Company Registration No. 4027738

SAPPHIRE ENERGY RECOVERY LIMITED

Report and Financial Statements

31 December 2012

SAPPHIRE ENERGY RECOVERY LIMITED

REPORT AND FINANCIAL STATEMENTS 2012

CONTENTS

SAPPHIRE ENERGY RECOVERY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

R Hodder
C Law
JP Janse Van Rensburg
D Grimason
Lafarge Tarmac Directors (UK) Limited

Secretary

Lafarge Tarmac Secretaries (UK) Limited

Registered office

Portland House
Bickenhill Lane
Solihull
Birmingham
B37 7BQ

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham, United Kingdom

SAPPHIRE ENERGY RECOVERY LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2012 The directors' report has been prepared in accordance with the special provisions relating to small companies under Section 415A of the Companies Act 2006

PRINCIPAL ACTIVITIES
The principal activity is to acquire used/scrap vehicle tyres from appropriate sources, for processing and onward disposal through environmentally sound facilities The business also sources alternative waste materials to be used in the manufacture of cement as either an alternative fuel or raw material

RESULTS AND DIVIDENDS
The profit and loss account is presented on page 6 The result for the period, after taxation, amounted to a loss of £80,740 (2011 – profit of £197,264)

The directors have not declared a dividend for the year ended 31 December 2012 (2011 - £nil)

BUSINESS REVIEW AND FUTURE DEVELOPMENTS
Turnover increased in 2012 as a result of increased supply of alternative fuels and raw materials to cement manufacturers

The balance sheet shows the Company's financial strength at the year end in terms of net assets

On 18 February 2011 Anglo American Plc and Lafarge S A announced their agreement to combine their cement, aggregates, ready-mixed concrete, asphalt and contracting businesses in the United Kingdom Tarmac Limited, Lafarge Cement UK Limited and Lafarge Aggregates Limited into a new Joint Venture company (the "Joint Venture") subject to regulatory clearance The 50 50 Joint Venture would create a leading UK construction materials company, with a portfolio of high quality assets drawing on the complementary geographical distribution of operations and assets, the skills of two experienced management teams and a portfolio of well-known and innovative brands

The proposed Joint Venture was referred by the Office of Fair Trading to the Competition Commission ("CC") who on 1 May 2012 published its final report It concluded that a number of divestments of assets (remedies) would be required to be made in order to secure regulatory clearance A list of divestment assets was published by the CC These assets were hived down to Hope Cement Limited (formerly Lafarge SPV Limited) and Hope Ready Mixed Concrete Limited (formerly Tarmac SPV Limited), both companies 100% owned in the Lafarge SA and Anglo American groups respectively Both companies were sold to an external buyer on 7 January 2013 Following final clearance from the CC, the Joint Venture was formed and began trading

As part of the above arrangements the Company has been contributed to the Joint Venture

GOING CONCERN
The directors have considered the appropriateness of adopting the going concern basis in the preparation of these financial statements The Company made a loss of £80,740 for the year (2011 profit of £197,264) At 31 December 2012, the Company had net assets of £1,338,152 (2011 £1,418,892) The Company is reliant on its immediate parent company, Lafarge Cement UK Limited, for the provision of ongoing funding

After making enquiries, based on financial projections and confirmation of ongoing support from the immediate parent company, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for not less than 12 months from approval of these financial statements Accordingly, the directors consider it is appropriate that the financial statements should be prepared on a going concern basis

DIRECTORS' REPORT (CONTINUED)

PRINCIPAL RISKS AND UNCERTAINTIES

CREDIT RISK

The Company's credit risk is primarily attributable to its trade debtors The amounts presented in the balance sheet are net of allowances for doubtful debts An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers

LIQUIDITY RISK

The Company operates under the Lafarge Group cash pool arrangement and therefore liquidity is not deemed to be a risk

DIRECTORS

The directors who served throughout the year and up to the date of this report, except where otherwise stated were

F Colhoun	(resigned 17 April 2013)
R Hodder	
R Ramankutty	(resigned 17 April 2013)
C Law	(appointed 16 April 2013)
D Grimason	(appointed 16 April 2013)
JP Van Rensburg	(appointed 16 April 2013)
Lafarge Tarmac Directors (UK) Limited	(appointed 16 April 2013)

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)

CHARITABLE AND POLITICAL CONTRIBUTIONS

No charitable donations or political donations were made during 2012 (2011 - £nil)

AUDITOR

Each person 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

Deloitte LLP have indicated their willingness to be reappointed No notice in accordance with section 488 of the Companies Act 2006 (which would operate to prevent the deemed reappointment of the auditor 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 auditor to take place in absence of an Annual General Meeting

By Order of the Board

Richard Keen

R Keen
For and on behalf of
Lafarge Tarmac Secretaries (UK) Limited
Secretary
30 September 2013

SAPPHIRE ENERGY RECOVERY 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 (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,
- state whether applicable United Kingdom accounting standards have been followed subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAPPHIRE ENERGY RECOVERY LIMITED

We have audited the financial statements of Sapphire Energy Recovery Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 18 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)

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 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 to identify material inconsistencies with the audited financial statements 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 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom 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, or
- the directors were not entitled to take advantage of the small company exemption in preparing the directors' report

Peter Gallimore FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham, United Kingdom
30 September 2013

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2012

	Note	2012 £	2011 £
Turnover		**9,352,880**	7,877,501
Cost of sales		**(7,922,892)**	(6,123,688)
Gross profit		**1,429,988**	1,753,813
Administrative expenses		**(1,468,731)**	(1,503,590)
Operating (loss) / profit	3	**(38,743)**	250,223
Interest payable	4	**(3,660)**	(4,634)
(Loss) / profit on ordinary activities before taxation		**(42,403)**	245,589
Tax charge on profit on ordinary activities	5	**(38,337)**	(48,325)
(Loss) / profit for the financial year	12	**(80,740)**	197,264

Turnover and operating (loss)/profit are derived from the Company's continuing operations

There are no recognised gains or losses in either year other than the loss for that financial year Accordingly, no statement of total recognised gains or losses is presented

SAPPHIRE ENERGY RECOVERY LIMITED

BALANCE SHEET
As at 31 December 2012

	Note	2012	2011
		£	£
Fixed Assets			
Goodwill	6	120,025	200,017
Tangible assets	7	1,412,213	1,383,560
Current assets			
Stocks	8	255,935	302,520
Debtors	9	2,831,030	1,765,429
Cash at bank and in hand		311,216	251,602
		3,398,181	2,319,551
Creditors: amounts falling due within one year	10	(3,592,267)	(2,484,236)
Net current liabilities		(194,086)	(164,685)
Total assets less current liabilities		1,338,152	1,418,892
Net assets		1,338,152	1,418,892
Capital and reserves			
Called up share capital	11	3,500,000	3,500,000
Profit and loss account deficit	12	(2,161,848)	(2,081,108)
Total shareholder's funds	13	1,338,152	1,418,892

The financial statements of Sapphire Energy Recovery Limited, registered number 4027738, were approved by the Board of Directors and authorised for issue on 30 September 2013

D Grimason
Director

NOTES TO THE FINANCIAL STATEMENTS
As at 31 December 2012

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards The particular accounting policies adopted are described below and have been applied consistently throughout the current and preceding financial year

Basis of preparation

The financial statements are prepared under the historical cost convention

Going concern

The directors have considered the appropriateness of adopting the going concern basis in the preparation of these financial statements The Company made a loss of £80,740 for the year (2011 profit of £197,264) At 31 December 2012, the Company had net assets of £1,338,152 (2011 £1,418,892) The Company is reliant on its immediate parent company, Lafarge Cement UK Limited, for the provision of ongoing funding

After making enquiries, based on financial projections and confirmation of ongoing support from the immediate parent company, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for not less than 12 months from approval of these financial statements Accordingly, the directors consider it is appropriate that the financial statements should be prepared on a going concern basis

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment in the value

Depreciation is provided on cost in equal annual instalments over the estimated useful economic lives of the assets The rates of depreciation are as follows

Plant and machinery	5% to 33% per annum
Fixtures, fittings, tools and equipment	33% per annum

Intangible assets – goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is 5 years Provision is made for any impairment

Stocks

Stocks are engineering spares and tyres and are stated at the lower of cost and net realisable value

Current taxation

UK Corporation tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted at the balance sheet date

Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered Deferred tax assets and liabilities are not discounted

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
As at 31 December 2012

1. ACCOUNTING POLICIES (CONTINUED)

Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction All differences are taken to the profit and loss account

Pension costs

The Company participates in the Lafarge UK Pensions Plan (LUPP), the assets and liabilities of which are held independently from the group Up until 31 October 2011 the Company had employees who were active members of either the LUPP's Defined Benefit Sections or Defined Contribution Section From 1 November 2011, following a consultation period, all active members of the Defined Benefit Sections ceased membership of the Defined Benefit sections and became active members of the Defined Contribution Section As a consequence for the 2012 year all pension contribution are to an occupational defined contribution arrangement and contributions are shown in the financial statements

The employer contributions for the next twelve months vary depending on a member's length of service and chosen contribution rate The employer's contribution ranges from 3-12% of pensionable pay dependent upon the length of service and employee's contribution rate

On 26 January 2012 the Company, the Trustee of the LUPP and others entered into a Scheme Apportionment Arrangement whereby the Company paid £1,000 to the LUPP which discharged it of all liabilities relating to the Defined Benefit Sections of the LUPP including any further deficit recovery contributions

Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the Company's ordinary activities after deduction of trade discounts and Value Added Tax The turnover and pre-tax profit/loss, all of which arises in the United Kingdom, is attributable to the Company's principal activity

Cash flow statement

The Company has taken advantage of the exemption not to prepare a cash flow statement under Financial Reporting Standard No 1 (revised) as its cash flows are consolidated into the cash flow statement produced by the ultimate parent company

Related party transactions

The Company has taken advantage of the exemption granted in paragraph 3(c) of Financial reporting Standard No 8 'Related Party Disclosures' not to disclose transactions with wholly owned group undertakings

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
As at 31 December 2012

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Directors' remuneration

Dunng the year the Company was charged £120,000 by Lafarge Cement UK Lımıted for the servıces of R Hodder (2011 £122,426) These charges ıncluded relocatıon expenses The other dırectors dıd not receıve any remuneratıon for theır servıces as dırectors to the Company (2011 - £nıl)

Average number of persons employed	2012 No.	2011 No.
Productıon	26	26
Sales and dıstnbutıon	17	16
Admınıstratıon	10	9
	53	51

Staff costs durıng the year comprıse:		
Wages and salanes	1,684,195	1,617,387
Socıal securıty costs	152,158	158,729
Pensıon costs	73,014	93,560
	1,909,367	1,869,676

3. OPERATING (LOSS) / PROFIT

	2012 £	2011 £
Operating (loss) / profit is stated after charging:		
Deprecıatıon		
Owned assets	197,708	202,200
Amortısatıon of goodwıll	79,992	79,992
Rentals under operatıng leases		
Hıre of plant and machınery	113,244	190,942
Other operatıng leases	350,595	221,904
Fees payable to the Company's audıtor for the audıt of the Company's annual accounts	13,500	14,202
Exchange losses / (gaıns)	3,390	(39,627)
Loss on dısposal of fixed assets	-	(1,129)

There were no non audıt fees ın the current or pnor year

4. INTEREST PAYABLE

	2012 £	2011 £
Interest payable on amounts due to group companıes	(3,660)	4,634

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
As at 31 December 2012

5. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

(a) Tax credit on profit on ordinary activities

	2012 £	2011 £
Current tax		
United Kingdom corporation tax at 24 5% (2011 26 5%)	**39,478**	48,325
Prior year adjustment	**(1,141)**	-
Total current tax	**38,337**	48,325
Total Tax Charge	**38,337**	48,325

The Company has an unrecognised deferred tax asset of £178,276 (2011 £144,999) in relation to accelerated capital allowances of £116,093 (2011 £76,761) and other timing differences of £62,183 (2011 £68,238) which has not been recognised as there is insufficient information to support the recoverability of this asset in the future

(b) Factors affecting current tax charge for the year

The tax assessed for the year is different to that resulting from applying the standard rate of corporation tax in the UK of 24 5% (2011 26 5%)

The differences are explained below

	2012 £	2011 £
(Loss)/profit on ordinary activities before taxation	**(42,403)**	245,589
Tax (credit)/charge on (loss)/profit on ordinary activities at standard rate	**(10,388)**	65,081
Effects of		
Depreciation in excess of / (less than) capital allowances	**48,438**	(26,192)
Short term timing differences	**-**	7,211
Permanent differences	**1,428**	2,225
Adjustment in respect of prior periods	**(1,141)**	-
Total actual amount of current tax	**38,337**	48,325

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
As at 31 December 2012

5. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

(c) Factors that may affect future tax charge

The 2012 Budget introduced a reduction in the main rate of corporation tax from 26% to 24% effective 1 April 2012, and a further reduction from 24% to 23% effective 1 April 2013 Since the reduction to 24% was effective 1 April 2012, a hybrid rate of current tax of 24 5% applies during the year ended 31 December 2012

Deferred tax assets and liabilities are measured at tax rates that are enacted or substantively enacted at the balance sheet date Accordingly the reduction to 23% has been applied when measuring the unrecognised deferred tax asset 31 December 2012

Two further changes were enacted in Finance Act 2013 to reduce the tax rate from 23% to 21% with effect from 1 April 2014 and from 21% to 20% with effect from 1 April 2015 These changes were substantively enacted on 2 July 2013, i e after the balance sheet date, and as such they have not been reflected in the deferred tax balance at 31 December 2012 These future tax rate reductions are expected to have a similar impact on the financial statements as disclosed in the current period, however the actual impact will be dependent on the Company's deferred tax position at that time

6 GOODWILL

	Goodwill Total £
Cost	
At 1 January 2012 and 31 December 2012	**400,000**
Accumulated amortisation	
At 1 January 2012	199,983
Charge for the year	79,992
At 31 December 2012	**279,975**
Net book value	
At 31 December 2012	**120,025**
At 31 December 2011	200,017

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
As at 31 December 2012

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures, fittings, tools and equipment £	Total £
Cost			
At 1 January 2012	3,311,305	143,594	3,454,899
Additions	226,360	-	226,360
At 31 December 2012	**3,537,665**	**143,594**	**3,681,259**
Accumulated depreciation			
At 1 January 2012	1,960,610	110,728	2,071,338
Charge for the year	182,341	15,367	197,708
At 31 December 2012	**2,142,951**	**126,095**	**2,269,046**
Net book value			
At 31 December 2012	**1,394,714**	**17,499**	**1,412,213**
At 31 December 2011	1,350,695	32,866	1,383,561

8 STOCKS

	2012 £	2011 £
Tyres	**17,080**	19,451
Engineering spares	**238,855**	283,069
	255,935	302,520

There is no material difference between the balance sheet value of stocks and their replacement value

9. DEBTORS

Amounts due within one year	2012 £	2011 £
Trade debtors	**660,353**	697,382
Amounts owed by parent undertakings	**1,891,229**	941,168
Other debtors and prepayments	**279,448**	126,879
	2,831,030	1,765,429

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
As at 31 December 2012

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Trade creditors	**1,568,333**	958,707
Bank Overdraft	**292,351**	216,269
Amounts owed to parent undertakings	**799,211**	815,802
Amounts owed for Group Tax Relief claimed	**86,662**	48,325
Accruals and deferred income	**845,710**	445,133
	3,592,267	2,484,236

Cash Pooling

During the year the Company operated as part of the Lafarge SA Group cash pooling arrangement Each company participating in the cash pooling arrangement had a memorandum balance, with the true balance at bank being the sum of all of the memorandum balances While the overall balance at bank in the cash pool is usually maintained as a positive cash balance, there are points in time during which the overall balance may temporarily fall into an overdraft position The nature of the cash pooling arrangement increases the risk to the Company of withdrawing cash balances in full on demand, in the event of other Lafarge SA Group companies having overdraft positions The directors do not consider that this presents a material risk to the Company regarding the availability of cash balances to continue operations under the normal course of business

11. CALLED UP SHARE CAPITAL

	2012 £	2011 £
Called up, allotted and fully paid		
3,500,000 (2011 – 3,500,000) ordinary shares of £1 each	**3,500,000**	3,500,000
	3,500,000	3,500,000

The shares rank pari passu in all respects

12. RESERVES

	Profit and loss account £
Balance at 1 January 2012	**(2,081,108)**
Loss for the financial year	**(80,740)**
Balance at 31 December 2012	**(2,161,848)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
As at 31 December 2012

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Increase in share capital	-	-
(Loss) / profit for the financial year	**(80,740)**	197,264
Net (decrease) / increase in shareholder's funds	**(80,740)**	197,264
Opening shareholder's funds	**1,418,892**	1,221,628
Closing shareholder's funds	**1,338,152**	1,418,892

14. FINANCIAL COMMITMENTS

Operating lease commitments

At 31 December 2012 the Company was committed to making the following payments during the next year in respect of operating leases

	Land and buildings 2012 £	Other 2012 £	Land and buildings 2011 £	Other 2011 £
Leases which expire				
Less than one year	**48,125**	**2,153**	-	19,572
Within one to two years	-	**10,638**	-	5,741
Within two to five years	**33,168**	**106,512**	105,668	10,638
Over five years	**213,000**	-	213,000	-

15. RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of Lafarge SA, the consolidated financial statements of which are publicly available Accordingly, the Company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the Lafarge SA for which 100% of the ownership rests within the Lafarge SA group

16. PENSION ARRANGEMENTS

The Company participates in the Lafarge UK Pensions Plan (LUPP), the assets and liabilities of which are held independently from the group Up until 31 October 2011 the Company had employees who were active members of either the LUPP's Defined Benefit Sections or Defined Contribution Section From 1 November 2011, following a consultation period, all active members of the Defined Benefit Sections ceased membership of the Defined Benefit sections and became active members of the Defined Contribution Section As a consequence for the 2012 year all pension contribution are to an occupational defined contribution arrangement and contributions are shown in the financial statements

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
As at 31 December 2012

17 ULTIMATE PARENT UNDERTAKING AND CONTROLLING ENTITY

Lafarge S A , a company registered in France, as at 31 December 2012 was the largest undertaking to consolidate the accounts of the Company Lafarge S A was regarded by the directors as being the Company's ultimate parent company and controlling entity Since 7 January 2013 the Company's ultimate parent company was Lafarge Tarmac Holdings Limited, a company incorporated in England & Wales

Copies of the accounts of Lafarge S A may be obtained from the Stockholder Relations Department, 61, rue des Belles Feuilles, 75116 Paris France

Lafarge Cement UK Limited, a company registered in England and Wales and incorporated in Great Britain, is the immediate parent undertaking

18. POST BALANCE SHEET EVENTS

On 7 January 2013 the Competition Commission ("CC") approved the Joint Venture between Lafarge SA and Anglo-American plc, following the divestment of a number of assets on 7 January 2013, as required by the CC in order to secure this regulatory clearance The Joint Venture was formed and began trading on 7 January 2013