

CIVIL AND MARINE (HOLDINGS) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015



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COMPANIES HOUSE

CIVIL AND MARINE (HOLDINGS) LIMITED

COMPANY INFORMATION

DIRECTORS	N Benning-Prince D J Clarke R C Dowley E A Gretton
COMPANY SECRETARY	W F Rogers
REGISTERED NUMBER	02854405
REGISTERED OFFICE	Hanson House 14 Castle Hill Maidenhead SL6 4JJ
INDEPENDENT AUDITOR	Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX

CIVIL AND MARINE (HOLDINGS) LIMITED

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CIVIL AND MARINE (HOLDINGS) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

BUSINESS REVIEW

The Company is a group investment holding company.

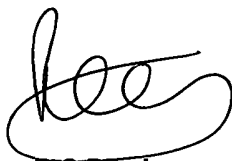
During the year, the Company received a dividend from one of its subsidiaries and paid a dividend to its parent Company.

During the year the company adopted FRS 101 'Reduced Disclosure Framework' and has taken advantage of the disclosure exemptions allowed under this standard. The Company's ultimate parent undertaking, HeidelbergCement AG, was notified of and did not object to the use of the EU-adopted IFRS disclosure exemptions. The policies applied under FRS 101 are not materially different to those under the entity's previous accounting framework and as such the adoption of FRS 101 has not impacted equity or the profit of the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's results arise from transactions with fellow group undertakings in the group headed by HeidelbergCement AG. The Directors are therefore of the opinion that the company is not directly exposed to significant risks and uncertainty; however, by the very nature of its activities, the Company is indirectly exposed to similar risks and uncertainties to those faced by other group companies. Details of the proposed risks and uncertainties facing the group headed by HeidelbergCement AG are disclosed in the financial statements of that Company.

This report was approved by the board on 23 September 2016 and signed on its behalf.



R C Dowley
Director

CIVIL AND MARINE (HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present their report and the financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The Company is a group investment holding company.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £510,000 (2014 - £714,000).

During the year the Company received a dividend of £510,000 from its subsidiary Appleby Group Limited (2014 - £714,000).

An interim dividend of £510,000 was paid during the year (2014 - £714,000). The Directors do not recommend payment of a final dividend (2014 - £nil).

FUTURE DEVELOPMENTS

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

GOING CONCERN

The Company has limited activity and has limited cash flows outside of the HeidelbergCement AG ("HCAG") group. The recoverability of its assets is dependent on the financial position of the HCAG group.

The Directors, having assessed the responses of the management of HCAG to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the HCAG group to continue as a going concern.

On the basis of their assessment of the Company's financial position and relevant enquiries, the Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS

The Directors who served during the year were:

N Benning-Prince
D J Clarke
R C Dowley
E A Gretton

DIRECTORS' INDEMNITY

A fellow group undertaking has indemnified, by means of directors' and officers' liability insurance, one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' Report.

The articles of association also provide for the directors to be indemnified by the Company subject to the provisions of the Companies Act.

CIVIL AND MARINE (HOLDINGS) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

DISCLOSURE OF INFORMATION TO AUDITOR

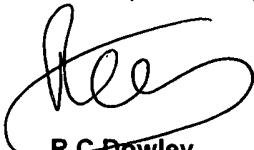
Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITORS

Ernst & Young LLP, having confirmed their willingness to act, will continue in office as auditors of the Company.

This report was approved by the board on 23 September 2016 and signed on its behalf.



R.C. Dowley
Director

CIVIL AND MARINE (HOLDINGS) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors are responsible for preparing the Strategic Report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under Company law the Directors must not approve the financial statements unless 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 judgments 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 AUDITORS' REPORT TO THE MEMBERS OF CIVIL AND MARINE (HOLDINGS) LIMITED

We have audited the financial statements of Civil and Marine (Holdings) Limited for the year ended 31 December 2015, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CIVIL AND MARINE (HOLDINGS) LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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.



Jane Barwell (Senior statutory auditor)

for and on behalf of

Ernst & Young LLP, Statutory Auditor

The Paragon
Counterslip
Bristol
BS1 6BX

29 September 2016

CIVIL AND MARINE (HOLDINGS) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £000	2014 £000
Income from fixed assets investments	5	510	714
Profit on ordinary activities before taxation		<u>510</u>	<u>714</u>
Taxation on profit on ordinary activities	6	-	-
Profit for the financial year		<u>510</u>	<u>714</u>
Other comprehensive income for the year			
Total comprehensive income for the financial year		<u>510</u>	<u>714</u>

All amounts relate to continuing operations.

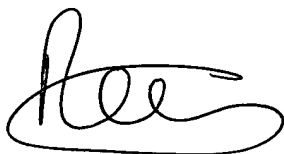
The notes on pages 10 to 15 form part of these financial statements.

CIVIL AND MARINE (HOLDINGS) LIMITED
REGISTERED NUMBER:02854405

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £000	2014 £000
Fixed assets			
Investments	8	35,818	35,818
Net assets		<u>35,818</u>	<u>35,818</u>
Capital and reserves			
Called up share capital	9	13,628	13,628
Share premium account		2,781	2,781
Capital redemption reserve		320	320
Profit and loss account		<u>19,089</u>	<u>19,089</u>
Shareholders' funds		<u>35,818</u>	<u>35,818</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2016.



R C Dowley
Director

The notes on pages 10 to 15 form part of these financial statements.

CIVIL AND MARINE (HOLDINGS) LIMITED

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015**

	Share capital £000	Share premium £000	Capital redemption reserve £000	Retained earnings £000	Total equity £000
At 1 January 2015	13,628	2,781	320	19,089	35,818
Comprehensive income for the year					
Profit for the year	-	-	-	510	510
Total comprehensive income for the year	-	-	-	510	510
Contributions by and distributions to owners					
Dividends: Equity capital (note 7)	-	-	-	(510)	(510)
Total transactions with owners	-	-	-	(510)	(510)
At 31 December 2015	13,628	2,781	320	19,089	35,818

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2014**

	Share capital £000	Share premium £000	Capital redemption reserve £000	Retained earnings £000	Total equity £000
At 1 January 2014	13,628	2,781	320	19,089	35,818
Comprehensive income for the year					
Profit for the year	-	-	-	714	714
Total comprehensive income for the year	-	-	-	714	714
Contributions by and distributions to owners					
Dividends: Equity capital (note 7)	-	-	-	(714)	(714)
Total transactions with owners	-	-	-	(714)	(714)
At 31 December 2014	13,628	2,781	320	19,089	35,818

The notes on pages 10 to 15 form part of these financial statements.

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

1.1 Statement of compliance with FRS 101

Civil and Marine (Holdings) Limited ("the Company") is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business is disclosed in the Company Information.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have, unless otherwise stated, been consistently applied to all periods presented and in preparing an opening FRS 101 balance sheet at 1 January 2014 for the purposes of the transition to FRS 101.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 (FRS101) 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company transitioned from previously extant UK GAAP to FRS 101 for all periods presented. There were no changes to the previously stated equity as at 1 January 2014 and 31 December 2014 or in the profit for the year ended 31 December 2014 as a result of the transition to FRS 101.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

1.3 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

1.4 Going concern

The financial statements have been prepared on a going concern basis as the Company is in a position to meet its obligations as they fall due.

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.5 Valuation of investments

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

1.6 Dividends

Income is recognised after the Company's right to receive payment is established.

1.7 Current and deferred taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exception:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

However, for taxable temporary differences associated with investment in subsidiaries, branches and associates, and interests in joint ventures, a deferred tax liability shall be recognised in accordance with IAS 12.39

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Statement of Comprehensive Income.

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Impairment of investments

The Company reviews investments in subsidiaries and other investments for impairment if there are any indications that the carrying values may not be recoverable. The carrying value of the investment is compared to the recoverable amount and where a deficiency exists, an impairment charge is considered by management.

The recoverable amount represents the net assets of the investment at the time of the review or where applicable is represented by an estimate of future cash flows expected to arise from the investment. A suitable discount rate is applied to the future cash flows in order to calculate the present value.

Reversals of impairments are recognised where there is a favourable change in the economic assumptions in the period since the provision was made.

3. OPERATING PROFIT

Fees for audit and non-audit services provided to the Company have been borne by other group undertakings. It is not practicable to ascertain what proportion of such fees relates to the Company.

4. STAFF COSTS

The directors of the Company are also directors of a number of the group's fellow subsidiaries. The directors received total remuneration of £1,002,837, which was paid by various fellow subsidiaries. The directors do not believe that it is practicable to apportion this amount between their services as directors of the Company and their services as directors of fellow subsidiary companies.

5. INCOME FROM INVESTMENTS

	2015 £000	2014 £000
Income from fixed asset investments	510	714

6. TAXATION

	2015 £000	2014 £000
Current income tax		
Current UK Corporation tax on profit for the year	-	-
Total current income tax	-	-

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

6. TAXATION (continued)

RECONCILIATION OF THE TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	510	714
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%)	103	154
Effects of:		
Non-taxable income	(103)	(154)
Total tax charge for the year	-	-

CHANGE IN CORPORATION TAX RATE

The UK corporation tax rate was reduced from 21% to 20% effective 1 April 2015. During the year, reductions in the main corporation tax rates were enacted that will have an effect on future tax charges of the Company. The main rate reduces from 20% to 19% on 1 April 2017 and to 18% on 1 April 2020. In addition, an announcement was made after the balance sheet date amending the reduction in the main rate of corporation tax on 1 April 2020 from 18% to 17%.

7. DIVIDENDS

	2015 £000	2014 £000
Interim dividend paid on equity capital	510	714

During the year, the Company paid an interim dividend of 3.7p (2014 - 5.2p) per share.

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

8. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2015 and 31 December 2015	58,560
Impairment	
At 1 January 2015 and 31 December 2015	22,742
Net book value	
At 31 December 2015	35,818
At 31 December 2014	35,818
SUBSIDIARY UNDERTAKINGS	

The investments in which the Company directly (*) or indirectly held any class of share capital are as follows:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Appleby Group Limited*	England and Wales	Ordinary	100 %	Investment holding company
Calumite Limited	England and Wales	Ordinary	51 %	Manufacture of glass making materials
Calumite s.r.o	Czech Republic	Ordinary	51 %	Manufacture of glass making materials
Rezincote (1995) Limited	England and Wales	Ordinary	100 %	Dormant
Civil and Marine Inc*	USA	Ordinary	100 %	Slag manufacturing
HSC Cocoa Property Reserve LLC	USA	Ordinary	100 %	Property holding company
Civil and Marine Slag Cement Limited*	England and Wales	Ordinary	100 %	Investment holding company
The Purfleet Ship to Shore Conveyor Company Limited	England and Wales	'B' Ordinary	100 %	Dormant

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

9. SHARE CAPITAL

	2015 £000	2014 £000
Authorised, allotted, called up and fully paid		
13,628,275 ordinary shares of £1 each	13,628	13,628

10. CONTINGENT LIABILITIES

The Company holds 500,000 ordinary shares of £1 each in Appleby Group Limited, which are issued but not called or paid up.

11. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with wholly owned subsidiaries in the group headed by HeidelbergCement AG.

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Civil and Marine Limited, a company registered in England and Wales. The Company's ultimate parent undertaking is HeidelbergCement AG, a company registered in Germany. The largest and smallest group in which the results of the Company are consolidated is that headed by HeidelbergCement AG. Copies of the consolidated financial statements of HeidelbergCement AG may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany.