

TILCON HOLDINGS LIMITED

Annual report and financial statements for the year ended 31 December 2015

Registered number: 00208835



TILCON HOLDINGS LIMITED

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TILCON HOLDINGS LIMITED

DIRECTORS' REPORT

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

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption under section 415A of the Companies Act 2006, which also provides an exemption from the preparation of a Strategic Report under section 414B.

PRINCIPAL ACTIVITIES

The Company's principal activity during the year continued to be that of an intermediate holding company.

The Company is a wholly owned indirect subsidiary of Tarmac Holdings Limited. Tarmac Holdings Limited was acquired by CRH plc on 31 July 2015. Tarmac Holdings Limited and its subsidiaries are referred to throughout as Tarmac, and CRH plc and its subsidiaries are referred to as the Group. Tarmac is organised and managed across five business units.

BUSINESS REVIEW

Both the level of business and the year end financial position of the Company were considered to be satisfactory. The Directors expect the present level of activity to be sustained for the foreseeable future.

SIGNIFICANT EVENTS

Up until 31 July 2015, the Company's ultimate parent and controlling party was Tarmac Holdings Limited. On 31 July 2015, CRH plc acquired the entire share capital of Tarmac Holdings Limited and its subsidiaries, and from this date became the Company's ultimate parent and controlling party.

GOING CONCERN

The Company's business activities, together with the Directors' view of its future performance, are set out in the Business Review which forms part of the Directors' Report.

The Directors have a reasonable expectation that based on the Company's forecasts and projections, taking account of reasonably possible changes in trading performance, 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 annual financial statements.

DIVIDENDS AND TRANSFERS TO RESERVES

The Directors paid a dividend for the year ended 31 December 2015 of £137,298,474 (2014: £nil). The Company's profit for the year of £42,709,000 (2014: £70,453,000) has been transferred to reserves.

TILCON HOLDINGS 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:

Tarmac Directors (UK) Limited (formerly
Lafarge Tarmac Directors (UK) Limited)
F P Penhallurick (resigned on 15 March 2016)
M J Choules
G F Young (resigned 31 October 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 from 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 persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself 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.

Approved by the Board and signed on its behalf by:



A Parris
for and on behalf of
Tarmac Directors (UK) Limited
Director
20 September 2016

TILCON HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES 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), including Financial Reporting Standard 101. 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;
- state whether (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework, has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TILCON HOLDINGS LIMITED

We have audited the financial statements of Tilcon Holdings Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Statement of Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101.

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 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 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 statement

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 results for the year then ended;
- have been properly prepared in accordance with (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

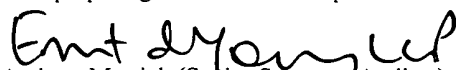
Opinion on matters prescribed in the Companies Act 2006

In our opinion the information 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 take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.



Andrew Merrick (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
Statutory Auditor
Birmingham, United Kingdom
20 September 2016

TILCON HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2015

	Note	2015 £000	2014 £000
Income from shares in group undertakings		91,512	242,571
Amounts written off investments		(48,798)	(172,118)
Profit on ordinary activities before finance charges		42,714	70,453
Finance charges (net)	7	(5)	-
Profit on ordinary activities before taxation	5	42,709	
Tax on profit on ordinary activities	8	-	-
Retained profit for the financial year		42,709	70,453

All activities derived from continuing operations.

TILCON HOLDINGS LIMITED

STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2015

	2015 £000	2014 £000
Profit for the year	42,709	70,453
Other Comprehensive income for the year net of tax	-	-
Total Comprehensive income for the year	42,709	70,453

TILCON HOLDINGS LIMITED

BALANCE SHEET

As at 31 December 2015

	Note	2015 £000	2014 £000
Fixed assets			
Investments	9	-	48,789
Current assets			
Debtors - amounts falling due within one year	10	-	36,885
- amount falling due after more than a year	10	-	278,941
Cash at bank and in hand		-	26
		-	315,852
Creditors: amounts falling due within one year	11	-	(270,052)
Net current assets		-	45,800
Total assets less current liabilities		-	94,589
Net assets		-	94,589
Capital and Reserves			
Called up share capital	12	-	-
Share premium account		-	-
Profit and loss account		-	94,589
Shareholders' Funds		-	94,589

The financial statements of Tilcon Holdings Limited, registered number 00208835, prepared in accordance with the small companies' regime, were approved by the Board of Directors and authorised for issue on 20 September 2016. They were signed on its behalf by:



A Parrs
for and on behalf of
Tarmac Directors (UK) Limited
Director
20 September 2016

TILCON HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

As at 31 December 2015

	Share capital £000	Share premium account £000	Profit and loss account £000	Total £000
Balance at 1 January 2014	6,446	25,217	(7,527)	24,136
Profit for the year	-	-	70,453	70,453
Reduction in share capital	(6,446)	(25,217)	31,663	-
Balance at 31 December 2014	-	-	94,589	94,589
Profit for the year	-	-	42,709	42,709
Total comprehensive income for the year	-	-	42,709	42,709
Equity dividends paid	-	-	(137,298)	(137,298)
Balance at 31 December 2015	-	-	-	-

TILCON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2015

1. General information

Tilcon Holdings Limited is a Company incorporated in England and Wales under the Companies Act. The address of the registered office is Portland House, Bickenhill Lane, Solihull, Birmingham B37 7BQ. The nature of the Company's operations and its principal activities are set out in the business review on page 1.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101) and in accordance with applicable accounting standards. The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out in note 3.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions. Where required, equivalent disclosures are given in the group accounts of CRH plc. The group accounts of CRH plc are available to the public and can be obtained as set out in note 17.

2. Adoption of new and revised standards

In the current year, no new standards or amendments became effective and required adoption by the Company.

Going concern

The financial statements have been prepared on a going concern basis as discussed in the Strategic Report on page 1.

3. Significant accounting policies

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

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. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

TILCON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2015

3. Significant accounting policies (continued)

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 income statement, 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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Investments

The investments in subsidiary companies are included at cost less provision for impairment.

Financial Instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value.

Financial Assets

The Company's classes of financial assets are cash and other financial assets, and these are classified as 'loans and receivables'.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

TILCON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2015

3. Significant accounting policies (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity

The Company has financial liabilities that are classified as 'other financial liabilities', and these relate to borrowings from shareholders and trade and other payables.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, 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 that there are no accounting policies that are critical due to the degree of estimation required and / or the potential material impact they may have on the Company's financial position and performance.

TILCON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2015

5. Profit on ordinary activities before taxation

Audit fees for the audit of the Company of £2,000 (2014: £2,000) are borne by a fellow group company. There were no non audit fees in the current or prior year.

6. Information regarding employees and Directors

The Company had no employees during the year (2014: nil).

No Director received any remuneration from the Company (2014: nil). They are regarded as group employees and paid by a fellow group companies.

7. Finance Charge

	2015 £000	2014 £000
Interest expense	(5)	-
Total interest expense	(5)	-

8. Tax

	2015 £000	2014 £000
Corporation tax:		
Current tax	-	-
	-	-

Corporation tax is calculated at 20.25% (2014: 21.50%) 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 £000	2014 £000
Profit before tax on continuing operations	42,709	70,453
Tax at the UK corporation tax rate of 20.25% (2014: 21.50%)	8,647	15,142
Effects of:		
Expenses not deductible	9,881	36,994
Transfer pricing adjustment	-	(2)
Group relief	-	2
Income not taxable	(18,528)	(52,136)
Total tax expense for the year	-	-

For the year ended 31 December 2013 and subsequent years, group relief within the Tarmac Group is to be surrendered free of charge.

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, resulting in a blended current tax rate for the year of 20.25% (2014: 21.5%).

TILCON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2015

8. Tax (continued)

Subsequently, on 26 October 2015, Finance No.2 Bill 2015 enacted further reductions in the main 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 main rate of corporation tax to 17% with effect from 1 April 2020 however this was not substantively enacted until after the year end.

9. Investments

	Subsidiary companies £000
Cost	
At 31 December 2014	23,418
Provisions for impairment	23,418
	<hr/>
At 31 December 2015	48,798
Impairment	(48,798)
	<hr/>
Net book value	
At 31 December 2015	-
	<hr/>
At 31 December 2014	48,789
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At 31 December 2015 the Company owned shares in the companies listed below:

	Ownership	Status
Tilcon Scotland Limited	100%	Active
Tarmac Northern Limited	100%	Active
Tarmac Central Limited	100%	Active
Compass Aggregates Limited	100%	Active
Ball Mill Sand & Gravel Company Limited	100%	Active
Alston Limestone Company (The) Limited	100%	Active
Val de Travers Asphalte Limited	100%	Active
Tilcon Services Limited	100%	Dormant
S.G. Baldwin Limited	100%	Dormant
Tarmac (CSL) Limited (dissolved on 29 March 2016)	100%	Dormant
Hoskins & Horton Limited (dissolved on 26 January 2016)	100%	Dormant
Tilcon (South) Limited (held by Hoskins & Horton Limited) (dissolved 26 January 2016)	100%*	Dormant
Birmingham Sand & Gravel Limited (held by Hoskins & Horton Limited) (dissolved 26 January 2016)	100%*	Dormant
Longford Industrial Holdings Limited (dissolved on 26 January 2016)	100%	Dormant
Pennine Highways Limited (held by Alston Limestone Company (The) Limited)	50%*	Dormant

All subsidiary companies are registered in England and Wales except Tilcon Scotland Limited which is registered in Scotland.

TILCON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2015

9. Investments (continued)

The Directors consider that the value of investments in subsidiary companies is not less than the amount at which they are stated in the financial statements.

**denotes shares held indirectly*

10. Debtors

	31 December 2015 £000	31 December 2014 £000
Amount falling due within one year		
Amounts due from group companies – Group relief	-	44
Amounts due from group companies	-	343
Amounts due from parent company	-	36,498
	<hr/>	<hr/>
	-	36,885
	<hr/>	<hr/>
Amount falling due in more than one year		
Amounts due from group companies	-	278,941
	<hr/>	<hr/>

11. Creditors: amounts falling due within one year

	31 December 2015 £000	31 December 2014 £000
Amounts due to group companies	-	91,895
Amounts due to parent companies	-	178,157
	<hr/>	<hr/>
	-	270,052
	<hr/>	<hr/>

12. Called up share capital

	31 December 2015 £000	31 December 2014 £000
Allotted, called-up and fully paid		
1 Ordinary share of £1	-	-
	<hr/>	<hr/>

13. Reserves

Details of all movements in reserves are shown in the Statement of Changes in Equity on page 9.

TILCON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2015

14. Dividends

	2015 £000	2014 £000
<i>Declared and paid during the year</i>		
Equity dividends on ordinary shares:		
Final dividend for 2015	137,298	-
	<u>137,298</u>	<u>-</u>

15. Contingent liabilities

The Company has cash which forms part of a composite accounting agreement with certain of its subsidiaries. Accordingly, the Company in concert with those other group companies has entered into arrangements whereby each has offered a limited guarantee in respect of the others' overdraft borrowings from time to time. The Company's maximum liability is limited to the extent of its current account cash balances from time to time which at 31 December 2015 amounted to £nil (2014: £26,000).

16. Related party transactions

Under Financial Reporting Standard 101, the Company is exempt from the requirement to disclose transactions with other group undertakings on the grounds that it is a wholly owned subsidiary of CRH plc and its results are included in the consolidated financial statements of CRH plc.

17. Ultimate parent undertakings

The immediate parent company is Tarmac Industrial Minerals Holdings Limited, a company incorporated and registered in England and Wales.

The ultimate parent company and ultimate controlling entity is CRH plc, a company incorporated and registered in Ireland. The smallest and largest group that publishes consolidated financial statements incorporating the results of this Company is CRH plc. Copies of the financial statements of the ultimate parent company are available from the Company Secretary, 42 Fitzwilliam Square, Dublin, D02 R279, Ireland.