

**Company Number: 00950780**

# **Lafarge UK Holdings Limited**

**Report and Financial Statements**

**For the year ended 31 December 2021**

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# **Lafarge UK Holdings Limited**

## **Report and Financial Statements for the year ended 31 December 2021**

	<b>Page</b>
Company information	1
Directors' Report	2
Directors' responsibility statement	3
Statement of Comprehensive Expense	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Notes to the Financial Statements	7-16

# **Lafarge UK Holdings Limited**

## **Company information**

### **Directors**

S G Crossley

J A Dwyer

L Jaques

### **Registered office**

Bardon Hall

Copt Oak Road

Markfield

Leicestershire

LE67 9PJ

United Kingdom

### **Registered number**

00950780

# **Lafarge UK Holdings Limited**

## **Directors' Report for the year ended 31 December 2021**

The directors present their Report and the Financial Statements of Company for the year ended 31 December 2021.

### **Principal activity**

The Company holds investments in land.

### **Review of the business**

The company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the year. It is anticipated that the company will remain dormant for the foreseeable future. Key performance indicators are not considered necessary for an understanding of the development, performance or position of the business of the company. There are no risks or uncertainties facing the company including those within the context of the use of financial instruments.

### **Dividends**

No dividends were declared in the year (2020:£nil)

### **Directors**

The following directors held office during the year and subsequently:

S G Crossley  
J A Dwyer  
L Jaques

The directors have no interest in the share capital of the company.

### **Post balance sheet events**

There were no post balance sheet events

### **Directors' qualifying third party indemnity provisions**

The Company has indemnified the directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' Report.

## **Lafarge UK Holdings Limited**

### **Statement of director's responsibilities in relation to the financial statements**

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 United Kingdom Law and International Financial Reporting Standards as adopted by the European Union. 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 for that period.

The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit and loss of the company for that year.

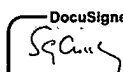
In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards as adopted by the European Union have been followed subject to any material departures disclosed and explained in the financial statements.
- provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; 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.

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board and signed on its behalf by:

DocuSigned by:  
  
B5BE9D33C5B9417...

**S G Crossley**

**Director**

Date: 07 July 2022

# Lafarge UK Holdings Limited

## Statement of Comprehensive Expense For the year ended 31 December 2021

	Note	Unaudited 2021 £'000	2020 £'000
Continuing operations:			
Turnover		-	-
Cost of sales		-	-
<b>Gross profit</b>		-	-
Distribution costs		-	-
Administrative expenses		-	-
Other operating income	5	-	1,869
Other operating expense	5	-	(9,437)
<b>Operating (loss) before interest and taxation</b>	5	-	(7,568)
Interest payable and similar charges		-	-
<b>(Loss) before taxation</b>		-	(7,568)
Taxation on (loss) on ordinary activities	6	-	-
<b>(Loss) for the financial year</b>		-	(7,568)
Other comprehensive expense for the year net of tax		-	-
<b>Total comprehensive expense for the year</b>		-	(7,568)

The notes on pages 7 to 16 form an integral part of these financial statements

# Lafarge UK Holdings Limited

Registered number: 00950780

## Statement of Financial Position at 31 December 2021

	Note	Unaudited 2021 £'000	2020 £'000
<b>Fixed assets</b>			
Property, Plant and Equipment	7	235	235
<b>Current assets</b>			
Trade and other receivables	8	1,875	1,875
Creditors: amounts falling due within one year		-	-
<b>Net current assets</b>		<b>2,110</b>	<b>2,110</b>
<b>Total assets less current liabilities</b>		<b>2,110</b>	<b>2,110</b>
Creditors: amounts falling due after more than one year		-	-
Provision for liabilities	9	(9,437)	(9,437)
<b>Net assets</b>		<b>(7,327)</b>	<b>(7,327)</b>
<b>Equity</b>			
Ordinary shares	10	-	-
Retained earnings	11	(7,327)	(7,327)
<b>Total shareholders' funds</b>		<b>(7,327)</b>	<b>(7,327)</b>

The notes on pages 7 to 16 form an integral part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 07 July 2022.

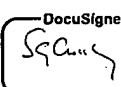
For the year ending 31/12/2021 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Signed on behalf of the Board of Directors:

DocuSigned by:  
  
 B5BE9D33C5B9417...  
**S G Crossley**  
**Director**  
 Date: 07 July 2022

# Lafarge UK Holdings Limited

## Statement of Changes in Equity

	<b>Called-up Share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total £'000</b>
<b>Unaudited Balance at 1 January 2020</b>	-	241	241
<u>Total comprehensive income for the year</u>	-	(7,568)	(7,568)
<b>Balance at 31 December 2020</b>	-	(7,327)	(7,327)
<u>Total comprehensive expense for the year</u>	-	-	-
<u><b>Unaudited Balance at 31 December 2021</b></u>	-	(7,327)	(7,327)

The notes on pages 7 to 16 form an integral part of these financial statements.



# Lafarge UK Holdings Limited

## Notes to the Financial Statements for the year ended 31 December 2021

### 1. Corporate information

The financial statements of the Company for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 07 July 2022. The company is a private limited company incorporated and domiciled in England & Wales.

The address of the registered office is shown on page 1.

### 2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
  - paragraph 73(e) of IAS 16, 'Property, plant and equipment'
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d) (statement of cash flows);
  - 16 (statement of compliance with all IFRS);
  - 38A (requirement for minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - 111 (statement of cash flows information);
  - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'

# **Lafarge UK Holdings Limited**

## **Notes to the Financial Statements (continued) for the year ended 31 December 2021**

### **2.1 Basis of preparation (continued)**

Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).

Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).

The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

#### **2.1.1 Going concern**

The company remains dormant, save for the recognition of an impairment to its investments and a future tax liability. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **2.1.2 New standards, amendments, IFRIC interpretations and new relevant disclosure requirements**

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have a material impact on the company's financial statements.

### **2.2 Consolidation**

The company is a wholly owned subsidiary of Lafarge Building Materials Limited and of its ultimate parent, Holcim Limited. It is included in the consolidated financial statements of Holcim Limited, which are publicly available. Therefore, the company is exempt, by virtue of section 401 of the Companies Act 2006, from the requirement to prepare consolidated financial statements. The address of the ultimate parent's registered office is Grafenauweg 10, CH-6300 Zug, Switzerland.

These financial statements are separate financial statements.

### **2.3 Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

### **2.4 Property, plant and equipment**

Freehold land is not depreciated and is carried at cost.

## **Lafarge UK Holdings Limited**

### **Notes to the Financial Statements (continued) for the year ended 31 December 2021**

#### **2.5 Trade and other receivables**

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and other receivables.

#### **2.6 Share capital**

Ordinary shares are classified as equity.

#### **2.7 Creditors**

Creditors are presented as amounts falling due within one year unless payment is not due within 12 months after the reporting period.

#### **2.8 Current and deferred tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## Lafarge UK Holdings Limited

### Notes to the Financial Statements (continued) for the year ended 31 December 2021

#### 2.9 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All recognised financial assets that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Specifically:

- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortised cost;
- debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI);
- all other debt investments and equity investments are measured subsequently at fair value through profit or loss

#### *Amortised cost and effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

## **Lafarge UK Holdings Limited**

### **Notes to the Financial Statements (continued) for the year ended 31 December 2021**

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is

calculated by applying the effective interest rate to the gross carrying amount of a financial asset

#### **Significant increase in credit risk**

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. Since the receivables of the Company are with 100% Holcim Group companies, the credit risk is considered very low.

The company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

#### ***Impairment of financial assets***

The Company revised its impairment methodology under IFRS 9, defining 2 types of financial assets subject to IFRS 9's expected credit loss model. For trade receivables, the Company applies the simplified approach providing for expected credit losses using the lifetime expected loss provision for trade receivables. For loans and receivables, the credit provision is determined based on the credit risk standing at each reporting date. There was no material impact relating to provisions on loan receivables on conversion to IFRS 9.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

## **Lafarge UK Holdings Limited**

### **Notes to the Financial Statements (continued) for the year ended 31 December 2021**

#### **Derecognition of financial assets**

The Company derecognizes 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 recognizes 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 recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument, which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

#### ***Financial liabilities and equity instruments***

##### **Classification as debt or equity**

Debt and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **Financial liabilities**

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

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 (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

## **Lafarge UK Holdings Limited**

### **Notes to the Financial Statements (continued) for the year ended 31 December 2021**

#### ***Derecognition of financial liabilities***

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

#### ***Derivative financial instruments and hedge accounting***

The Company has not entered into derivative financial instruments during the years 2021 and 2020.

#### **2.10 Rounding of amounts**

All amounts in the financial statements and notes have been rounded off to the nearest thousand Sterling Pound (£'000), unless otherwise stated.

#### **3. Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **3.1 Critical accounting estimates and assumptions**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### **4. Directors and employees**

The directors' services to the Company do not occupy a significant amount of their time. As such the directors have not received any remuneration for their incidental services to the company for the years ended 31 December 2021 and 31 December 2020. No staff were employed by the company during the year.

All directors are also officers of other Holcim Ltd Group companies and a number of its subsidiaries. Their remuneration for the year was paid by their respective employing entities. The directors consider that the amount of time spent on the entity is inconsequential, and therefore no remuneration is disclosed.

# Lafarge UK Holdings Limited

## Notes to the Financial Statements (continued) for the year ended 31 December 2021

### 5. Operating (loss)

Operating (loss) is stated after charging:

The Company was exempt from audit in the current and comparative period. No non-audit fees were charged in either reporting period.

Other operating income is £nil (2020: £1,869k is from the MAP claim discussed in the directors' report). Other operating expenses of £nil (2020: £9,437k is in relation to the indemnity claim also discussed in the directors' report).

### 6. Taxation on (loss) on ordinary activities

	Unaudited	
	2021	2020
	£'000	£'000
The charge for taxation is as follows:		
UK current corporation tax charge/(credit)	-	-

#### Factors affecting current tax charge for the year

The tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (2020: 19%)

	Unaudited	
	2021	2020
	£'000	£'000
The charge for taxation is as follows:		
The differences are explained below:		
(Loss) on ordinary activities before taxation	-	(7,568)
Tax on (loss) on ordinary activities at the standard rate	-	(1,438)
Non-deductible items	-	1,615
Group relief claimed for £nil consideration	-	(178)
Total tax	-	(-)

The standard rate of Corporation Tax in the UK reduced from 20% to 19% with effect from 1 April 2017. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 19.00% (PY 19.00%)



# Lafarge UK Holdings Limited

## Notes to the Financial Statements (continued) for the year ended 31 December 2021

### 7. Property, Plant and Equipment

	Freehold land	Total
	2021	2021
	£'000	£'000
<b>Cost and Net Book Value</b>		
<u>1 January and 31 December</u>	<u>235</u>	<u>235</u>

Freehold land is held at cost and not depreciated.

### 8. Trade and other receivables

	Unaudited	
	2021	2020
	£'000	£'000
<u>Amount owed by parent company *</u>	<u>1,875</u>	<u>1,875</u>

\* Unsecured, interest free, has no fixed date of repayment and is repayable on demand.

### 9. Provision for liabilities

	Unaudited	
	2021	2020
	£'000	£'000
<u>Environmental Indemnity</u>	<u>(9,437)</u>	<u>(9,437)</u>

On 3rd January 2020, Swanscombe Development LLP sent an environmental loss notice to Lafarge UK Holdings Limited, triggering the indemnity clause provision in the Environmental Indemnity deed. As such Swanscombe Development LLP will only be liable for any environmental losses arising in respect of contamination and/or environmental non-compliance under £2,000k, with any excess costs being indemnified by Lafarge UK Holdings Limited. As such a provision of £9,473k has been recognised.

# Lafarge UK Holdings Limited

## Notes to the Financial Statements (continued) for the year ended 31 December 2021

### 10. Called-up share capital

	2021 £'000	2020 £'000
10,00,001,100 Ordinary Shares of £0.000000001 each	-	-

The shares have full voting, dividend and capital distribution (including on winding-up) rights; they do not confer any rights of redemption.

### 11. Retained earnings

Retained earnings represent the cumulative profits and losses of the Company.

### 12. Related party transactions

The cost of the confirmation statement fee and audit fee was borne by a fellow group company without any right of reimbursement.

The environmental indemnity expense and balance of £9,437k in relation to the environmental loss notice was issued by Swanscombe Development LLP which is a joint venture of a fellow group company.

### 13. Post balance sheet events

There were no post balance sheet events

### 14. Controlling parties

The immediate parent undertaking is Lafarge Building Materials Limited, a company incorporated in England and Wales, its registered office is: Bardon Hall, Copt Oak Road, Markfield, Leicestershire, LE67 9PJ United Kingdom.

The ultimate parent company and controlling entity is Holcim Ltd, a company registered in Switzerland, it is the smallest and largest undertaking to consolidate the accounts of the Company.

The ultimate controlling party are the shareholders of Holcim Limited.

Copies of the group financial statements of Holcim Ltd having its registered office at Grafenauweg 10, CH-6300 Zug, Switzerland may be obtained from the Investor Relations Department, [investor.relations@holcim.com](mailto:investor.relations@holcim.com), or from [www.holcim.com/presentation-results](http://www.holcim.com/presentation-results).