards or amendments became effective and required adoption by the Company:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers

None of the above have resulted in any material changes in accounting policies and no adjustments were required to the amounts recognised in the Company's financial statements.

3 Significant accounting policies

Revenue recognition

The Company recognises revenue as the amount of the price expected to be received for goods and services supplied at a point in time or over time as contractual performance obligations are fulfilled and control of goods and services passes to the customer. It excludes trade discounts and value added tax/sales tax.

Revenue derived from construction contracts

The Company enters into a number of construction contracts, to complete various projects.

The Company typically recognises revenue within its construction contract businesses over time, as it performs its obligations. Management believe this best reflects the transfer of control to the customer by providing a faithful depiction of primarily the enhancement of a customer controlled asset or the construction of an asset with no alternative use. The percentage-of-completion method is used to recognise revenue when the outcome of a contract can be estimated reliably. The percentage-of-completion is calculated using an input method and based on the proportion of contract costs incurred at the balance sheet date relative to the total estimated costs of the contract. In all of our construction contract arrangements the Company has an enforceable right to payment for work and performance obligations completed to date.

Some of the Company's construction contracts may contain forms of variable consideration that can either increase or decrease the transaction price. Variable consideration is estimated based on the most likely amount or expected value methods (depending on the contract terms) and the transaction price is adjusted to the extent it is probable that a significant reversal of revenue recognised will not occur. In some instances a customer can be billed and revenue recognised in the period subsequent to the contracted work being completed when items such as variable consideration are agreed with the customer.

3 Significant accounting policies (continued)

Revenue recognition (continued)

Recognition of contract assets and liabilities

In our construction contract part of the business, amounts are billed as work progresses in accordance with pre-agreed contractual terms. When a performance obligation is satisfied but a customer has not yet been billed this is recognised as a contract asset (unbilled revenue) and included within trade debtors (note 11).

Retentions are also a common feature of construction contracts and are recognised as a contract asset within trade and other receivables when we have a right to consideration in exchange for the completion of the contract. Retentions are consistent with industry norms and the purpose of these is not to provide a form of financing.

Apart from retentions, the Company does not have any construction contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, the Group applies the practical expedient in IFRS 15 and does not adjust any of its transaction prices for the time value of money.

When consideration is received in advance of work being performed, or we have billed an amount to a customer that is in excess of revenue recognised on the contract; this is recognised as a contract liability within creditors (note 12); and the revenue is generally recognised in the subsequent period when the right to recognise revenue has been determined. As a result advance payments received for construction contract arrangements are not considered a significant form of financing.

Cumulative costs incurred, net of amounts transferred to cost of sales, after deducting onerous provisions, provisions for contingencies and payments on account not matched with revenue, are included as construction contract balances in trade and other debtors (note 11). Cost includes all expenditure directly related to specific projects and an allocation of fixed and variable overheads incurred in the Company's contract activities based on normal operating capacity.

The Company's contracts generally are for a duration of less than one year and therefore the Company does not capitalise incremental contract costs; instead expensing as incurred, as permitted by the practical expedient under IFRS 15.

Onerous contracts and warranties

When a contract is identified as being onerous (i.e. its unavoidable cost exceeds the economic benefit of the contract), a provision is created; being the lower of costs to complete the contract and the cost of exiting the contract. The Company provides assurance-type warranties for general repairs and does not typically provide service-type (extended) warranties.

3 Significant accounting policies (continued)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also recognised in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3 Significant accounting policies (continued)

Tangible assets

Tangible fixed assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible fixed assets includes directly attributable incremental costs incurred in their acquisition and installation.

Freehold land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and machinery is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss account.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	2% straight line buildings. Land not depreciated
Fixtures and Fittings	30% reducing balance

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

3 Significant accounting policies (continued)

Impairment of assets
At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss. If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Joint operations
The Company has a joint venture agreement with Swansea Highways Partnership to form an unincorporated joint venture. Under IFRS 11 this agreement has been determined to be a joint operation due to there being no separate legal entity involved. The Company, as a joint operator, will recognise and measure its share of the assets and liabilities, plus recognise the related revenues and expenses in accordance with IFRS standards applicable to the particular assets, liabilities, revenues and expenses. The contract is expected to span several financial years.

Dividends
Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

3 Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value.

Financial Assets
The Company's classes of financial assets are cash and other financial assets, and these are classified as 'loans and receivables'.

Loans and receivables
Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

3 Significant accounting policies (continued)

Financial instruments (continued)

Derecognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity
The Company has financial liabilities that are classified as 'other financial liabilities', and these relate to borrowings from fellow subsidiary companies and trade and other payables.

Other financial liabilities
Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method 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 net carrying amount on initial recognition.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors believe that the following accounting policies are critical due to the degree of estimation required and / or the potential material impact they may have on the Company's financial position and performance.

Intercompany receivables
The risk of default has been considered on the intercompany receivables including loans and given the financial position of the counterparty and support from CRH, it is considered minimal and therefore no adjustment has been processed.

Revenue recognition – long term contract accounting
The Company generates revenue from long term contracts. This often requires judgement to be applied in estimating the stage of completion of the contract and measuring the contract profitability at the balance sheet date based on the forecast total contract costs that is expected to be incurred on the contract. Where actual results differ to the estimates made, this could result in a significant impact on the Company's financial results.

5 Turnover

An analysis of the Company's turnover, which is all in the United Kingdom, is as follows:

	2018 £	2017 £
Continuing operations		
Provision of services	202,723,050	182,403,106

The analysis of the Company's turnover for the year by class of business is as follows:

	2018 £	2017 £
Infrastructure	161,144,508	143,007,491
Rail	41,578,542	39,395,615
	202,723,050	182,403,106

5 Turnover (continued)

5.1 Contracting Turnover

An analysis of the Company's construction contracts is as follows:

	At 1 January 2018 £	Additions £	Received £	Provisions £	At 31 December 2018
Unbilled revenue (see note 11)	9,120,280	200,580,135	(192,488,810)	(1,850,000)	15,361,605
Retentions (see note 11)	4,378,936	3,807,527	(1,956,731)	-	6,229,732
Advance received (see note 12)	-	(4,702,664)	3,882,375	-	(820,289)

Unsatisfied performance obligations	2018 £	2017 £
Within one year	74,418,250	76,677,945
Between 2 and 5 years	33,300,885	44,760,624
	107,719,135	121,438,569

6 Operating profit

Arrived at after charging/ (crediting):

	2018 £	2017 £
Other operating leases	123,136	149,250
Impairment of trade debtors	-	86,599
Exceptional item - related party balances written off	-	159,929
Management charge from fellow group company	999,998	-
Management charge to fellow group company	(2,658,333)	-
Depreciation of tangible assets (2017 restated)	80,051	82,394
Auditor's remuneration:		
Fees payable to the Company's auditor for the audit of the Company's financial accounts	57,250	42,950

There were no non audit services provided in the year by the Company's current auditor. For the year ended 31 December 2017 non audit services provided by the Company's previous auditor were disclosed in the consolidated financial statements of Purple Alpha Limited, the Company's immediate parent company.

7 Information regarding employees and Directors

The average number of persons employed by the Company (including Executive Directors) during the year, analysed by category was as follows:

	2018 No.	2017 No.
Production and distribution	496	468
Administration and selling	267	236
	763	704

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2018 £	2017 £
Wages and salaries	29,735,957	26,461,594
Social security costs	3,218,940	2,741,846
Pension costs	1,010,820	726,251
	33,965,717	29,929,691

7 Information regarding employees and Directors (continued)

Directors' remuneration

Directors' remuneration for the period relates to the Directors remunerated by the Company. The other Directors of the Company are remunerated by another group company and their services to the Company are considered incidental to their services provided to other group companies.

The Directors' remuneration for the year was as follows:

	2018 £	2017 £
Salaries, fees and bonuses	994,804	19,973
Pension costs	76,550	-
	1,071,354	19,973

In respect of the highest paid Director:

	2018 £	2017 £
Salaries, fees and bonuses	381,323	19,973
Pension costs	17,763	-
	399,086	19,973

8 Finance charges and income

	2018 £	2017 £
Interest paid to group undertakings	120,574	-
Other interest payable	282	-
Total interest payable	120,856	-
Bank interest received	(4,310)	(16,600)
Total interest receivable	(4,310)	(16,600)
Net finance charges	116,546	(16,600)

Interest is payable on a loan from a fellow subsidiary group undertaking. The interest rate charged on the loan is UK base rate plus 2.0% payable in arrears. Unpaid accrued interest is capitalised and added to the amount outstanding and will bear interest accordingly. The loan is repayable on demand.

9 Tax

	2018 £	2017 £
Current tax:		
Current tax on profit for the year	993	451,473
Adjustment in respect of prior years	(55,058)	111,312
Total current tax	(54,065)	562,785
Deferred tax (note 14)		
Origination and reversal of temporary differences	(9,356)	-
Change of rate	(25,502)	-
Adjustments in respect of prior years	(487)	(54,331)
Total deferred tax	(35,345)	(54,331)
Tax (receipt)/expense in the profit and loss account	(89,410)	508,454

The differences between the total tax (credit)/charge shown above and the amount calculated by applying the standard rate of UK corporation tax of 19.00% (2017: 19.25%) to the profit before tax are as follows:

	2018 £	2017 £
Profit before tax on continuing operations	328,430	891,190
Tax at the standard UK corporation tax rate of 19% (2017: 19.25%).	62,402	171,554
Adjustments in respect of prior years	(55,545)	56,981
Expenses not deductible	17,736	279,919
Tax rate changes	(24,401)	-
Group relief claimed for nil payment	(89,602)	-
Total tax (credit)/charge	(89,410)	508,454

9 Tax (continued)

Group relief within Tarmac is surrendered free of charge. Group relief claimed from other CRH UK Group companies outside of Tarmac is paid for at the prevailing rate of corporation tax for the year of 19.00%.

Finance No.2 Bill 2015 enacted the rate of corporation tax to 19% with effect from 1 April 2017 resulting in a current tax rate for the year of 19.00%. On 15 September 2016, Finance Bill 2016 enacted a further rate reduction to 17% with effect from 1 April 2020.

Deferred tax assets and liabilities are measured at tax rates that are enacted or substantively enacted at the balance sheet date. The timing of the reversal of the Company's deferred tax items has been considered, and accordingly at 31 December 2018 deferred tax has been calculated at the tax rates that are expected to apply when the related asset is realised or liability is settled.

10 Tangible assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2018	3,766,390	122,711	3,889,101
At 31 December 2018	3,766,390	122,711	3,889,101
Accumulated depreciation			
At 1 January 2018	74,588	104,501	179,089
Charge for the year	74,588	5,463	80,051
At 31 December 2018	149,176	109,964	259,140
Net book value			
At 31 December 2018	3,617,214	12,747	3,629,961
At 31 December 2017	3,691,802	18,210	3,710,012

The net book value of land and buildings comprises:	2018 £	2017 £
Freehold land	37,000	37,000
Freehold buildings	3,580,214	3,654,802
	3,617,214	3,691,802

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended 31 December 2018

11 Trade and other debtors

	2018 £	Restated 2017 £
Amounts falling due within one year:		
Trade debtors	6,445,434	8,701,126
Amounts owed by group companies	8,818,969	269,790
Accrued income	21,591,337	13,499,216
Other debtors	679,207	10,856,143
	37,534,947	33,326,275

Amounts owed by fellow group companies have no fixed repayment date and no interest is charged on this balance.

Included in debtors are amounts due from construction contracts of £28,036,771 being trade debtors of £6,445,434 and accrued income, including retentions, of £21,591,337. This figure is after a provision of £5,511,426 against doubtful contract balances (2017: £22,200,342 restated being trade debtors of £8,701,126 and accrued income, including retentions, of £13,499,216. This figure is after a provision of £3,661,426 against doubtful contract balances).

12 Creditors - amounts falling due within one year

	2018 £	2017 £
Trade creditors	26,912,436	29,058,233
Construction contracts advance payments	820,289	-
Accruals and deferred revenue	12,777,085	11,065,632
Other tax and social security	7,378,283	3,924,488
Other creditors	254,562	103,359
Corporation tax	397,337	451,402
	48,539,992	44,603,114

13 Creditors - amounts falling due after more than one year

The Directors' have considered the presentation and classification of a provision against doubtful contract balances and concluded that this should be offset against the receivable rather than recorded as a creditor. This has been adjusted in the comparative balance sheet with impacts resulting in a decrease in creditors falling due after more than one year of £3,661,426 and a decrease in accrued income of £3,661,426.

14 Deferred tax

Deferred tax assets and liabilities

Deferred tax movement during the year:

	At 1 January 2018 £	Recognised in income £	At 31 December 2018 £
Accelerated tax depreciation	242,760	(35,345)	207,415

15 Share capital

Allotted, called up and fully paid shares

	2018 £	2017 £
562,709 ordinary shares of £1 each	562,709	562,709

The Company has one class of ordinary shares which carry no right to fixed income.

16 Reserves

Called up share capital represents the nominal value of shares that have been issued.

Profit and loss account includes all current and prior period retained profits and losses.

Revaluation reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

Details of all movements in reserves are shown in the Statement of Changes in Equity on page 16.

17 Contingent liabilities

The Company has contingent liabilities in respect of performance bonds entered into under the normal course of business. At 31 December 2018 the value of these was £3,039,646 (2017: £nil). The likelihood of these having a material adverse impact on the Company's financial position is considered remote.

18 Financial commitments

Operating leases commitments

At the balance sheet date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	116,589	116,589
In two to five years inclusive	114,312	114,312
In over five years	-	159,224
	230,901	390,125

Operating lease commitments are in respect of property leases.

Capital commitments

At 31 December 2018, the Company had capital commitments of £62,450 (2017: £nil).

19 Retirement benefit schemes

The Company operates defined contribution retirement benefit schemes for all qualifying employees. The assets of the schemes are held separately from those of the Company in funds under the control of trustees.

The total cost charged to the profit and loss account of £1,010,820 (2017: 726,251) represents contributions payable to these schemes by the Company. At 31 December 2018 contributions of £124,520 due in respect of the current reporting period had not been paid over to the schemes (2017: £103,359). This amount is included in other creditors.

20 Related party transactions

Under Financial Reporting Standard 101, the Company is exempt from the requirement to disclose transactions with other group undertakings on the grounds that it is a wholly owned subsidiary of CRH plc and its results are included in the consolidated financial statements of CRH plc.

Related party transactions prior to the acquisition of the Company by Tarmac Trading Limited can be found in the Company's 2017 financial statements.

21 Controlling party

At the balance sheet date, the immediate parent company was Purple Alpha Limited. The ultimate parent company and ultimate controlling entity was CRH plc, a company incorporated and registered in Ireland. The smallest group that publishes consolidated financial statements incorporating the results of the Company is Purple Alpha Limited. Copies of the financial statements of the immediate parent company are available from Waterways House, Merthyr Road, Llanfoist, Abergavenny NP7 9PE. The largest group that publishes consolidated financial statements incorporating the results of this Company is CRH plc. Copies of the financial statements of the ultimate parent company are available from the Company Secretary, 42 Fitzwilliam Square, Dublin, D02 R279, Ireland.

At 31 December 2017, the ultimate parent company was Purple Alpha Limited, a company incorporated and registered in England and Wales.

22 Transition to FRS 101

This is the first year that the Company has presented its financial statements under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. The last financial statements under a previous GAAP (FRS 102) were for the year ended 31 December 2017 and the date of transition to FRS 101 was therefore 1 January 2017. The Company has taken advantage of the transition exemption under FRS101 to take deemed cost of freehold land and buildings. This has resulted in a prior year depreciation charge of £74,588 to the profit and loss account and a decrease in net assets at 31 December 2017 from £1,220,697 to £1,146,109. Tangible assets at 31 December 2017 previously disclosed at £3,808,058 have been restated to £3,710,012 at 31 December 2017 after charging depreciation of £74,588.