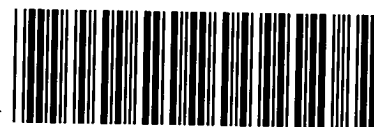


COMPANY NUMBER: 837688

CEMEX UK PROPERTIES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

MONDAY



A11 *A4GVHBI3* #120
28/09/2015
COMPANIES HOUSE

**CEMEX UK PROPERTIES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their report and the audited financial statements for the year ended 31 December 2014.

Principal activity, business review and future developments

The principal activity of the Company throughout the year continued to be the development for sale of land and buildings and the provision of property advisory services to the group.

The results for the year were satisfactory and the directors do not expect any material change in the Company's affairs in the foreseeable future.

Results and dividends

The loss for the financial year was £574,825 (2013: £1,454,693 profit) which was transferred from reserves. The directors do not recommend the payment of a dividend (2013: Nil).

Directors

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

S. Barrett
M.L. Collins (resigned 16 March 2015)
J.A. Smalley (appointed 16 March 2015)

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

By order of the board



J.A. Smalley
Director

23 September 2015

CEMEX House
Coldharbour Lane
Thorpe
Egham
Surrey
TW20 8TD

CEMEX UK PROPERTIES LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF
THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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).

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 PROPERTIES LIMITED

We have audited the financial statements of CEMEX UK Properties Limited for the year ended 31 December 2014 set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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

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 2014 and of its loss 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.

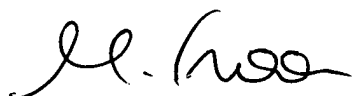
Opinion on other matter prescribed by the Companies Act 2006

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.

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

CEMEX UK PROPERTIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover	2	605,998	5,888,149
Cost of sales		<u>(683,499)</u>	<u>(3,564,606)</u>
Gross (loss) / profit		(77,501)	2,323,543
Administrative expenses		(1,078,999)	(1,306,767)
Other operating income		<u>579,136</u>	<u>282,500</u>
Operating (loss) / profit	3	(577,364)	1,299,276
Interest receivable and similar income	5	<u>2,539</u>	<u>155,417</u>
(Loss) / profit on ordinary activities before taxation		(574,825)	1,454,693
Tax on (loss) / profit on ordinary activities	6	<u>-</u>	<u>-</u>
Retained (loss) / profit for the financial year	11	<u>(574,825)</u>	<u>1,454,693</u>

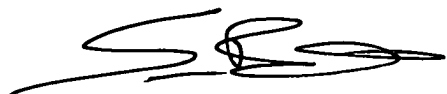
The results for the year are derived wholly from continuing operations.

In 2014 and 2013 the company had no recognised gains or losses other than the retained profit for the financial year, and therefore no statement of total recognised gains and losses has been presented.

CEMEX UK PROPERTIES LIMITED
BALANCE SHEET
31 DECEMBER 2014

	Notes	2014 £	2013 £
Current assets			
Stock	7	<u>6,553,006</u>	<u>5,606,142</u>
Debtors falling due after more than one year	8	526,302	123,444
Debtors falling due within one year	8	<u>275,977</u>	<u>2,360,857</u>
Total debtors		802,279	2,484,301
Cash at bank and in hand		<u>-</u>	<u>9,950,537</u>
Total current assets		7,355,285	18,040,980
Creditors: amounts falling due within one year	9	<u>(3,446,413)</u>	<u>(13,557,283)</u>
Net assets		<u>3,908,872</u>	<u>4,483,697</u>
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account	11	<u>3,908,772</u>	<u>4,483,597</u>
Shareholder's funds	12	<u>3,908,872</u>	<u>4,483,697</u>

These financial statements were approved by the board of directors on 23 September 2015 and were signed on its behalf by:



S. Barrett
Director

COMPANY NUMBER 837688

The notes on pages 6 to 11 form part of these financial statements

**CEMEX UK PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

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

Going concern

The directors believe that it is appropriate to prepare the financial statements on the *going concern* basis due to the *continued financial support of a parent undertaking*. The directors have received confirmation that CEMEX, S.A.B. de C.V., intends to support the Company for at least one year from the date of signing of the financial statements.

Cash flow statement

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated 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 8 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 15.

Pensions

The company participates in group funded defined benefit schemes, operated by CEMEX Investments Limited. Details of these schemes are disclosed in the accounts of CEMEX UK Operations Limited. The contributions paid by the Company are accounted for as if the scheme were a defined contribution scheme, as the company is unable to identify its share of the underlying assets and liabilities in the scheme. These funds are valued at least triennially and the funding payments are assessed in accordance with the advice of an independent professionally qualified actuary. The annual cost of these pension arrangements is charged in arriving at the operating profit for the year. Adjustment is made by CEMEX UK Operations Limited on a group basis so as to provide pension costs over the period of service of members of the schemes.

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contribution payable to the scheme in respect of the accounting period.

The defined benefit scheme was closed to future accrual for all members with effect from 1 March 2012. All existing and new employees are eligible to join the defined contribution section of the scheme.

CEMEX UK PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

1. Accounting policies (continued)

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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 19.

Stock

The company identifies properties owned by the CEMEX group that are no longer required for group activities and seeks to maximise the net proceeds of sale of those properties by methods including the obtaining of planning permission and site assembly. Costs incurred on those properties are included in work in progress or are immediately written off. Following sale by the owning company, the company is reimbursed its expenditure by that company. Where it seems unlikely that the property will be sold in the near future, the costs are written off in the accounts of the company. Stock and work in progress are stated at the lower of cost and net realisable value.

2. Turnover

The company has limited turnover, reflecting the fact that the proceeds from sales of property the company manages are recorded in the books of the company to whom the asset belongs. Turnover comprises proceeds from property sales and fees charged to fellow group undertakings in respect of these sales.

3. Operating profit

	2014	2013
	£	£
Auditor's remuneration – for audit of these financial statements	<u>5,000</u>	<u>5,000</u>

Auditor's remuneration for the audit of these financial statements was borne by another group undertaking in the current and preceding financial year.

CEMEX UK PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

4. Employee costs

	2014 £	2013 £
Staff costs during the year		
Wages and salaries	199,389	104,526
Social security costs	24,225	10,972
Other pension costs	27,163	8,391
Share based payments	35,815	-
	<u>286,592</u>	<u>123,889</u>
 Average number of persons employed by the company during the year		
	2014 No.	2013 No.
Property development and advisory services	<u>2</u>	<u>2</u>

Directors' emoluments

	2014 £	2013 £
Aggregate emoluments	103,219	96,477
Number of directors to whom retirement benefits are accruing under a Group defined benefit scheme in respect of qualifying services	<u>1</u>	<u>1</u>

5. Interest receivable and similar income

	2014 £	2013 £
Interest receivable from parent company	<u>2,539</u>	<u>155,417</u>

6. Tax on profit on ordinary activities

	2014 £	2013 £
Reconciliation of current tax charge		
The corporation tax for the period is different from the standard rate of 21.5% (2013: 23.25%). The reasons for the difference are explained below:		
(Loss) / profit on ordinary activities before tax	<u>(574,825)</u>	<u>1,454,693</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013: 23.25%)	(123,587)	338,216
Adjustment for effect of:		
Permanent differences	76,448	142,723
Losses surrendered for no payment	-	(480,939)
Current year losses carried forward	<u>47,139</u>	<u>-</u>
Current tax charge for the period	<u>-</u>	<u>-</u>

CEMEX UK PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

6. Tax on profit / (loss) on ordinary activities (continued)

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013.

In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the Company's future current tax charge accordingly.

Deferred tax is therefore measured at 20% being the corporation tax rate 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 2014 is 21.5% (2013: 23.25%).

Deferred tax asset	Provided		Unprovided	
	2014 £	2013 £	2014 £	2013 £
Total losses carried forward	-	-	(43,850)	(144,374)
At 31 December	-	-	(43,850)	(144,374)

7. Stock

	2014 £	2013 £
Work in progress	6,553,006	5,606,142

8. Debtors

	2014 £	2013 £
Amounts falling due after more than one year		
Loan to group undertaking	275,977	123,444
Amounts falling due within one year		
Amounts owed by group undertakings	23	17
Other taxation and social security	76,279	78,340
Other debtors	450,000	2,282,500
	526,302	2,360,857
	802,279	2,484,301

The loan to group undertaking is unsecured and is repayable in March 2016. The interest rate is variable based on GBP Libor.

CEMEX UK PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

9. Creditors: amounts falling due within one year

	2014	2013
	£	£
Bank overdrafts	1,657,017	-
Trade creditors	184,237	163,732
Amounts owed to fellow subsidiary undertakings	998,115	11,992,933
Other creditors	319,139	910,080
Other taxation and social security	6,578	4,002
Accruals and deferred income	281,327	486,536
	<u>3,446,413</u>	<u>13,557,283</u>

The amounts owed to fellow subsidiary undertakings are unsecured, free of interest, and payable on demand.

10. Called up share capital

	2014	2013
	£	£
Share capital allotted, called up and fully paid 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

11. Reserves

	Profit and loss account £
At 1 January 2014	4,483,597
Loss for the financial year	<u>(574,825)</u>
At 31 December 2014	<u>3,908,772</u>

12. Reconciliation of movements in shareholder's funds

	2014	2013
	£	£
Retained (loss) /profit for the financial year	(574,825)	1,454,693
Opening equity shareholder's funds	<u>4,483,697</u>	<u>3,029,004</u>
Closing equity shareholder's funds	<u>3,908,872</u>	<u>4,483,697</u>

13. Contingent liability

The Company has entered into a joint and several guarantee with certain group companies in respect of a group overdraft facility up to a maximum of £7,500,000.

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.

CEMEX UK PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

14. Pension commitments

The Company has participated in the defined benefit pension scheme operated by CEMEX Investments Limited for its UK employees, with assets held in a separately administered fund. This scheme operated until 29 February 2012. It has been closed to new members since 1st January 2004, and was closed to future accrual for all members with effect from 1st March 2012. An actuarial valuation of the scheme was undertaken as at 31 March 2012 and an actuarial deficit of £180.4m was identified.

An asset backed funding arrangement has been put in place in CEMEX UK Operations Limited to manage its pension obligations. The arrangement is described in more detail in the accounts of CEMEX UK Operations Limited.

All existing and new employees are eligible to join the defined contribution section of the scheme. The contributions payable by the Company to the defined contribution scheme amounted to £27,163 (2013: £8,391)

15. 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 undertaking and ultimate 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.