

British Asphalt and Bitumen Limited

Registered number: NI000715

Directors' report and financial statements

For the year ended 31 December 2015

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BRITISH ASPHALT AND BITUMEN LIMITED

COMPANY INFORMATION

Directors	H Koschitzky F Hautman
Registered number	NI000715
Registered office	12 - 16 Sanda Road Whitehouse Newtonabbey Co Antrim BT37 9UB
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditor 14th Floor The Plaza 100 Old Hall Street Liverpool L3 9QJ

BRITISH ASPHALT AND BITUMEN LIMITED

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BRITISH ASPHALT AND BITUMEN 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 principal activity of the company is that of an intermediate holding company.

Results and dividends

The profit for the year, after taxation, amounted to £100,918 (2014 -£126,986).

The directors do not recommend the payment of a dividend (2014: £Nil).

Directors

The directors who served during the year were:

H Koschitzky
F Hautman

Directors' responsibilities statement

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 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 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 for the company financial statements 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.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

BRITISH ASPHALT AND BITUMEN LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

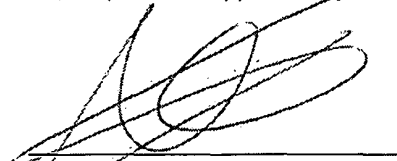
Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies' exemption

In preparing this report, the director has taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

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



F. Hautman
Director

Date: Sept. 22nd, 2016.

BRITISH ASPHALT AND BITUMEN LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH ASPHALT AND BITUMEN LIMITED

We have audited the financial statements of British Asphalt and Bitumen Limited for the year ended 31 December 2015 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' applicable to smaller entities.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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. 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.

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.

Basis for adverse opinion on the financial statements

As more fully explained in Note 10 to the financial statements, the company has not prepared consolidated accounts in accordance with the provisions of Financial Reporting Standard 102 and of the Companies Act 2006.

Adverse opinion on the group financial statements

In our opinion, because of the significance of the matter described in the Basis for Adverse Opinion paragraph, the financial statements:

- do not give a true and fair view of the state of the group's affairs as at 31 December 2015 and of its result for the year then ended; and
- have not been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

In all other respects, in our opinion the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the parent 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BRITISH ASPHALT AND BITUMEN LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH ASPHALT AND BITUMEN LIMITED

Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our adverse opinion on the financial statements, 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..

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Directors Report.



Gareth Hitchmough (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

14th Floor
The Plaza
100 Old Hall Street
Liverpool
L3 9QJ

28 September 2016

BRITISH ASPHALT AND BITUMEN LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
Administrative expenses		150,668	175,356
Operating profit	3	150,668	175,356
Income from shares in group undertakings		1,995	20,260
Interest receivable and similar income	6	27	109
Interest payable and expenses	7	(24,522)	(32,565)
Profit before tax		128,168	163,160
Tax on profit	8	(27,250)	(36,174)
Profit after tax		100,918	126,986
Retained earnings at the beginning of the year		180,689	53,703
Profit for the year		100,918	126,986
Retained earnings at the end of the year		281,607	180,689

There were no recognised gains and losses for 2015 or 2014 other than those included in the Statement of Income and Retained Earnings.

The notes on pages 8 to 14 form part of these financial statements.

BRITISH ASPHALT AND BITUMEN LIMITED

Registered number: NI000715

BALANCE SHEET**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
Fixed assets			
Investments	9	42,049	42,049
Current assets			
Current asset investments	10	3,219,122	3,219,122
Cash at bank and in hand		6,397	4,755
		<u>3,225,519</u>	<u>3,223,877</u>
Creditors: amounts falling due within one year	11	(89,058)	(57,079)
Net current assets		3,136,461	3,166,798
Creditors: amounts falling due after more than one year	12	(2,866,903)	(2,998,158)
Net assets		<u>311,607</u>	<u>210,689</u>
Capital and reserves			
Called up share capital	14	30,000	30,000
Profit and loss account	15	281,607	180,689
Shareholders' funds		<u>311,607</u>	<u>210,689</u>

The company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


F Hautman
Director

Date:

Sept 22nd, 2016

The notes on pages 8 to 14 form part of these financial statements.

BRITISH ASPHALT AND BITUMEN LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	100,918	126,986
Adjustments for:		
Interest paid	24,522	32,565
Interest received	(2,022)	(20,369)
Taxation charge	27,250	36,174
Corporation tax (paid) / refunded	(35,537)	315
Increase/(decrease) in creditors	637	(1,499)
(Decrease)/increase in amounts owed to groups	(91,626)	148,836
Net cash generated from operating activities	24,142	323,008
Cash flows from investing activities		
Purchase of short term unlisted investments	-	(322,383)
Interest received	27	109
Income from investments in related companies	1,995	20,260
Net cash from investing activities	2,022	(302,014)
Cash flows from financing activities		
Interest paid	(24,522)	(32,565)
Net cash used in financing activities	(24,522)	(32,565)
Net increase / (decrease) in cash and cash equivalents	1,642	(11,571)
Cash and cash equivalents at beginning of year	4,755	16,326
Cash and cash equivalents at the end of year	6,397	4,755
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	6,397	4,755

BRITISH ASPHALT AND BITUMEN LIMITED

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

1. Accounting policies

1.1 Basis of preparation of financial statements

The company is a private company limited by shares and was incorporated in the United Kingdom and is registered in Northern Ireland. The registered office is shown within company information.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.3 Creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Income and Retained Earnings in other operating expenses.

1.4 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

1.5 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

1.6 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

1.7 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to and from related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

BRITISH ASPHALT AND BITUMEN LIMITED

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

1. Accounting policies (continued)

1.8 Foreign currency translation

The company's functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

1.9 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, the actual results and outcomes may differ.

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

Critical judgements in applying the company's accounting policies

The critical judgements that the directors have made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

There are no key assumptions or sources of estimation uncertainty which might have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

BRITISH ASPHALT AND BITUMEN LIMITED

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

3. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Auditors remuneration (see note 4)	3,938	3,200
Foreign exchange differences	(155,530)	(186,782)

During the year, no director received any emoluments (2014 -£NIL).

4. Auditors' remuneration

	2015 £	2014 £
Fee's payable to the company's auditor		
The audit of the annual accounts	2,450	2,450
All other non-audit services not included above	1,488	750
	<u>3,938</u>	<u>3,200</u>

5. Employees

The company has no employees other than the directors, who did not receive any remuneration (2014 -£NIL).

6. Interest receivable

	2015 £	2014 £
Other interest receivable	<u>27</u>	<u>109</u>

7. Interest payable and similar charges

	2015 £	2014 £
On group loans	<u>24,522</u>	<u>32,565</u>

BRITISH ASPHALT AND BITUMEN LIMITED

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

8. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	27,887	36,174
Adjustments in respect of previous periods	(637)	-
Total current tax	<u>27,250</u>	<u>36,174</u>

Factors affecting tax charge for the year

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

	2015 £	2014 £
Profit on ordinary activities before tax	<u>128,168</u>	<u>163,160</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 -21.5%)	25,954	35,079
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,079	1,123
Adjustments to tax charge in respect of prior periods	(637)	-
Other timing differences leading to a decrease in taxation	(146)	(28)
Total tax charge for the year	<u>27,250</u>	<u>36,174</u>

Factors that may affect future tax charges

Following the Budget in March 2016, the UK corporation tax rates are to remain at 20% from 1 April 2016 followed by a reduction to 19% from 1 April 2017 and a further reduction to 18% from 1 April 2020.

BRITISH ASPHALT AND BITUMEN LIMITED

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

9. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2015 and 31 December 2015	42,049
Net book value	
At 31 December 2015	42,049
At 31 December 2014	42,049

The investment comprises a 99.9% interest in the Euro denominated share capital of Zephet NV, a company incorporated in Belgium, whose principal activity is to purchase and trade raw materials for manufacturing purposes and provide materials storage facilities within the group and to third parties.

As at 31 December 2015 Zephet NV has net liabilities of €238,739 (2014: €131,342) and made a loss for the year then ended of €152,497 (2014: €34,941).

10. Current asset investments

	2015 £	2014 £
Shares in group undertakings	3,219,122	3,219,122

In the year ended 31 December 2009 the company acquired a controlling interest in two European companies and during the prior period acquired the remaining minority interests of these companies. These interests are held exclusively with a view to subsequent resale. The subsidiary undertakings have not previously been consolidated in these financial statements. The subsidiary undertakings have been accounted for as current asset investments and are stated at the lower of cost and net realisable value.

11. Creditors: Amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings	55,835	16,206
Corporation tax	27,887	36,174
Accruals and deferred income	5,336	4,699
	89,058	57,079

BRITISH ASPHALT AND BITUMEN LIMITED

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

12. Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Amounts owed to group undertakings	2,866,903	2,998,158

13. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets measured at fair value through profit or loss	6,397	4,755
Financial assets measured at cost less impairment	3,219,122	3,219,122
	<u>3,225,519</u>	<u>3,223,877</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(2,928,074)	(3,019,063)

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets measured at cost less impairment comprise current asset investments.

Financial liabilities measured at amortised cost comprise of accrued liabilities and amounts owed to group undertakings.

14. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
30,000 Ordinary shares of £1 each	30,000	30,000

BRITISH ASPHALT AND BITUMEN LIMITED

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

15. Reserves

Called-up share capital

This reserve represents the nominal value of shares that have been issued.

Profit & loss account

The profit and loss reserve includes all current and prior period retained profit and losses.

16. Related party transactions

The company has a loan balance with IKO Europe N.V., a company also under the ultimate control of IKO Enterprises Limited. Interest of €33,297 (2014: €41,920) was charged on this loan in the year and the balance on the loan at the balance sheet date was €3,892,796 (2014: €3,859,499). There is no fixed repayment date for this loan.

At the balance sheet date the company owed £55,835 (2014:16,206) to IKO Plc, a company also under the ultimate control of IKO Enterprises Limited. No interest has been charged on this loan. The loan is repayable on demand.

17. Controlling party

The company is a subsidiary undertaking of Freemantle Investments Limited. The company's ultimate parent company is IKO Enterprises Limited. Both companies are incorporated in Canada.

No other financial statements include the results of this company.

18. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.