

Registered number: 02854405

CIVIL AND MARINE (HOLDINGS) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013



CIVIL AND MARINE (HOLDINGS) LIMITED

COMPANY INFORMATION

DIRECTORS

N Benning-Prince (appointed 15 October 2013)
D J Clarke
R C Dowley (appointed 9 December 2013)
E A Gretton
S Pirinccioglu (resigned 31 August 2013)

COMPANY SECRETARY

R T V Tyson

COMPANY NUMBER

02854405

REGISTERED OFFICE

Hanson House
14 Castle Hill
Maidenhead
SL6 4JJ

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 2013

BUSINESS REVIEW


The Company is a group investment holding company.

During the year, the Company received dividends from its subsidiaries.

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 significant risk 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 undertakings, in the group headed by HeidelbergCement AG. Details of the principal 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 3 September 2014 and signed on its behalf.


R T V Tyson
Company secretary

CIVIL AND MARINE (HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors present their report and the financial statements for the year ended 31 December 2013.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £76,020,000 (2012 - £74,291,000).

During the year, the Company received dividends of £26,020,000 from its subsidiary Appleby Group Limited and £50,000,000 from its subsidiary Civil and Marine Slag Cement Limited.

Interim dividends of £76,020,000 were paid during the year (2012: £50,000,000). The Directors do not recommend payment of a final dividend (2012: £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 is a group investment holding company and its assets comprise investments in group undertakings. The carrying value of the Company's investments in group undertakings is partly supported by amounts receivable from group undertakings held by those entities. The recoverability of these assets is dependent on the financial position of the HeidelbergCement AG group, of which the Company is an indirect subsidiary.

The Directors, having assessed the responses of the management of the Company's ultimate parent HeidelbergCement AG to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the HeidelbergCement AG group to continue as a going concern.

On the basis of their assessment of the Company's financial position and of the enquiries made of the management of HeidelbergCement AG, the Company's 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 (appointed 15 October 2013)
D J Clarke
R C Dowley (appointed 9 December 2013)
E A Gretton
S Pirincciglu (resigned 31 August 2013)

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.

CIVIL AND MARINE (HOLDINGS) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

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.

AUDITOR

Ernst & Young LLP, having confirmed their willingness to act, were reappointed as auditors of the Company.

This report was approved by the board on 3 September 2014 and signed on its behalf.



R T V Tyson
Company secretary

CIVIL AND MARINE (HOLDINGS) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

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 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 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;
- 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 CIVIL AND MARINE (HOLDINGS) LIMITED

We have audited the financial statements of Civil and Marine (Holdings) Limited for the year ended 31 December 2013, which comprise the Profit and loss account, the Balance sheet 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 (United Kingdom Generally Accepted Accounting Practice).

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 2013 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

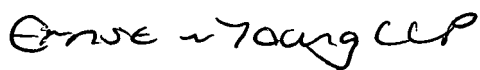
In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S 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

8 September 2014

CIVIL AND MARINE (HOLDINGS) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £000	2012 £000
Income from fixed asset investments		76,020	74,291
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	76,020	74,291
Tax on profit on ordinary activities	4	-	-
PROFIT FOR THE FINANCIAL YEAR	7	76,020	74,291

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account.

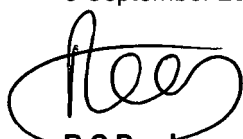
The notes on pages 9 to 12 form part of these financial statements.

CIVIL AND MARINE (HOLDINGS) LIMITED
REGISTERED NUMBER: 02854405

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	2013 £000	2012 £000
FIXED ASSETS			
Investments	5	35,818	35,818
NET ASSETS		35,818	35,818
CAPITAL AND RESERVES			
Called up share capital	6	13,628	13,628
Share premium account	7	2,781	2,781
Capital redemption reserve	7	320	320
Profit and loss account	7	19,089	19,089
SHAREHOLDERS' FUNDS	8	35,818	35,818

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 September 2014.


R C Dowley
 Director

The notes on pages 9 to 12 form part of these financial statements.

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

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.

1.2 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.

1.3 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Investments

Investments are stated at cost less provision for impairment.

1.5 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 that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation of fixed assets (and similar fair value adjustments), or gains on disposal of fixed assets only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made when, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled into replacement assets and charged to tax only when the replacement assets are sold.

- 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 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.

1.6 Dividends

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

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:

	2013 £000	2012 £000
Auditor's remuneration	-	-

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.

3. STAFF COSTS

The Company has no employees other than the Directors, who did not receive any remuneration (2012 - £nil).

4. TAXATION

	2013 £000	2012 £000
UK corporation tax charge on profit for the year	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%). The differences are explained below:

	2013 £000	2012 £000
Profit on ordinary activities before tax	76,020	74,291
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	17,675	18,201
Effects of:		
Non-taxable income	(17,675)	(18,201)
Group relief surrendered for nil payment	-	99
Imputed interest on loans	-	(99)
Current tax charge for the year	-	-

Factors that may affect future tax charges

During the year, further reductions in the main corporation tax rates were enacted that will have an effect on future tax charges of the Company. The rate reduces to 21% on 1 April 2014 and to 20% on 1 April 2015.

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

5. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2013 and 31 December 2013	58,560
Impairment	
At 1 January 2013 and 31 December 2013	22,742
Net book value	
At 31 December 2013	35,818
At 31 December 2012	35,818

Subsidiary undertakings

The investments in which the Company directly held more than 20% of the nominal value of any class of share capital are as follows:

<u>Name</u>	<u>Class of share</u>	<u>Holding</u>	<u>Business</u>	<u>Registered office</u>
Civil and Marine Inc.	Ordinary	100 %	Slag manufacturing	United States of America
Appleby Group Limited	Ordinary	100 %	Investment holding company	England and Wales
Civil and Marine Slag Cement Limited	Ordinary	100 %	Investment holding Company	England and Wales

The Directors of the Company are of the opinion that the number of subsidiary undertakings in respect of which the Company is required to disclose information under section 409 of the Companies Act 2006 is such that it would result in information of excessive length. Advantage has been taken of section 410 of the Companies Act 2006 in that the information is only given relating to directly owned subsidiary undertakings.

6. SHARE CAPITAL

	2013 £000	2012 £000
Allotted, called up and fully paid		
13,628,275 ordinary shares of £1 each	13,628	13,628

CIVIL AND MARINE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

7. RESERVES

	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000
At 1 January 2013	2,781	320	19,089
Profit for the financial year	-	-	76,020
Dividends: Equity capital	-	-	(76,020)
At 31 December 2013	<u>2,781</u>	<u>320</u>	<u>19,089</u>

8. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £000	2012 £000
Opening shareholders' funds	35,818	11,527
Profit for the financial year	76,020	74,291
Dividends (Note 9)	(76,020)	(50,000)
Closing shareholders' funds	<u>35,818</u>	<u>35,818</u>

9. DIVIDENDS

	2013 £000	2012 £000
Interim dividends paid on equity capital	<u>76,020</u>	<u>50,000</u>

10. CONTINGENT LIABILITY

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 in FRS8: Related Party Transactions, 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.