

COMPANY NUMBER: 4895833

CEMEX UK MATERIALS LIMITED

DIRECTORS' REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 December 2016

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CEMEX UK MATERIALS LIMITED

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CEMEX UK MATERIALS LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2016

The directors present their report and audited financial statements for the year ended 31 December 2016.

Results and dividends

The profit for the year was £nil (2015: £211,842 profit), which was transferred to reserves.

The directors do not recommend payment of a dividend (2015: £nil).

Directors

The directors who served during and since the end of the year are shown below:

J. Gonzalez	resigned 30 June 2017
C.A. Leese	
I. Madridejos	resigned 1 January 2016
V. Puri	appointed 22 October 2016
L.H. Russell	
J.A. Smalley	resigned 22 October 2016
H. Tassinari	appointed 1 July 2016

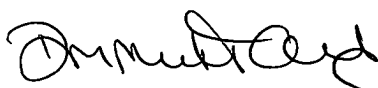
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



D. M. Murray
Secretary

19 September 2017

CEMEX House
Coldharbour Lane
Thorpe
Egham
Surrey, TW20 8TD
United Kingdom

CEMEX UK MATERIALS LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF
THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 judgments 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.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CEMEX UK MATERIALS LIMITED

We have audited the financial statements of CEMEX UK Materials Limited for the year ended 31 December 2016 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 set out on page 3, 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 Auditor.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

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 2016 and of its result for the year then ended;
- have been properly prepared in accordance with UK 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements. Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006

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.
- The directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report



Michael Froom (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

19 September 2017

CEMEX UK MATERIALS LIMITED
PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2016

	Notes	2016 £	2015 £
Interest receivable and similar income	2	-	211,842
Profit before taxation	4	-	211,842
Tax on profit	5	-	-
Profit for the financial year		-	211,842

The results are derived wholly from continuing operations.

The Company had no other comprehensive income other than the result for the year ended 31 December 2016 and the profit for the year ended 31 December 2015 and therefore no separate statement of other comprehensive income has been presented.

The notes on pages 8 to 13 form part of these financial statements.

CEMEX UK MATERIALS LIMITED
BALANCE SHEET
For the year ended 31 December 2016

	Notes	2016 £	2015 £
Current assets			
Debtors	6	180,283,411	197,156,075
Creditors: amounts falling due within one year	7	(125,399,145)	(142,271,809)
Net current assets		54,884,266	54,884,266
Total assets less current liabilities		54,884,266	54,884,266
Creditors: amounts falling due after more than one year	8	(161,962)	(161,962)
Net assets		54,722,304	54,722,304
Capital and reserves			
Called up share capital	9	45,000,001	45,000,001
Profit and loss account		9,722,303	9,722,303
Shareholder's funds		54,722,304	54,722,304

These financial statements were approved by the board of directors on 19 September 2017 and were signed on its behalf by:



V. Puri
Director

COMPANY NUMBER: 4895833

The notes on pages 8 to 13 form part of these financial statements.

CEMEX UK MATERIALS LIMITED
STATEMENT OF CHANGES IN EQUITY

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2015	45,000,001	9,510,461	54,510,462
Profit for the year	-	211,842	211,842
Balance at 31 December 2015	<u>45,000,001</u>	<u>9,722,303</u>	<u>54,722,304</u>

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2016	45,000,001	9,722,303	54,722,304
Profit for the year	-	-	-
Balance at 31 December 2016	<u>45,000,001</u>	<u>9,722,303</u>	<u>54,722,304</u>

The notes on pages 8 to 13 form part of these financial statements.

CEMEX UK MATERIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

1 Accounting policies

Cemex UK Materials Limited ("the Company") is a Company incorporated and domiciled in the UK. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

The Company's ultimate parent undertaking, CEMEX, S.A.B. de C.V. includes the Company in its consolidated financial statements. The consolidated financial statements of CEMEX, S.A.B. de C.V. are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the address in note 11.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of CEMEX, S.A.B. de C.V. include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 12.

Measurement convention

The financial statements are prepared on the historical cost basis.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Related parties

As 100% of the Company's voting rights are controlled within the group headed by CEMEX, S.A.B. de C.V., the Company has taken advantage of the exemption contained in FRS 102.33.1A and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of CEMEX, S.A.B. de C.V., within which this Company is included, can be obtained from the address given in note 11.

CEMEX UK MATERIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2016

1 Accounting policies (continued)

Basic financial instruments

Trade and other debtors /creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Impairment - Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income/(expense), in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102. Deferred tax assets are recognised to the extent that they are considered recoverable.

CEMEX UK MATERIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2016

2 Interest receivable and similar income

	2016	2015
	£	£
Interest receivable on loan to parent company	<u>-</u>	<u>211,842</u>

3 Turnover

Turnover represents values invoiced to third parties where the Company acts as principal, or commissions received where the Company acts as agent. During the current and previous periods, no transactions were entered into as principal, nor were any commissions received on trading as agent of CEMEX UK Operations Limited.

4 Profit on ordinary activities before taxation

During the financial year and the preceding year, the Company acted as an undisclosed agent and did not record any trade or expenditure.

	2016	2015
	£	£
Auditor remuneration - for audit of these financial statements	<u>5,000</u>	<u>5,000</u>

The remuneration of the auditor stated above was paid by another group undertaking in both years.

No (2015: no) remuneration was paid to the directors of the company for their services to the company as directors.

The company had no (2015: no) employees during the year.

CEMEX UK MATERIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2016

5 Tax on profit on ordinary activities

	2016 £	2015 £
United Kingdom corporation tax:		
Current tax on the result of the year at 20.00% (2015: 20.25%)	-	-
Total tax expense	<u>-</u>	<u>-</u>

Reconciliation of total tax expense for the year:

Profit on ordinary activities before tax	-	211,842
Tax using the UK corporation tax rate of 20.00% (2015: 20.25%)	-	(42,898)
Effects of:		
Group relief claimed, not paid for	-	42,898
Total tax expense included in profit or loss	<u>-</u>	<u>-</u>

A reductions in the UK corporation tax rate 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015.

However, in the Budget on 16 March 2016, the Chancellor announced a reduction to 17% (effective from 1 April 2020) and this was substantively enacted on 15 September 2016. This will reduce the Company's future current tax charge accordingly.

Deferred tax is therefore measured at 19% or 17% being the corporation tax rates substantively enacted at the balance sheet date, and the rate expected to apply when deferred tax assets and liabilities reverse.

The current corporation tax rate for the calendar year 2016 is 20.00% (2015: 20.25%).

CEMEX UK MATERIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2016

6 Debtors

	2016 £	2015 £
Amounts falling due within one year		
Amounts owed by group undertakings	<u>180,283,411</u>	<u>197,156,075</u>
Total debtors	<u><u>180,283,411</u></u>	<u><u>197,156,075</u></u>

The amounts falling due within one year are unsecured, free of interest, and have no fixed date of repayment.

7 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	86,741,702	83,751,377
Capital creditors	87,127	151,407
Other creditors	-	46,046
Other taxation & social security	7,676,562	23,263,489
Accruals & deferred income	<u>30,893,754</u>	<u>35,059,490</u>
	<u><u>125,399,145</u></u>	<u><u>142,271,809</u></u>

8 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Accruals & deferred income	<u>161,962</u>	<u>161,962</u>
	<u><u>161,962</u></u>	<u><u>161,962</u></u>

CEMEX UK MATERIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2016

9 Called up share capital

	2016 £	2015 £
Allotted, called up and fully paid		
45,000,001 (2015: 45,000,001) Ordinary shares of £1 each	<u>45,000,001</u>	<u>45,000,001</u>

10 Contingent liabilities

The Company is registered with H M Revenue & Customs as a member of the CEMEX Investments Limited group for value added tax purposes and is, therefore, jointly and severally liable on a continuing basis for amounts owing by other members of the group in respect of their value added tax liabilities.

11 Ultimate parent company and parent undertaking of larger group of which the Company is a member

The Company's immediate parent undertaking and controlling party is CEMEX Investments Limited, which is incorporated in Great Britain.

The largest group in which the results of the Company are consolidated is that headed by CEMEX, S.A.B. de C.V., the ultimate parent company and controlling party, which is incorporated in Mexico. Its address is Av. Ricardo Margain Zozaya 325, CP 66265, San Pedro Garza Garcia N.L., Mexico.

The smallest group in which the results of the Company are consolidated is that headed by CEMEX España S.A., incorporated in Spain. Its address is Hernandez de Tejada 1, Madrid 28027, Spain.

The consolidated financial statements of these groups are available to the public and can be obtained from the above addresses.

12 Accounting estimates and Judgements

Estimates and assumptions are reviewed on an ongoing basis. There are no key estimates and judgements in these financial statements.