

Registered Number 2433065

Caird Bardon Limited

Report and Financial Statements

31 December 2008

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Directors' Report

The Directors present their report and the financial statements for the year ended 31 December 2008.

Principal activity and business review

The Company was formed as a joint venture between Caird Group Limited and Aggregate Industries UK Limited to develop sites for the disposal of non-toxic waste. The first site became operational on 1 September 1992 and remains the only site operated.

Future developments

No changes are planned to the operations of the company.

Results and dividends

Turnover for the year amounted to £9,083,076 (2007: £8,046,801) representing a increase of 13%. The profit for the year, after taxation, amounted to £908,117 (2007: £1,058,377). During the year, the Directors declared and paid ordinary dividends of £1,660,000 (2007: £nil).

Key performance indicators

Given the straightforward nature of the business the Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the Company.

Principal risks and uncertainties

The Company operates a site for the disposal of non-toxic waste and is subject to licensing requirements of the UK Environment Agency. The Company is responsible, under its planning permits for the restoration and aftercare of the site once complete. The future costs of restoration and aftercare may be impacted by a number of factors including changes in legislation and technology. The dates of payment of aftercare costs are uncertain but are anticipated to be over a period of approximately thirty years from closure of the relevant site.

Directors

The Directors of the Company during the year and up to the date of this report were:

J F Bowater
I F Goodfellow
G W Parkin (resigned 1 February 2008)
D Stockley
A Barrett (appointed 1 February 2008)

Treasury policies

The Company finances its activities through bank borrowings and loans from shareholders. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the Company's operating activities. The Company does not enter into interest rate swaps and does not trade in financial instruments. The Company does not seek to hedge any transactions and no trading in derivative financial instruments is undertaken.

The Company's policy is to manage its cost of borrowing using variable rate debt. At 31 December 2008, 100% of the Company's borrowings were at variable rates. The Company has no operations outside of the United Kingdom and has no exposures to foreign currencies.

The risk of financial loss due to counterparty failure to honour its obligations arises principally in relation to transactions where the Company provides goods and services. Company policies are aimed at minimising such losses, and require that terms are only granted to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored to ensure that the Company's exposure to bad debts is not significant.

Directors' Report

The Company seeks to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets. The Company's funding strategy is to maintain a balance between continuity of funding and flexibility through the use of bank loans and overdrafts.

Research and development

The Company does not undertake research and development.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors of the Company will be proposed at the Company's Annual General Meeting.

By order of the Board



Mrs M Ford

Secretary

29 MAR 2009

Registered office:

Bardon Hall
Copt Oak Road
Markfield
Leicestershire
LE67 9PJ

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible 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). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

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

Statement of Directors' responsibilities in respect of information to auditors

In accordance with the provisions of the Companies Act 1985, each of the Company's Directors in office as at the date of this report confirms that so far as each Director is aware, there is no relevant audit information in connection with preparing their report of which the Company's auditors are unaware and he has taken all steps which he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent auditor's report

to the members of Caird Bardon Limited

We have audited the Company's financial statements for the year ended 31 December 2008 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, Statement of Cash Flows and the related notes 1 to 18. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

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

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

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

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

Basis of audit opinion

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

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

Independent auditors' report

to the members of Caird Bardon Limited (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Company as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Southampton

1 June 2009

Profit and loss account

For the year ended 31 December 2008

	Notes	2008 £	2007 £
Turnover - continuing operations	2	9,083,076	8,046,801
Cost of sales		(7,281,319)	(5,842,553)
Gross profit		1,801,757	2,204,248
Administrative expenses		(458,697)	(447,133)
Operating profit - continuing operations	3	1,343,060	1,757,115
Profit on ordinary activities before interest and taxation		1,343,060	1,757,115
Interest payable	4	(120,099)	(118,738)
Profit on ordinary activities before taxation		1,222,961	1,638,377
Taxation	5	(314,844)	(580,000)
Profit on ordinary activities after taxation	13	908,117	1,058,377

Statement of total recognised gains and losses

For the year ended 31 December 2008


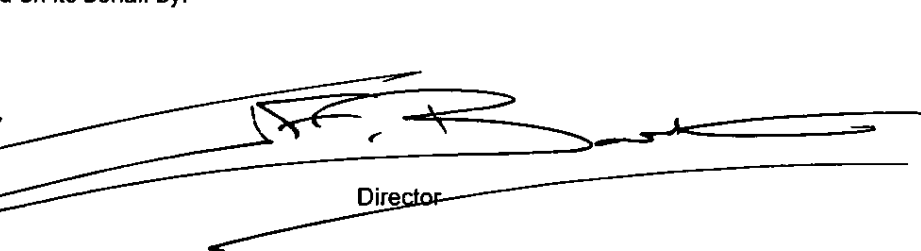
There were no recognised gains and losses in either year other than the profit attributable to the shareholders of the Company.

Balance sheet

At 31 December 2008

	Notes	2008 £	2007 £
Fixed assets			
Tangible assets	7	9,129,070	8,959,586
Current assets			
Stocks		7,482	3,176
Debtors	8	1,438,597	1,478,736
Cash at bank and in hand		200	1,375,870
		1,446,279	2,857,782
Creditors: amounts falling due within one year	9	(2,095,184)	(2,327,476)
Net current assets/(liabilities)		(648,905)	530,306
Total assets less current liabilities		8,480,165	9,489,892
Creditors: amounts falling due after more than one year	10	(2,000,000)	(2,000,000)
Provisions for liabilities and charges	11	(624,271)	(882,115)
Net assets		5,855,894	6,607,777
Capital and reserves			
Called up share capital	12	850,000	850,000
Profit and loss account	13	5,005,894	5,757,777
Shareholders' funds	14	5,855,894	6,607,777

The financial statements were approved and authorised for issue by the Board of Directors on 29 MAY 2009 and were signed on its behalf by:

Director Director

Doreen Stockley

Statement of cash flows

For the year ended 31 December 2008

	Notes	2008 £	2007 £
Net cash inflow from operating activities	15(a)	1,909,860	2,886,519
Returns on investments and servicing of finance	15(b)	(119,885)	(62,235)
Taxation			
Corporation tax paid		(578,204)	(621,044)
Capital expenditure and financial investment			
Payment to acquire tangible fixed assets		(828,874)	(752,748)
Payment relating to site restoration		(323,871)	(11,722)
Dividends			
Equity dividends paid		(1,660,000)	-
Net cash flow before use of liquid resources and financing		(1,600,974)	1,438,770
Increase in net cash at bank and in hand and bank overdraft		(1,600,974)	1,438,770
Reconciliation of net cash flow to movement in net debt			
Increase in net cash at bank and in hand and bank overdraft		(1,600,974)	1,438,770
Change in net debt resulting from cash flows	15(c)	(1,600,974)	1,438,770
Net debt, including loans from shareholders, at 1 January	15(c)	(624,130)	(2,062,900)
Net debt, including loans from shareholders, at 31 December	15(c)	(2,225,104)	(624,130)

Notes to the financial statements

For the year ended 31 December 2008

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The accounts were approved by the directors on the date shown on the balance sheet.

Depreciation

Fixed assets are depreciated on a straight line basis over their estimated useful life at the following rates:

Long leasehold land and buildings	-	over life of landfill site void space
Plant and machinery	-	5-33 1/3%

Landfill sites are stated at cost or valuation less amounts written off. Depreciation is provided to the extent that the net capacity of each site is utilised in the period. Costs incurred on the development of sites prior to their becoming operational are capitalised. Such expenditure is amortised over the life of the asset to which it relates, commencing when the asset becomes operational.

Capitalisation of interest

Interest is capitalised as part of landfill site development costs to the extent that interest has been incurred on funds borrowed specifically to finance the project, prior to it becoming operational.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less, tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Restoration and aftercare provision

Provision is made for restoration and post closure costs over the operating life of the landfill sites based on the quantity of waste deposited during the year.

Pensions

Pensions costs are accounted for under the provisions of FRS 17, 'Retirement benefits' (see note 18).

Operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease terms.

Notes to the financial statements

For the year ended 31 December 2008

2. Turnover

Turnover comprises the invoice value of goods and services supplied by the company, including landfill tax but excluding VAT. All sales were made within the United Kingdom.

3. Operating profit

	2008 £	2007 £
This is stated after charging:		
Depreciation - owned assets	35,332	17,706
- leasehold assets	624,058	609,478
Operating lease rentals	104,767	126,694
Pension costs for defined benefit scheme	2,008	1,968
Pension costs for defined contribution scheme	1,359	1,227
Other charges relating to pension costs	4,553	-
Auditors' remuneration as auditors	15,545	11,654
	<u> </u>	<u> </u>

Staff costs

	2008 £	2007 £
Wages and salaries	274,585	228,416
Social security costs	31,847	18,829
Other pension costs	8,489	3,195
	<u> </u>	<u> </u>
	314,921	250,440
	<u> </u>	<u> </u>

The monthly average number of employees during the year was 10 (2007: 8).

The Directors received no emoluments or pension contributions relating to their service as directors of the company during the year (2007: £Nil).

4. Interest payable and similar charges

	2008 £	2007 £
Bank loans and overdrafts	654	3,434
Loans from joint shareholders	70,262	67,820
Dividend in respect of holders of 'C' Ordinary Shares (see note 12)	49,183	47,484
	<u> </u>	<u> </u>
	120,099	118,738
	<u> </u>	<u> </u>

Notes to the financial statements

For the year ended 31 December 2008

5. Tax on profit on ordinary activities

(a) Analysis of tax charge in year

	2008 £	2007 £
Current tax:		
UK corporation tax on profits of the year	317,000	580,000
Adjustment in respect of prior years	(2,156)	-
Total current tax (note 5(b))	314,844	580,000
Deferred tax:		
Origination and reversal of timing differences	-	-
Total deferred tax (note 11)	-	-
	314,844	580,000

(b) Factors affecting tax charge for the year

The tax assessed for the year differs to the standard rate of corporation tax in the UK 28.5% (2007: 30.0%). The differences are explained below:

	2008 £'000	2007 £'000
Profit on ordinary activities before tax	1,222,961	1,638,377
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 28.5% (2007: 30.0%)	348,544	491,513
Effects of:		
Items not deductible for tax purposes, including exceptional items	49,198	60,221
Depreciation in excess of capital allowances for the year	(7,180)	15,404
Other timing differences	(73,562)	12,862
Adjustment in respect of prior years	(2,156)	-
Current tax charge for the year (note 5(a))	314,844	580,000

Notes to the financial statements

For the year ended 31 December 2008

6. Dividends

	2008 £	2007 £
Dividends declared and paid during the year	1,660,000	-

7. Tangible fixed assets

	Long leasehold land and buildings £	Plant machinery & vehicles £	Total £
<i>Cost:</i>			
At 1 January 2008	17,215,702	594,868	17,810,570
Additions	657,938	170,936	828,874
At 31 December 2008	17,873,640	765,804	18,639,444
<i>Depreciation:</i>			
At 1 January 2008	8,341,778	509,206	8,850,984
Charge for the year	624,058	35,332	659,390
At 31 December 2008	8,965,836	544,538	9,510,374
<i>Net book value:</i>			
At 31 December 2008	8,907,804	221,266	9,129,070
At 31 December 2007	8,873,924	85,662	8,959,586

Interest paid in prior years of £1,736,900 (2007: £1,736,900) has been included in determining the cost of the site.

8. Debtors

	2008 £	2007 £
Trade debtors	1,264,866	1,232,049
Amounts owed by related parties (note 17)	35,735	131,209
Other debtors	138,006	115,478
	1,438,607	1,478,736

Notes to the financial statements

For the year ended 31 December 2008

9. Creditors: amounts falling due within one year

	2008 £	2007 £
Bank loans and overdrafts	225,304	-
Trade creditors	93,880	236,317
Amount due to related party (note 17)	95,313	75,323
Interest accrual due to related party (note 17)	36,069	35,943
Corporation tax	318,796	582,156
Other taxes and social security costs	1,268,777	1,304,054
Accruals and other creditors	31,797	68,523
Dividends accrued on 'C' Ordinary Shares (see note 12)	25,248	25,160
	<u>2,095,184</u>	<u>2,327,476</u>

10. Creditors: amounts falling due after more than one year

	2008 £	2007 £
Loan notes from shareholders	1,000,000	1,000,000
Other creditors: 'C' Ordinary Shares (see note 12)	1,000,000	1,000,000
	<u>2,000,000</u>	<u>2,000,000</u>

The 'C' Ordinary Shares have been classified as other creditors due after more than one year under the requirements of FRS 25 Financial Instruments – Presentation and Disclosure, due to the nature of the class rights attaching to the holders of these shares.

The loan notes may be repaid at any time at the option of the Company, but must be repaid by 31 December 2012. Interest on the loan notes accrues from day to day and is based on six month LIBOR +1%. Interest is payable half yearly on 30 June and 31 December.

Dividends on 'C' Ordinary Shares accrue from day to day and are based on six month LIBOR +1%. Dividends are payable half yearly on 30 June and 31 December.

Notes to the financial statements

For the year ended 31 December 2008

11. Provisions for liabilities and charges

	2008 £	2007 £
Deferred taxation	-	-
Provision for restoration and aftercare costs	624,271	882,115
	<u>624,271</u>	<u>882,115</u>

Deferred taxation

Deferred taxation provided in the financial statements is as follows:

	2008 £	2007 £
Capital allowances in advance of depreciation	126,680	119,603
Other timing differences	(126,680)	(119,603)
	<u>-</u>	<u>-</u>

A deferred tax asset of £48,040 (2007: £127,389) has not been recognised in the financial statements. This arises from other timing differences and as the timing of their reversal is uncertain it has been assumed that they will not be recoverable in the foreseeable future.

<i>Restoration and aftercare provision</i>	2008 £	2007 £
At 1 January	882,115	836,500
Charge for the year	66,027	57,337
Utilisation of provision	(323,871)	(11,722)
At 31 December	<u>624,271</u>	<u>882,115</u>

Site restoration costs will be paid over the operating period of the landfill sites, which is anticipated to be up to 20 years, and aftercare costs will continue thereafter. These costs may be impacted by a number of factors including changes in legislation and technology.

Notes to the financial statements

For the year ended 31 December 2008

12. Called up share capital

	2008 £	2007 £
Authorised		
'A' Ordinary Shares of £1 each	5,000,000	5,000,000
'B' Ordinary Shares of £1 each	5,000,000	5,000,000
'C' Ordinary Shares of £1 each	1,000,000	1,000,000
	<u>11,000,000</u>	<u>11,000,000</u>
Allotted and fully paid		
'A' Ordinary Shares of £1 each	425,001	425,001
'B' Ordinary Shares of £1 each	425,001	425,001
'C' Ordinary Shares of £1 each	1,000,000	1,000,000
	<u>1,850,002</u>	<u>1,850,002</u>
Less: amounts classed as Creditors: amounts falling due after more than one year - 'C' Ordinary Shares of £1 each	(1,000,000)	(1,000,000)
	<u>850,002</u>	<u>850,002</u>

The 'A', 'B' and 'C' Ordinary Shares each constitute separate classes of shares and, except as noted below, shall rank *pari passu* in all respects as one class of share.

The holders of the 'C' Ordinary Shares shall be entitled to receive in priority to the holders of other classes of shares a variable preferential cash dividend. This dividend accrues from day to day and is based on six month LIBOR +1%, net of UK Corporation Tax. Dividends are payable half yearly on 30 June and 31 December.

The balance of the retained profits where distributed, after payment of the variable preferential cash dividend to holders of the 'C' Ordinary Shares, shall be distributed evenly between the holders of the 'A' and 'B' Ordinary Shares.

Holders of the 'C' Ordinary Shares have no right to vote at any general meeting of the Company.

The class rights of each category of Ordinary Shares can be varied only with either the consent of the shareholder of that category or if more than 75% of the shareholders of that class agree to the variation.

In the event of a capital reduction, or should the Company be wound up or liquidated, any capital returned or surplus will be applied firstly to the holders of the 'C' Ordinary Shares and thereafter evenly to the holders of the 'A' and 'B' Ordinary Shares.

In accordance with the requirements of FRS 25 Financial Instruments – Presentation and Disclosure, the 'C' Ordinary Shares of £1 each have been classed as Creditors: amounts falling due after more than one year as the dividends represent a contractual obligation on the Company to deliver cash that cannot be avoided.

Notes to the financial statements

For the year ended 31 December 2008

13. Profit and loss account

	£
At 1 January 2008	5,757,777
Profit for the year	908,117
Dividends paid	(1,660,000)
At 31 December 2008	5,005,894

14. Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Total recognised gains and losses being the profit for the year	908,117	1,058,377
Dividends paid	(1,660,000)	-
Total movement in equity shareholders' funds for the year	(751,883)	1,058,377
Opening equity shareholders' funds	6,607,777	5,549,400
Closing equity shareholders' funds	5,855,894	6,607,777

15. Notes to the statement of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities

	2008 £	2007 £
Operating profit	1,343,060	1,757,115
Depreciation	659,390	627,184
Net charge to restoration provision	66,027	45,615
(Increase)/Decrease in stocks	(4,306)	324
Decrease in debtors	40,139	291,164
(Decrease)/increase in creditors due within one year	(194,450)	165,117
	1,909,860	2,886,519

(b) Returns on investments and servicing of finance

	2008 £	2007 £
Interest paid on bank loans and overdrafts	(652)	(3,434)
Interest paid on loans from joint shareholders	(70,137)	(34,577)
Dividend in respect of holders of 'C' Ordinary Shares	(49,096)	(24,224)
	(119,885)	(62,235)

Notes to the financial statements

For the year ended 31 December 2008

15. Notes to the statement of cash flows (continued)

(c) Analysis of changes in net debt including loans from shareholders and other long term creditors

	At 1 January 2008 £	Cash flow £	At 31 December 2008 £
Cash at bank and in hand	1,375,870	(1,375,670)	200
Bank overdraft	-	(225,304)	(225,304)
Debt due after one year – loans from shareholders	(1,000,000)	-	(1,000,000)
Other creditors – 'C' Ordinary Shares classed as debt (see note 12)	(1,000,000)	-	(1,000,000)
Net Debt	(624,130)	(1,600,974)	(2,225,104)

16. Commitments under operating leases

The Company's annual commitments in respect of operating leases of plant are as follows:

	2008 £	2007 £
Operating leases which expire:		
Within one year	25,000	-
Within one to two years	-	60,000
Within two to five years	27,270	27,270

17. Related party transactions

The Company is a joint venture between Shanks Group plc via a holding company, Caird Group Limited, and Aggregate Industries Limited, through Aggregate Industries UK Limited.

Shanks Waste Management Limited, a subsidiary of Shanks Group plc, paid £615,875 (2007: £819,482) to the Company in respect of landfill disposal of waste. In addition Shanks Waste Management Limited provided staff and other sundry services to the Company during the year. The cost of these services amounted to £30,533 (2007: £81,167).

Aggregate Industries UK Limited paid £33,154 (2007: £31,537) to the Company in respect of cost sharing arrangements in respect of that company's quarrying operations. In addition Aggregate Industries UK Limited provided quarry materials to the Company during the year. The cost of these materials amounted to £107,099 (2007: £43,760). The current account owed by Aggregate Industries to Caird Bardon of £1,650 at the end of last year was paid during the year.

The Company paid management charges to Shanks Waste Management Limited and to Aggregate Industries UK Limited. The total management charges so paid amounted to £200,000 (2007: £200,000). The Company paid Aggregate Industries UK Limited interest of £70,137 (2007: £34,577) and accrued further interest of £36,069 (2007: £35,943). The Company paid Caird Group Limited, the holders of the 'C' Ordinary Shares, a dividend of £49,095 (2007: £24,224) and accrued a further dividend of £25,248 (2007: £25,160).

The Company paid an audit fee of £5,500 on behalf of Caird Evered Holding Limited.

Additional transactions and balances due to or from the shareholders are disclosed in notes 8, 9, and 10.

Except as disclosed above, there were no other material related party transactions.

Notes to the financial statements

For the year ended 31 December 2008

18. Pensions

The company participates in a funded group-wide pension scheme operated by Aggregate Industries Holdings Limited which provides benefits based on final pensionable pay. Valuations are prepared by an independent actuary using the projected unit method. The latest valuation was made as at 5 April 2008 updated to 31 December 2008. Based on the results of this valuation, the Aggregate Industries Holdings Limited group continued contributions to the scheme. The total charge in the profit and loss account, in respect of the scheme, for the year was £2,008 (2007: £1,968).

Because the company is unable to identify its share of the scheme's assets and liabilities on a consistent and reasonable basis, as permitted by FRS17 'Retirement benefits' the scheme is accounted for by the company as if the scheme was a defined contribution scheme. At December 2008 on the calculation basis required by FRS17, the scheme had assets totalling £359m (2007: £376m) and a net surplus of £37.7m (2007: £4.9m net deficit). Further details of these valuations are set out in the consolidated financial statements of Aggregate Industries Holdings Limited.

The company also participates in a group-wide defined contribution pension scheme operated by Aggregate Industries Holdings Limited, the contributions to which are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. The total charge in the profit and loss account, in respect of these scheme, for the year was £1,359 (2007: £1,227). No charges were incurred in relation to staff in the pension schemes of Shanks Group plc (2007: £Nil).