

WEST LOTHIAN RECYCLING LIMITED

Annual report and financial statements

For the year ended 31 December 2015

Registration Number: SC193765

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WEST LOTHIAN RECYCLING LIMITED

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WEST Lothian RECYCLING LIMITED

DIRECTORS' REPORT

The Directors present the Annual Report and the audited financial statements of West Lothian Recycling Limited ("the Company") for the year ended 31 December 2015.

The Directors' Report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006, which also provides an exemption from the preparation of a Strategic Report.

PRINCIPAL ACTIVITIES

The principal activity of the Company comprise the importation and shredding of green waste to produce compost and the manufacturing and sale of recycled aggregates to the building materials industry in the United Kingdom.

ACCOUNTING FRAMEWORK

As explained in note 1, during the year, the Company changed its accounting framework from UK GAAP to FRS 102 as issued by the Financial Reporting Council. Whilst the prior year financial statements would have been re-stated if required, there were no material adjustments arising on adoption of FRS 102. For more information see note 19.

SIGNIFICANT EVENTS

The Company is a joint venture between Tarmac Trading Limited (formerly Lafarge Tarmac Trading Limited) and West Lothian Council. On 31 July 2015, the entire issued share capital of Tarmac Holdings Limited (formerly Lafarge Tarmac Holdings Limited), the immediate parent undertaking of Tarmac Trading Limited, was acquired by CRH plc, incorporated in Ireland, making CRH plc the ultimate parent undertaking of Tarmac Trading Limited.

GOING CONCERN

The Company is profit making and has net assets. The Company's activities are managed by its shareholder companies comprising; Tarmac Trading Limited and West Lothian Council.

As such, the Directors have a reasonable expectation taking into account reasonable possible changes in trading performance that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

DIVIDENDS AND TRANSFERS FROM RESERVES

The Directors paid a dividend of £100,000, being £1,000 per ordinary share during the year (2014: £50,000 being £500 per ordinary share). The Company's retained profit for the year was £79,472 (2014 - retained profit: £66,925) which has been transferred to reserves.

WEST LOTHIAN RECYCLING LIMITED

DIRECTORS' REPORT (CONTINUED)

DIRECTORS

The Directors who held office throughout the year and to the date of signing this report, except as noted, were as follows:

T Conn

J Jack

G Malcolm

J Doyle

J Scott (appointed 31 May 2015)

C Kirkland (appointed 31 July 2015)

G Frost (resigned 31 May 2015)

D Kirkpatrick (resigned 30 June 2015)

The Articles of Association of the Company contain an indemnity in favour of all of the Directors of the Company that, subject to law, indemnifies the Directors out of the assets of the Company against any liability incurred by them in defending any proceedings in which judgement is given in their favour (or otherwise disposed of without any finding or admission of any material breach of duty on their part).

AUDITOR

Each of the Directors of the Company holding office at the date of approval of this report confirms that:

- so far as each of the Directors is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- so far as each of the Directors is aware they have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

On 18 January 2016 the Company's auditor changed from Deloitte LLP to Ernst & Young LLP.

Ernst & Young LLP have indicated their willingness to be reappointed as auditor. No notice in accordance with section 488 of the Companies Act 2006 (which would operate to prevent the deemed reappointment of auditors under s487(2) of that Act) has been or is expected to be received and accordingly the necessary conditions are in place for the deemed reappointment of the auditors to take place in absence of an Annual General Meeting.

Prepared in accordance with the small companies' regime and approved by the Board and signed on its behalf by



J Scott

Director

28 July 2016

WEST LOTHIAN RECYCLING LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

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). 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 accounting estimates that are reasonable and prudent; 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 AUDITOR'S REPORT TO THE MEMBERS OF WEST LOTHIAN RECYCLING LIMITED

We have audited the financial statements of West Lothian Recycling Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Change in Equity and the related notes 1 to 20. 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 FRS 102 'The Financial Reporting Standard applicable to 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 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 Annual Report and Financial Statements 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 FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST LOTHIAN
RECYCLING LIMITED (CONTINUED)**

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.

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 take advantage of the small companies exemption in preparing the Directors' Report and from preparing a Strategic Report.



Andrew Merrick (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Birmingham

29/7/16

WEST LOTHIAN RECYCLING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
Turnover	4	471,493	580,534
Cost of sales		(248,048)	(403,401)
Gross profit		223,445	177,133
Administrative expenses		(122,404)	(90,908)
Operating profit		101,041	86,225
Finance income	5	268	234
Profit on ordinary activities before taxation	6	101,309	86,459
Tax	9	(21,837)	(19,534)
Profit for the financial year		79,472	66,925

All activities derive from continuing operations.

WEST LOTHIAN RECYCLING LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	£	£
Profit for the year	79,472	66,925
Other Comprehensive income for the year	-	-
Total Comprehensive income for the year	<u>79,472</u>	<u>66,925</u>

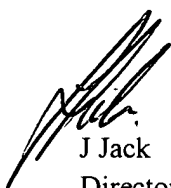
WEST LOTHIAN RECYCLING LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	10	-	12,291
CURRENT ASSETS			
Stock	11	18,783	21,118
Debtors	12	76,795	251,166
Cash at bank and in hand		313,075	215,232
		<u>408,653</u>	<u>487,516</u>
CREDITORS: amounts falling due within one year	13	<u>(140,212)</u>	<u>(210,838)</u>
NET CURRENT ASSETS		<u>268,441</u>	<u>276,678</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		268,441	288,969
PROVISION FOR LIABILITIES	14	<u>(10,298)</u>	<u>(10,298)</u>
NET ASSETS		<u><u>258,143</u></u>	<u><u>278,671</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	100	100
Profit and loss account		258,043	278,571
SHAREHOLDERS' FUNDS		<u><u>258,143</u></u>	<u><u>278,671</u></u>

The financial statements of West Lothian Recycling Limited, registration number SC193765, prepared in accordance with the small companies' regime, were approved by the Board of Directors and authorised for issue on 28 July 2016. They were signed on its behalf by:



J Scott
Director



J Jack
Director

WEST LOTHIAN RECYCLING LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital £	Profit and loss account £	Total £
Balance at 1 January 2014	100	261,646	261,746
Profit for the year	-	66,925	66,925
Total comprehensive income for the year	-	66,925	66,925
Dividends paid (note 8)	-	(50,000)	(50,000)
Balance at 31 December 2014	100	278,571	278,671
Profit for the year	-	79,472	79,472
Total comprehensive income for the year	-	79,472	79,472
Dividends paid (note 8)	-	(100,000)	(100,000)
Balance at 31 December 2015	100	258,043	258,143

WEST LOTHIAN RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1. GENERAL INFORMATION

The principal accounting policies are summarised in note 2. They have all been applied consistently throughout the year and in the preceding year.

West Lothian Recycling Limited is a company incorporated under the Companies Act in the United Kingdom and registered in Scotland. The address of the registered office is Cambusnethan House, Linnet Way, Strathclyde Business Park, Bellshill, ML4 3NJ. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The Company transitioned as at 1 January 2014 and whilst the prior year financial statements would have been re-stated if required, there were no material adjustments arising on adoption of FRS 102. For more information see note 19. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset, the Company has taken into account the characteristics of the asset if market participants would take those characteristics into account when pricing the asset at the measurement date.

The functional currency of West Lothian Recycling Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

2. SIGNIFICANT ACCOUNTING POLICIES

Turnover

Turnover consists of the net invoiced value of goods sold and services provided to customers excluding Value Added Tax. Turnover is wholly attributable to the principal activities of the Company. The whole of the turnover is attributable to the United Kingdom market. Turnover from the sale of goods is recognised when the goods have been despatched to the customer.

Fixed assets and depreciation

Fixed assets are recorded at cost and depreciated on a straight line basis over their estimated useful lives from the time they are brought in to use. Provision is made for any impairment. Tangible fixed assets are depreciated over the following periods:

Plant and machinery	Between 4 and 15 years
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Stocks

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

Restoration

Restoration provision is made for the net present value of the total estimated cost of restoring land where quarrying activities have been undertaken and there is an obligation to restore those sites.

WEST LOTHIAN RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date, and includes any adjustments to tax payable in respect of previous years.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also recognised in other comprehensive income.

Cash flow statement

The Company has taken advantage of Financial Reporting Standard 102 not to produce a cash flow statement as it has satisfied the Companies Act criteria for being a small company.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

WEST LOTHIAN RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The 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 both current and future periods.

The Directors believe there are no critical accounting judgements that could have a potential material impact on the Company's financial position or performance.

4. TURNOVER

An analysis of the Company's turnover is as follows:

	2015 £	2014 £
Continuing operations		
Sale of goods	471,493	580,534

5. FINANCE INCOME

	2015 £	2014 £
Investment income		
Interest receivable and similar income	268	234

WEST LOTHIAN RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2015 £	2014 £
Profit on ordinary activities before taxation is stated after charging:		
Depreciation	12,291	26,960
Operating lease rentals	28,253	25,552
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	5,000	5,000

There were no fees paid to the auditors for non audit services in the current or prior year.

7. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

No Director received any remuneration from the Company during the year (2014: £nil). Two members of staff were seconded to West Lothian Recycling Limited by Tarmac Trading Limited (formerly Lafarge Tarmac Trading Limited) (2014: two). A monthly charge is made by Tarmac Trading Limited for these staff. The total salary cost for the year ended 31 December 2015 was £65,645 (2014: 58,110).

8. DIVIDENDS

	2015 £	2014 £
<u>Dividends on A and B ordinary shares of £1 each</u>		
<i>Amounts recognised as distributions to equity Shareholders during the year:</i>		
Final dividend in relation to year-ended 31 December 2014: £1,000 per A and B ordinary share of £1 each (2014: £500 per A and B ordinary share in relation to final dividend for year-ended 31 December 2013)	100,000	50,000

WEST LOTHIAN RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Tax on profit on ordinary activities

	2015 £	2014 £
Current tax		
Corporation tax at 20.00% (2014: 20.00%)	21,959	21,755
Total current tax charge	21,959	21,755
Deferred tax		
Timing differences, origination and reversal	(675)	(2,221)
Effects of changes in tax rates	553	-
Total deferred tax credit	(122)	(2,221)
Total tax charge on profit on ordinary activities	21,837	19,534

(b) Factors affecting total tax charge for the year

Corporation tax is calculated at the small companies' rate of 20.00% (2014: 20.00%) of the estimated taxable profit for the year.

The charge for the year can be reconciled to the profit in the profit and loss account as follows:

	2015 £	2014 £
Profit on ordinary activities before tax	101,309	86,459
Tax charge on profit on ordinary activities at standard rate of 20.00% (2014: 20.00%)	20,262	17,292
Effect of:		
Expenses not deductible for tax purposes	1,022	2,242
Impact of change in tax laws and rates	553	-
Total tax charge	21,837	19,534

WEST LOTHIAN RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

9. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

On 2 July 2013 the Finance Act 2013 enacted a reduction in the main rate of corporation tax from 21% to 20% with effect from 1 April 2015, therefore unifying the main rate of corporation tax with the small companies' rate of corporation tax, in a simplification of the tax system. Subsequently, on 26 October 2015, Finance No.2 Bill 2015 enacted further reductions in this unified rate of corporation tax to 19% with effect from 1 April 2017 and to 18% with effect from 1 April 2020. The 2016 Budget has since announced a further reduction in the rate of corporation tax to 17% with effect from 1 April 2020 however this has not yet been substantively enacted.

Deferred tax assets and liabilities are measured at tax rates that are enacted or substantively enacted at the balance sheet date. The timing of the reversal of the Company's deferred tax items has been considered, and since they are expected to materially reverse after 1 April 2020, they have been measured at 18% as at 31 December 2015.

10. TANGIBLE FIXED ASSETS

	Plant and machinery £
Cost	
At 1 January 2015	441,529
31 December 2015	441,529
Accumulated depreciation	
At 1 January 2015	429,238
Charge for the year	12,291
At 31 December 2015	441,529
Net book value	
At 31 December 2015	-
At 31 December 2014	12,291

11. STOCK

	2015 £	2014 £
Raw materials and consumables	1,447	1,010
Finished goods and goods for resale	17,336	20,108
	<u>18,783</u>	<u>21,118</u>

There are no material differences between the book value and the replacement costs of these stocks.

WEST LOTHIAN RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

12. DEBTORS

	2015 £	2014 £
Trade debtors	45,221	180,391
Amounts owed by joint venture partners	17,975	57,688
Deferred tax asset (see below)	4,977	4,855
Prepayments and accrued income	8,622	8,232
	<u>76,795</u>	<u>251,166</u>

Deferred tax

Deferred tax is recognised as follows:

	2015 £	2014 £
Fixed asset timing differences	3,123	2,795
Short term timing differences	1,854	2,060
	<u>4,977</u>	<u>4,855</u>

	2015 £	2014 £
Balance at 1 January	4,855	2,634
Deferred tax credit for the year	122	2,221
	<u>4,977</u>	<u>4,855</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	58,398	101,846
Amounts owed to joint venture partners	13,731	39,180
Corporation tax	21,959	21,755
Amounts owed to relate parties - consortium relief	23,788	23,788
Other taxation and social security	1,763	15,379
Accruals and deferred income	19,082	7,391
Other creditors	1,491	1,499
	<u>140,212</u>	<u>210,838</u>

WEST LOTHIAN RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

14. PROVISION FOR LIABILITIES

	Restoration £
At 1 January 2015	10,298
Utilisation of provision	-
At 31 December 2015	<u>10,298</u>

The restoration provision is to restore land in a small area of the unit and which is expected to be utilised within the next 12 months.

15. CALLED UP SHARE CAPITAL

	2015 £	2014 £
Authorised share capital of the Company is £10,000 divided into 5,000 A Ordinary shares of £1.00 each and 5,000 Ordinary B Shares of £1.00 each		
Allotted and fully paid		
50 'A' Ordinary shares of £1 each	50	50
50 'B' Ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>

The 'A' and 'B' ordinary shares rank pari passu in all respects and constitute a single class of shares.

16. RESERVES

Details of all movements in reserves are shown in the statement of changes in equity on page 9.

17. FINANCIAL COMMITMENTS

Commitments under non-cancellable operating leases are as follows:

	2015 £	2014 £
Expiry date:		
- within one year	34,200	28,733
- between two and five years	136,800	136,800
- greater than five years	159,600	193,800
	<u>330,600</u>	<u>359,333</u>

The lease of land and buildings is subject to rent reviews at specified intervals and provide for the lessee to pay all insurance, maintenance and repair costs.

WEST LOTHIAN RECYCLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

18. RELATED PARTY TRANSACTIONS

During the year the Company has entered into a number of related party transactions with associated companies of the joint venture parties.

Tarmac Trading Limited	2015	2014
<i>A company which controls 50% of the Company's ordinary share capital</i>	£	£
Amounts due to related party at balance sheet date	<u>(37,519)</u>	<u>(62,968)</u>

During the year, the following amounts were recharged between these companies:

Purchases	(14,530)	(14,530)
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West Lothian Council	2015	2014
<i>A company which controls 50% of the Company's ordinary share capital</i>	£	£
Amounts due from related party at balance sheet date	<u>17,975</u>	<u>57,688</u>

During the year, the following amounts were recharged between these companies:

Purchases	(43,242)	(49,565)
Sales	381,582	324,313

19. EXPLANATION OF TRANSITION TO FRS 102

This is the first year that the Company has presented its financial statements under FRS 102 (Financial Reporting Standard 102) issued by the Financial Reporting Council. Whilst the prior year financial statements would have been re-stated if required, there were no material adjustments arising on adoption of FRS 102. The last financial statements under a previous GAAP (UK GAAP) were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014.

20. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Company is a joint venture in which the shares are held equally by Tarmac Trading Limited (formerly Lafarge Tarmac Trading Limited) and West Lothian Council. Tarmac Trading Limited is incorporated in Great Britain and registered in England and Wales. At the balance sheet date, the ultimate holding company of Tarmac Trading Limited was CRH plc, a company registered in Ireland. Accordingly, in the opinion of the Directors, there is neither an ultimate parent company nor any controlling entity.