

REGISTERED NUMBER: 01973463 (England and Wales)

**Strategic Report, Directors' Report and
Audited Financial Statements for the Year Ended 31 March 2021
for
Select Plant Hire Company Limited**



Select Plant Hire Company Limited (Registered number: 01973463)

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for the Year Ended 31 March 2021

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Select Plant Hire Company Limited

**Company Information
for the Year Ended 31 March 2021**

DIRECTORS: H D O'Rourke
R C Baker
A Warrington

SECRETARY: R E Turner

REGISTERED OFFICE: Bridge Place
Anchor Boulevard
Admirals Park, Crossways
Dartford
Kent
DA2 6SN

REGISTERED NUMBER: 01973463 (England and Wales)

INDEPENDENT AUDITORS: PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

**Strategic Report
for the Year Ended 31 March 2021**

The Directors present their Strategic Report of Select Plant Hire Company Limited (the "Company") for the year ended 31 March 2021.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Company is a wholly owned subsidiary of R O'Rourke & Son Limited and a member of the Laing O'Rourke Corporation Limited Group ("Group") that is domiciled in England. The Directors are satisfied with the profit (FY20: profit) and expect the business to continue to trade profitably in the future. A summary of the results is shown in the Directors' Report on page 6.

The reduction in revenue of £13.7m from the FY20 performance was due to the impact of Covid-19. Clients made construction sites Covid-safe before operations were able to recommence based on the UK government directives. The construction industry remained steadfast to continue through lockdown where possible, and bounced back significantly faster than other sectors. The Company is now operating at pre-pandemic levels across the United Kingdom.

The Directors of Laing O'Rourke Corporation Limited manage financial risks, for the Group as a whole, rather than as individual entities. For this reason, the Company's Directors believe that analysis of the Company's risks should be viewed in the context of the Group. The principal risks and uncertainties of Laing O'Rourke Corporation Limited, which includes the Company, are discussed in the Group's Annual Report and Consolidated Financial Statements (which are available publicly at www.laingorourke.com); however these do not form part of this report.

The Directors of Laing O'Rourke Corporation Limited manage the Group's operations on a divisional basis. For this reason, the Company's Directors believe that analysis using key performance indicators should be viewed in the context of the Group. The development, performance and position of the Europe Hub of Laing O'Rourke Corporation Limited, which includes the Company, are discussed in the Group's Annual Report and Consolidated Financial Statements which are available publicly; however these do not form part of this report.

SECTION 172(1) STATEMENT

At Laing O'Rourke we have a clear vision to be the recognised leader of innovation and excellence in all aspects of our business by 2025. It was our continuing commitment in the year to drive our transformative plan, which has already delivered resilience and added significant value. Our strategy will only lead to the long-term success of Laing O'Rourke through the engagement and support of our stakeholders. Throughout the planning of strategies around key areas such as diversity, the wellbeing of our people, relationships with suppliers, partnerships, policy makers, the local community and environment, the Board considers the impact of its decisions on Laing O'Rourke stakeholders in accordance with s172 of the Companies Act 2006. After weighing up the relevant factors, the Board considers which course of action best leads to the long-term success of the Company and a reputation amongst our stakeholders as a company with high standards of business conduct, operating in an ethical and responsible manner in relation to all stakeholders.

Select Plant Hire Company Limited sits within the Corporate Governance Framework of the overall Laing O'Rourke Corporation Limited Group. Decisions that impact Select Plant Hire Company Limited are made at both the Europe Hub Committee and Group Executive Committee levels. The Company's Board is outlined on page 1. The directors of Select Plant Hire Company Limited are members of the Europe Hub Committee and/or the Group Executive Committee. All references to the Board, the Company and the Group within this Section 172(1) Statement, on pages 3 to 5, relate to the Laing O'Rourke Corporation Group.

The Board collectively - and its Directors individually - are clear that relationships with stakeholders are an essential part of the foundation of the business. Effective and meaningful engagement with stakeholders requires regular dialogue.

An understanding of stakeholder groups and their interests enables the business to take account of their needs and concerns, allowing for the creation of value for all.

We have set out our key stakeholders in the below table, with an overview of how we have engaged with each stakeholder to understand their key material issues, so that the Board can give due regard to each stakeholder in its decision making.

Strategic Report
for the Year Ended 31 March 2021

STAKE-HOLDER GROUP	HOW WE ENGAGE	HOW THIS STAKEHOLDER GROUP INFLUENCED BOARD / COMMITTEE DISCUSSIONS AND DECISIONS
<p>OUR CLIENTS</p>	<p>We invest in early engagement with clients prior to any formal decision-making processes aiming to gain insights into their needs, challenges, expectations and priorities, as well as demonstrating the experience and capability of Laing O'Rourke to strengthen our position as a trusted adviser. We also seek early engagement with key influencers to clients including consultants and industry bodies to ensure they fully understand our capabilities and offering.</p> <p>Working with clients in this manner, and implementing a detailed strategy to win planning processes, has allowed us to demonstrate business values around innovation and excellence and the benefits of our in-house capabilities, to strengthen relationships with clients and to deliver certainty.</p> <p>The way in which we engage with clients is strategically planned through this process, with diversity in engagement activities such as capability workshops, site tours, presentations and events depending on the existing relationship with the client and the purpose of engagement.</p> <p>To address mobility restrictions during the Covid 19 pandemic, Laing O'Rourke's engagement portfolio evolved to include virtual project and factory tours, thought leadership activities and forums – all of which were held remotely while encouraging participation from clients. This approach continued to create opportunities for collaboration - and learning, as well as a platform to demonstrate capability and offering during the challenging global circumstances. Interviews by independent interviewers continued to take place with clients, offering a 'live' source of feedback for how Laing O'Rourke is performing in the market and on projects.</p>	<p>Underpinning the approach to engagement is the Group Board's commitment to continuous improvement through consistent project level feedback across the project portfolio. During the year a refresh of our 2015 perception study took place to gain insight into the perspectives held about us from several key stakeholders including clients. The insights from this study confirmed the value that clients see in our approach, while informing the Group Board on areas for further refinement in our offering and identifying the opportunities that underpin a sustainable pipeline of work across priority sectors.</p> <p>The Laing O'Rourke 2025 Transformation Agenda incorporates five conditions (resilience, certainty, people, next-generation methods & technology and responsible decision making) to achieve our strategic objectives and to become the recognised leader for innovation and excellence in the construction industry. The priority conditions for this year endorsed by our Group Board and Group Executive Committee included resilience and certainty, focusing on client engagement, productivity and digital data.</p> <p>We updated our client engagement strategy and client relationship management processes and platforms, improving our productivity and digital data and simplifying complex business systems and models to enable the Group Board and our Executive Committees to consider and guide our engagement with clients and influencers throughout the lifecycle of a project, from pursuit to tender and through to delivery.</p> <p>Our updated client relationship management system is a centralised digital system, providing alignment across the business and delivering consistent and transparent reporting to the Group Board and our Executive Committees on a range of issues including client feedback, key performance indicators for engagement with clients, our performance on projects and 'lessons learned' to upcoming opportunities.</p>

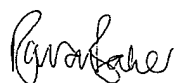
Strategic Report
for the Year Ended 31 March 2021

STAKEHOLDER GROUP	HOW WE ENGAGE	HOW THIS STAKEHOLDER GROUP INFLUENCED BOARD / COMMITTEE DISCUSSIONS AND DECISIONS
OUR PEOPLE	<p>Connecting effectively with our people over the period to hear and understand their views became more important than ever as the Covid-19 pandemic spread across the globe.</p> <p>The Group prioritised communication, engagement and support for our workforce through many different channels including:</p> <p>Daily, weekly or monthly employee communications from senior leaders;</p> <p>Making toolkits available to managers to ensure that they could cascade consistent information to their teams in a personal way;</p> <p>Increased interactive communication with our people through extension of our in-house media channel 'LOR Live' to remote platforms, facilitating real time Q&As with thoughts and opinions encouraged from all staff.</p> <p>Communication was proactive and interactive via LOR Live (monthly live broadcasts by our leadership teams), our internal social media channel on Yammer, Laing O'Rourke's intranet, weekly townhall sessions across the business and project visits (where possible) with leadership briefings. The primary focus was ensuring that all colleagues were safe on sites and in offices and that their wellbeing and mental health was being supported in the face of increased challenges in balancing work and family environments.</p> <p>We refreshed our annual staff engagement survey in November 2020, with strong scores recorded across both Group Hubs particularly confidence in leadership, pride in working for Laing O'Rourke and overall staff engagement.</p>	<p>Managing the safety of our people was the priority for the Group Board and our Executive Committees as they managed the business through the particular challenges of the Covid-19 pandemic and a key factor taken into account in all operational decisions regarding access to our project sites and offices.</p> <p>The Group Board and our Executive Committees took a proactive interest in how the pandemic would impact our future ways of working, with staff surveys across both Hubs asking our people to share their experiences of working remotely and to consider how their roles could change into the future. The results of this survey were overwhelmingly positive around the support provided to our people and their desire for the business to move towards new ways of flexible and dynamic working. The Board has endorsed this approach, with pilot schemes implemented across our project and office environments.</p> <p>Other initiatives considered and endorsed by the Group Board and our Executive Committees during the period included:</p> <ul style="list-style-type: none"> - Roll out of the Energy Project (one of the Group's wellbeing initiatives) across both Group Hubs with support training; - Providing support initiatives to help those working from home, raising mental health concerns and caring for dependants; and - Provision of increased annual leave to support people balancing the challenges of working from home and the anxiety associated with the Covid-19 pandemic.
OUR SUPPLIERS	<p>In July 2020 more than 150 suppliers attended Laing O'Rourke's virtual conference to continue to engage our UK supply chain on the Group's 'Deliver 2025' Mission. This was reinforced by further communications with our supply chain throughout the Covid 19 pandemic, utilising our strategic partnerships to collaborate and mitigate the impact of the pandemic on our projects.</p> <p>Strategic partnerships with key suppliers are further supported through the issue of joint communications, sharing supply chain best practice and collaborating with mutual stakeholders. These highlight how partnerships bring benefits to the delivery of projects and drive innovation throughout the industry.</p>	<p>The Board recognises that its supply chain partners will be critical in helping the Group achieve its 'Deliver 2025' mission to become the recognised leader for innovation and excellence and achieve stretching sustainability targets. Members of the Group Board and our Executive Committees participate in supply chain forums.</p> <p>Updates on significant activities and developments within our supply chain are provided to the Group Board and our Executive Committees and taken into account when setting or approving annual budgets, performance targets and making long term strategic decisions.</p>

**Strategic Report
for the Year Ended 31 March 2021**

STAKEHOLDER GROUP	HOW WE ENGAGE	HOW THIS STAKEHOLDER GROUP INFLUENCED BOARD / COMMITTEE DISCUSSIONS AND DECISIONS
OUR SUPPLIERS (continued)		Supplier payment practices are regularly reviewed and Laing O'Rourke remains a committed member of the UK's Prompt Payment Code.
OUR LENDERS	The Group operates strict controls over working capital and cash management, engaging proactively on these controls with its lenders. A regular and transparent reporting dialogue is maintained with lenders, including monthly update calls and touch points, visits to projects and our manufacturing facilities, strategy and general business updates and reporting against agreed financial performance metrics.	All financial stakeholders have direct access at all times to the Group Chief Financial Officer, who is appointed to the Group Board and attends meetings of the Executive Committees. This ensures that the Directors and our senior leaders are kept regularly informed of developments with our financial stakeholders and that their views are taken properly into account when making operational and strategic decisions.
OUR COMMUNITY	<p>At a project level, we engage with a wide range of local stakeholders to keep them informed of our local initiatives and progress on projects, which deliver significant economic and social value to local communities.</p> <p>We use a wide range of communication channels (including social media) to maximise the effectiveness of how we engage with the local community across our projects.</p>	The Group Board approved the implementation across both Group Hubs of a responsible decision making framework. This is our ethical framework underpinned by universal principles of sustainability that helps our Group Board, Executive Committees and our people consider our values, principles and other external factors when making complex decisions.
GOVERNMENT AND REGULATORY BODIES	<p>Through our trade bodies, the UK's Construction Leadership Council (CLC) and Build UK, we are party to regular dialogue with officials at the Department for Business, Energy and Industrial Strategy.</p> <p>During the period, this dialogue was focused on navigating the Covid-19 pandemic, ensuring construction activity continued safely and supported national economic recovery. We also maintained dialogue with central UK government departments responsible for delivery of specific infrastructure projects, including the Department of Health and Social Care (DHSC) for hospitals and the Department for Education (DfE) for schools.</p> <p>We are committed to developing and maintaining open and effective working relationships with regulatory bodies relevant to our business. Where appropriate, these relationships are managed by senior leaders in our executive team.</p>	Our regular dialogue with government and regulatory bodies ensures that the Group Board and our Executive Committees are briefed on the potential impact of significant developments on government policy, procurement routes and changes to laws and regulations.

ON BEHALF OF THE BOARD:



.....
R C Baker - Director

Date: 9 December 2021

**Directors' Report
for the Year Ended 31 March 2021**

The Directors present their Directors' Report together with the audited financial statements of Select Plant Hire Company Limited for the year ended 31 March 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Company in the year under review were the hire, operation and sale of plant and equipment predominantly in the United Kingdom.

Information in respect of the Business Review as well as future developments are not discussed in the Directors' Report because they are presented on page 2 within the Strategic Report in accordance with s.414C(11) of the Companies Act 2006. The Directors of Laing O'Rourke Corporation Limited manage financial risks, for the Group as a whole, rather than as individual entities. For this reason, the Company's Directors believe that analysis of the Company's risks should be viewed in the context of the Group. The principal risks and uncertainties of Laing O'Rourke Corporation Limited, which includes the Company, are discussed in the Group's Annual Report and Consolidated Financial Statements (which are available publicly at www.laingorourke.com); however these do not form part of this report.

RESULTS

The results for the year are set out in the Income Statement on page 12.

Revenue for the year was £144.2m (FY20: £157.9m). The profit before tax was £12.2m (FY20: £20.7m) and the profit for the financial year was £9.8m (FY20: £19.4m). The reduction in revenue of £13.7m from the FY20 performance was due to the impact of Covid-19. Clients made construction sites Covid-safe before operations were able to recommence based on the UK government directives. The construction industry remained steadfast to continue through lockdown where possible, and bounced back significantly faster than other sectors. The Company is now operating at pre-pandemic levels across the United Kingdom. Total shareholders' funds of the Company at 31 March 2021 were £235.4m (FY20: £225.7m).

GOING CONCERN

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The Company is a wholly owned subsidiary of Laing O'Rourke Corporation Limited, the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 March 2021 (the "Group"). The Directors have assessed whether the going concern basis of preparation is appropriate by reference to the position of the entire Group, as the Company is reliant on its trading relationship with, and financial support from, this group of companies.

The Directors of Laing O'Rourke Corporation Limited have carefully considered those factors likely to affect the Group's future development, performance and financial position in relation to the ability of the Group to operate within its current and foreseeable resources, financial and operational. The Group's Annual Report and Consolidated Financial Statements for the year ended 31 March 2021 (the "Group Financial Statements") were prepared on the assumption that the Group will continue to operate as a going concern for at least the next 12 months from 20 October 2021, being the date on which the Group Financial Statements were signed. The going concern analysis prepared for the purpose of preparing the Group financial statements extended to 31 March 2023 and there were no material uncertainties identified that may cast significant doubt on the Group's going concern status. Further details of the assumptions used and the judgements made by the Directors of Laing O'Rourke Corporation Limited in relation to the Group's going concern assessment are disclosed on pages 53 to 54 of the Group Financial Statements.

Having made the appropriate enquiries, including with the Directors of the Group, and considering a letter of support provided by the Group to the Company, the Company's Directors have a reasonable expectation that the Group, and therefore the Company, have adequate resources to continue in operational existence for a period of at least twelve months from the date on which the Company's financial statements have been signed. For these reasons, the Company's Directors continue to adopt the going concern basis in preparing the financial statements.

DIVIDENDS

No dividends were declared or paid during the year (FY20: £nil). The Directors do not recommend the payment of a final dividend. (FY20: £nil).

**Directors' Report
for the Year Ended 31 March 2021**

DIRECTORS

H D O'Rourke and A Warrington have held office from 1 April 2020 to the date of this report. Changes in Directors holding office are as follows:

R C Baker appointed 22 September 2020
A S McIntyre resigned 22 September 2020

DIRECTORS' INDEMNITIES

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and officers' liability insurance in respect of itself and its Directors.

EMPLOYMENT POLICY

All UK staff are employed by another company within the Group, Laing O'Rourke Services Limited. The Group continues to provide employees with relevant information and to seek their views on matters of common concern through their representatives and through line managers. Priority is given to ensuring that employees are aware of significant matters affecting the Group's trading position and of any significant organisational changes. The Group treats each application for employment, training and promotion on merit. Full and fair consideration is given to both disabled and able-bodied applicants and employees. If existing employees become disabled, every effort is made to find them appropriate work and training is provided if necessary.

HEALTH, SAFETY AND WELFARE

The Group is committed to ensuring the health, safety and welfare of all employees at work. All reasonable measures have been taken to achieve this policy. Arrangements have been made to protect other persons against risk to health and safety arising from the activities of the Group's employees when at work.

STREAMLINED ENERGY AND CARBON REPORTING

The Company recognises the impact climate change has on the environment and society. The Company is committed to measuring and managing the carbon emissions associated with the business operations. Streamlined Energy and Carbon Reporting ("SECR") is discussed in the Laing O'Rourke Plc financial statements which are available publicly but do not form part of this report.

RESEARCH AND DEVELOPMENT

The Company expenditure in research and development supports the development of construction techniques to deliver quality, certainty and value for our customers.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

**Directors' Report
for the Year Ended 31 March 2021**

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic Report, Directors' Report and Audited Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are 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 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.

DIRECTORS' CONFIRMATIONS


In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
R C Baker - Director

Date: 9 December 2021

Report on the audit of the Financial Statements

Opinion

In our opinion, Select Plant Hire Company Limited's Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements, included within the Strategic Report, Directors' Report and Audited Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2021; the Income Statement, the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the Financial Statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the Financial Statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2021 is consistent with the Financial Statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the Financial Statements and the audit

Responsibilities of the Directors for the Financial Statements

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the Financial Statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of environmental legislation, health and safety legislation, data protection legislation, anti-bribery and corruption legislation, tax legislation, employment laws and construction laws, and we considered the extent to which non-compliance might have a material effect on the Financial Statements. We also considered those laws and regulations that have a direct impact on the Financial Statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the Financial Statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Discussion with management, internal audit and the Company's internal legal counsel, including consideration of potential instances of non-compliance with laws and regulation and fraud;
- Assessment of matters reported through the Company's whistleblowing helpline and the results of management's investigation of such matters;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Substantive testing of journal entries which met a defined risk criteria, focusing on where and how fraud could arise; and
- Challenging assumptions and judgements made by management in its accounting estimates or judgements.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the Financial Statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Independent Auditors' Report to the Members of
Select Plant Hire Company Limited (Registered number: 01973463)**

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

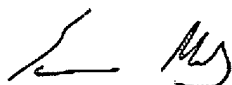
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the Financial Statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Simon Morley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date: 9 December 2021

Select Plant Hire Company Limited (Registered number: 01973463)

Income Statement
for the Year Ended 31 March 2021

	Note	2021 £'000	2020 £'000
REVENUE	3	144,223	157,921
Cost of sales		<u>(120,329)</u>	<u>(126,115)</u>
GROSS PROFIT		23,894	31,806
Administrative expenses		<u>(9,951)</u>	<u>(9,540)</u>
		13,943	22,266
Other operating income	4	<u>56</u>	<u>14</u>
OPERATING PROFIT		13,999	22,280
Income from shares in joint ventures		-	110
Finance expense	6	<u>(1,762)</u>	<u>(1,716)</u>
PROFIT BEFORE TAX	7	12,237	20,674
Tax on profit	8	<u>(2,451)</u>	<u>(1,230)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>9,786</u>	<u>19,444</u>

The notes on pages 16 to 29 form part of these financial statements

Select Plant Hire Company Limited (Registered number: 01973463)

Statement of Comprehensive Income
for the Year Ended 31 March 2021

	2021 £'000	2020 £'000
PROFIT FOR THE YEAR	9,786	19,444
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>9,786</u>	<u>19,444</u>

The notes on pages 16 to 29 form part of these financial statements

Select Plant Hire Company Limited (Registered number: 01973463)

Statement of Financial Position
As at 31 March 2021

	Note(s)	2021 £'000	Re-presented ¹ 2020 £'000
FIXED ASSETS			
Property, plant and equipment ¹	9	31,773	23,121
Right-of-use ¹	9, 16	79,813	84,604
Investments	10	<u>-</u>	<u>-</u>
		<u>111,586</u>	<u>107,725</u>
CURRENT ASSETS			
Stocks	11	5,427	2,859
Trade and other receivables	12	197,188	190,854
Cash and cash equivalents		<u>1</u>	<u>-</u>
		202,616	193,713
CREDITORS			
Amounts falling due within one year	13	<u>(43,394)</u>	<u>(41,369)</u>
		<u>159,222</u>	<u>152,344</u>
NET CURRENT ASSETS			
		270,808	260,069
CREDITORS			
Amounts falling due after more than one year	14	(31,908)	(33,406)
PROVISIONS FOR LIABILITIES	17	<u>(3,463)</u>	<u>(1,012)</u>
NET ASSETS			
		<u>235,437</u>	<u>225,651</u>
CAPITAL AND RESERVES			
Called up share capital	18	-	-
Retained earnings		<u>235,437</u>	<u>225,651</u>
TOTAL SHAREHOLDERS' FUNDS			
		<u>235,437</u>	<u>225,651</u>

1. Right-of-use assets were disclosed as property, plant and equipment in FY20 and have therefore been re-presented for consistency with the presentation in FY21 which provides additional visibility.

The financial statements on pages 12 to 29 were authorised for issue by the Board of Directors on 9 December 2021 and were signed on its behalf by:



.....
R C Baker - Director

The notes on pages 16 to 29 form part of these financial statements

Select Plant Hire Company Limited (Registered number: 01973463)

Statement of Changes in Equity
for the Year Ended 31 March 2021

	Called up share capital £'000	Retained earnings £'000	Total shareholders' funds £'000
Balance at 1 April 2019	-	206,207	206,207
Changes in equity			
Profit for the financial year and total comprehensive income	-	19,444	19,444
Balance at 31 March 2020	-	225,651	225,651
Changes in equity			
Profit for the financial year and total comprehensive income	-	9,786	9,786
Balance at 31 March 2021	-	235,437	235,437

The notes on pages 16 to 29 form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2021**

1. STATUTORY INFORMATION

Select Plant Hire Company Limited is a private company, limited by shares, incorporated and domiciled in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements of Select Plant Hire Company Limited 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 as applicable to companies using FRS 101.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
- the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

Re-presentation of prior year comparatives

Right-of-use assets previously included in property, plant and equipment have been presented separately for FY21 in the Statement of Financial Position in line with best practice. Comparative information in the Statement of Financial Position and in the relevant notes has been re-presented, (notes 9 and 16). These presentational changes have no impact on the Company's profit, net asset position or net cash flows in the current year.

Consolidation

The results of the Company were incorporated into the consolidated financial statements of Laing O'Rourke Corporation Limited which are publicly available.

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.

The financial statements are presented in Sterling (£) which is the functional currency for the Company.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The Company is a wholly owned subsidiary of Laing O'Rourke Corporation Limited, the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 March 2021 (the "Group"). The Directors have assessed whether the going concern basis of preparation is appropriate by reference to the

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. **ACCOUNTING POLICIES - continued**

Going concern - continued

position of the entire Group, as the Company is reliant on its trading relationship with, and financial support from, this group of companies.

The Directors of Laing O'Rourke Corporation Limited have carefully considered those factors likely to affect the Group's future development, performance and financial position in relation to the ability of the Group to operate within its current and foreseeable resources, financial and operational. The Group's Annual Report and Consolidated Financial Statements for the year ended 31 March 2021 (the "Group Financial Statements") were prepared on the assumption that the Group will continue to operate as a going concern for at least the next 12 months from 20 October 2021, being the date on which the Group Financial Statements were signed. The going concern analysis prepared for the purpose of preparing the Group financial statements extended to 31 March 2023 and there were no material uncertainties identified that may cast significant doubt on the Group's going concern status. Further details of the assumptions used and the judgements made by the Directors of Laing O'Rourke Corporation Limited in relation to the Group's going concern assessment are disclosed on pages 53 to 54 of the Group Financial Statements.

Having made the appropriate enquiries, including with the Directors of the Group, and considering a letter of support provided by the Group to the Company, the Company's Directors have a reasonable expectation that the Group, and therefore the Company, have adequate resources to continue in operational existence for a period of at least twelve months from the date on which the Company's financial statements have been signed. For these reasons, the Company's Directors continue to adopt the going concern basis in preparing the financial statements.

Tax and deferred tax

Tax expense represents the sum of the tax currently payable and deferred tax. The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. 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 also excludes items that are neither taxable nor deductible. The Company's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the statement of financial position date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date.

A deferred tax asset is considered recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying temporary differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is measured on an undiscounted basis.

Finance income/(expense)

Finance income/(expense) is recognised using the effective interest rate method. In calculating interest income/(expense), the effective interest rate is applied to the gross carrying value of the asset, when the asset is not impaired, or to the amortised cost of the liability for interest expense. For financial assets that have been impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer impaired the interest income calculation reverts to the gross carrying amount.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. **ACCOUNTING POLICIES - continued**

Property plant and equipment and right-of-use assets

Property, Plant and Equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been computed to write off the cost of the property, plant and equipment over their useful expected lives as detailed below:

Plant & Machinery 2-15 years
Fixtures and fittings 4 years
Motor vehicles 4-8 years
Computer equipment 3 years

Plant and machinery includes tower cranes, crawler cranes and other specialist assets that are depreciated up to a useful life of 15 years as well as small tools that are depreciated between 2 and 5 years.

Short leasehold property is depreciated over the unexpired life of the lease on a straight line basis.

At each reporting date, property, plant and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of an affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment is recognised immediately in profit or loss.

Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested for impairment annually. Assets that are subject to amortisation or depreciation are reviewed for impairment or reversal of prior impairments when circumstances or events indicate there may be a change in the recoverable amount. For impairment testing, goodwill is allocated to cash-generating units by geographical reporting unit and business segment. Assets are grouped at the lowest level for which there are separately identifiable cash flows. The recoverable amount in the impairment test is based on fair value less cost to sell or value-in-use, whichever is greater.

Investments

Investments are stated at cost less provision for a permanent diminution in value. Income from investments is included in the Income statement when the right to receive payment is recognised.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Trade and other receivables

Trade receivables are initially recorded at fair value and subsequently measured at amortised cost as reduced by allowance for expected credit losses and appropriate allowances for estimated irrecoverable amounts. Subsequent recoveries of amounts previously written off are credited to the income statement line in which the provision was originally recognised.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand, deposits held at call with banks, project bank account controlled by the Company, and other short-term highly liquid investments with less than 90 days maturity from the date of acquisition. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

Loans and overdrafts

Interest-bearing bank loans and overdrafts are recognised initially at fair value net of transaction costs incurred, and subsequently measured at amortised cost with the difference between initial net proceeds and redemption value recognised in the income statement over the period to redemption.

Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Creditors are presented as amounts falling due within one year unless payment is not due within 12 months after the reporting period.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Leases

The Company assesses whether a contract is, or contains, a lease at the inception of the contract. A lease exists if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently depreciated over the lease term. The lease liability is measured at the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, at the Company's incremental borrowing rate. The Company has elected to apply the practical expedient which allows the Company to use a single discount rate for a portfolio of leases with similar characteristics.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of less than 12 months and leases of low value assets (less than £5,000). Instead the Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Revenue recognition

The Company recognises revenue from plant hire and operations when it transfers control over a product or service to its customer. Revenue is measured at the fair value of the consideration received or receivable, net of sales tax, for goods and services supplied to external customers, and excludes amounts collected on behalf of third-parties. Revenue from the hire of plant and machinery is recognised over the contract period with customers. Revenue recognition is based on the satisfaction of individual performance obligations and these obligations are satisfied over time. Revenue earned from the disposal of plant and equipment is recognised when control of the item has transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the Company, and costs incurred or to be incurred can be measured reliably. Proceeds from the disposal of fixed assets are shown in cost of sales.

The Company does not expect to have any contracts where the period between the request for payment for the transfer of goods and services to the customer and the payment by the customer exceeds one year. As a consequence, the Company does not adjust its transaction price for the time value of money.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. ACCOUNTING POLICIES - continued

Foreign currencies

Foreign currency transactions are translated into pounds sterling using the exchange rates prevailing at the date of the transaction. Foreign currency denominated monetary assets and liabilities are re-translated at the exchange rates ruling at the balance sheet date. Exchange differences arising from foreign currency transactions are reflected in the profit and loss account.

Research and development

Expenditure on research and development is charged to the income statement in the year in which it is incurred. Research and development expenditure credits relate to amounts recoverable from HMRC on previously incurred expenditure.

Key judgements and estimating uncertainty

The preparation of financial statements under FRS 101 requires management to make estimates and assumptions that affect amounts recognised for assets and liabilities at the statement of financial position date and the amounts of revenue and the expenses incurred during the reported period. Actual outcomes may therefore differ from these estimates and assumptions. These estimates and assumptions that have the most significant impact on the carrying value of assets and liabilities of the Company within the next financial year are detailed as follows:

a) Going concern (judgement and estimate)

In preparing these financial statements using the going concern basis of accounting, management has considered the forecast future cash flows of the Group under a management case scenario and several downside scenarios (see pages 53 to 54 of the Directors' Report of the Group Annual Report and Consolidated Financial Statements). Forecast future cash flows include the following areas of judgement:

- Work winning for the Group;
- Construction activity including project margins and working capital position;
- Support of the supply chain in terms of product material, labour supply and flexibility in payment terms;
- Inflationary pressures;
- Disruption to the supply chain;
- Structural drivers for construction work; and
- Possibility of increased Covid-19 related restrictions impacting construction.

Other judgements and estimates

a) Covid-19 and Brexit (judgement and estimate)

In light of Covid-19 and Brexit, management has considered other areas of judgement and estimation, including expected credit loss provisioning. Management has concluded that any updates to the estimates associated with these areas of the financial statements are not expected to result in significant change.

b) Climate Change (judgement and estimate)

In preparing the financial statements management has considered the impact of climate change. Potential impacts of climate change, which include increased intensity and frequency of weather events and stricter environmental legislation, have been considered by management, together with the Group's stated target of becoming operational net zero by 2030 and developing plans to achieve net zero scope 3 emissions by 2050 to the extent these can be forecast at present. These considerations did not have a material impact on the financial reporting judgements and estimates and climate change is not expected to have a significant impact on the Group's going concern assessment to March 2023.

Specific areas considered by management included:

- The appropriateness of the estimated useful economic lives of the Company's property, plant and equipment and right-of-use assets where no significant changes are currently needed (notes 9 and 16).

The Group continues to invest in new technologies and product development including a project to decarbonise manufactured concrete components used in construction. The costs of these projects are currently being expensed as incurred.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

3. **REVENUE**

Revenue was generated from the United Kingdom by the hire and operation of plant and equipment. Revenue also includes the sale of plant and equipment.

4. **OTHER OPERATING INCOME**

	2021 £'000	2020 £'000
Research and development expenditure credit	<u>56</u>	<u>14</u>

The research and development expenditure credit of £56,000 is based on an assessment of recoverability from HMRC. The amount for FY21 includes additional claims for prior year expenditure.

5. **EMPLOYEES AND DIRECTORS**

The Company has no employees (FY20: none). All of the Directors and staff working on the Company's contracts are employed by another subsidiary undertaking of Laing O'Rourke Corporation Limited, Laing O'Rourke Services Limited. Costs for staff are incurred on the basis of time spent on the Company's contracts and these costs are included in cost of sales or administrative expenses as appropriate. As Directors hold Directorships for other Group companies it is not possible to make a reasonable apportionment of the emoluments, therefore no key management personnel compensation has been disclosed. The Laing O'Rourke Services Limited financial statements disclose this, and are available from Companies House.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

6. FINANCE EXPENSE	2021	2020
	£'000	£'000
Bank loan interest	19	33
Lease liabilities	<u>1,743</u>	<u>1,683</u>
	<u>1,762</u>	<u>1,716</u>
7. PROFIT BEFORE TAX		
Profit before tax is stated after charging/(crediting):		
	2021	2020
	£'000	£'000
Depreciation of tangible assets		
- Owned assets	4,894	3,369
- Right of use assets	9,895	11,261
Expense relating to short term leases or leases of low value assets	18,372	18,711
Foreign exchange gain	(79)	(105)
Research and development expenditure credit	(56)	(14)
Dividend from joint venture	-	(110)
(Reversal of impairment of)/impairment of intercompany balances receivable	(2)	298
Impairment of trade receivables	-	46
Profit on disposal of tangible assets	<u>(2,242)</u>	<u>(452)</u>

The audit fee and other administrative expenses of the Company were borne by another Group company, Laing O'Rourke Services Limited.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

8. TAX ON PROFIT

	2021 £'000	2020 £'000
Current tax		
UK corporation tax	-	-
Total current tax result	-	-
Deferred tax		
Origination and reversal of temporary differences	1,186	1,182
Impact of change in tax rate	-	106
Adjustments in respect of prior years	1,265	(58)
Total deferred tax charge	2,451	1,230
Tax charge on profit	<u>2,451</u>	<u>1,230</u>

The tax assessed for the year is higher (FY20: lower) than the standard rate of corporation tax in the UK of 19% (FY20: 19%). The differences are explained below:

	2021 £'000	2020 £'000
Profit before tax	<u>12,237</u>	<u>20,674</u>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (FY20: 19%)	2,325	3,928
Effects of:		
- (income not subject to tax)/expenditure not tax deductible	(421)	144
- adjustments in respect of prior years	1,265	(58)
- impact of future tax rates	-	106
- other adjustments	-	(139)
- effect of group relief	(718)	(2,751)
Tax charge	<u>2,451</u>	<u>1,230</u>

Group companies will between them no longer charge for the surrender of tax losses, unless specifically agreed between the surrendering and claimant companies.

On 3 March 2021, in the Spring Budget, the UK Government announced that from 1 April 2023 the corporation tax rate would rise from 19% to 25%. Given this was only substantively enacted in the Finance Act 2021 on 24 May 2021, post the Statement of Financial Position date, all UK deferred tax assets and liabilities continue to be recognised at the existing 19% rate.

In the spring budget 2020, the UK Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020 and therefore all UK deferred tax assets and liabilities, which were recognised at 17%, have been recalculated at 19% as at 31 March 2020, resulting in a £106,000 tax charge.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

9. TANGIBLE ASSETS

	Short leasehold £'000	Plant and machinery £'000	Fixtures and fittings £'000
COST			
At 1 April 2020	7,175	191,587	2,378
Additions	-	20,991	-
Disposals	-	(15,902)	-
At 31 March 2021	<u>7,175</u>	<u>196,676</u>	<u>2,378</u>
ACCUMULATED DEPRECIATION			
At 1 April 2020	1,515	92,787	1,527
Charge for year	767	12,177	416
Disposals	-	(12,190)	-
At 31 March 2021	<u>2,282</u>	<u>92,774</u>	<u>1,943</u>
NET BOOK VALUE			
At 31 March 2021	<u>4,893</u>	<u>103,902</u>	<u>435</u>
At 31 March 2020	<u>5,660</u>	<u>98,800</u>	<u>851</u>
	Motor vehicles £'000	Computer equipment £'000	Totals £'000
COST			
At 1 April 2020	6,583	187	207,910
Additions	1,432	-	22,423
Disposals	(468)	-	(16,370)
At 31 March 2021	<u>7,547</u>	<u>187</u>	<u>213,963</u>
ACCUMULATED DEPRECIATION			
At 1 April 2020	4,169	187	100,185
Charge for year	1,429	-	14,789
Disposals	(407)	-	(12,597)
At 31 March 2021	<u>5,191</u>	<u>187</u>	<u>102,377</u>
NET BOOK VALUE			
At 31 March 2021	<u>2,356</u>	<u>-</u>	<u>111,586</u>
At 31 March 2020	<u>2,414</u>	<u>-</u>	<u>107,725</u>

The Company disposed of assets with a net book value of £3,773,000 (FY20: £2,250,000) for £6,215,000 (FY20: £2,702,000), making a profit on disposal of £2,242,000 (FY20: £452,000).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

10. INVESTMENTS

The Company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Joint venture

Explore Transport Limited

Registered office: Bridge Place, Anchor Boulevard, Admirals Park, Dartford, Kent DA2 6SN

Nature of business: Freight transport by road

Class of shares:	%
£1 Ordinary A shares	holding 50.00

This is a private company; there is no quoted price available for its shares. Set out below is the summarised financial information for the joint venture, included as it is material to the Company. The information disclosed reflects the amounts presented in the financial statements of the joint venture and not Select Plant Hire Company Limited's share of these amounts.

	2021 £'000	2020 £'000
Revenue	56,682	57,750
Depreciation and amortisation	(7,471)	(9,044)
Other expenses	(47,316)	(48,749)
Operating profit/(loss)	1,895	(43)
Net finance costs	(944)	(1,653)
Profit/(loss) before tax	951	(1,696)
Tax (expense)/credit	(871)	322
Profit/(loss) after tax	80	(1,374)
Other comprehensive (expense)/result	(303)	-
Total comprehensive expense	(223)	(1,374)
Non-current assets		
Intangibles	308	678
Property, plant and equipment	37,816	50,463
Current assets		
Other current assets	12,796	11,440
Cash and cash equivalents	4,070	3,075
Total assets	54,990	65,656
Current liabilities		
Borrowings	(2,959)	(3,612)
Other current liabilities	(17,194)	(15,377)
Corporation tax liability	(719)	(54)
Non-current liabilities		
Borrowings	(22,393)	(35,468)
Other non-current liabilities	(3,087)	(2,284)
Total liabilities	(46,352)	(56,795)
Net assets	8,638	8,861
Dividends paid	-	220

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. STOCKS

	2021	2020
	£'000	£'000
Finished goods	<u>5,427</u>	<u>2,859</u>

£2,688,000 (FY20: £139,000) was recognised as an expense during the year as part of cost of sales. Inventories are stated after a provision £1,156,000 (FY20: £1,036,000). There is no significant difference between the replacement cost of finished goods and their carrying amounts.

12. TRADE AND OTHER RECEIVABLES

	2021	2020
	£'000	£'000
Trade receivables	7,720	7,621
Amounts owed by group undertakings	184,518	177,913
Amounts owed by joint ventures	45	154
Other receivables	1,630	964
Contract assets	-	544
Corporation tax	120	86
Prepayments and accrued income	<u>3,155</u>	<u>3,572</u>
	<u>197,188</u>	<u>190,854</u>

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. They are stated after provisions for impairment of £296,000 (FY20: provision of £298,000).

Trade receivables are stated after a provision using the simplified approach to measuring expected credit losses of £336,000 (FY20: £336,000) and a credit note provision of £351,000 (FY20: £591,000).

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Bank loans and overdrafts (see note 15)	146	149
Lease liabilities (see note 16)	17,313	19,978
Trade creditors	10,480	6,745
Amounts owed to group undertakings	2,563	885
Amounts owed to joint ventures	459	556
Tax and social security	26	38
VAT	770	1,043
Contract liabilities	-	183
Other creditors	898	847
Accruals	10,739	10,644
Subcontractor retentions	-	<u>301</u>
	<u>43,394</u>	<u>41,369</u>

Amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £'000	2020 £'000
Bank loans (see note 15)	192	339
Lease liabilities (see note 16)	<u>31,716</u>	<u>33,067</u>
	<u>31,908</u>	<u>33,406</u>

15. LOANS AND OTHER BORROWINGS

	2021 £'000	2020 £'000
Current		
Bank loans	<u>146</u>	<u>149</u>
Non-current		
Bank loans	<u>192</u>	<u>339</u>
	<u>338</u>	<u>488</u>

Terms and debt repayment schedule as at 31 March 2021

	1 year or less £'000	1-2 years £'000	2-5 years £'000	Totals £'000
Bank loans	<u>146</u>	<u>192</u>	<u>-</u>	<u>338</u>

Lease liabilities are disclosed in note 16.

16. LEASING

The Company has lease contracts for property and equipment. Total cash outflow for the year was £24,465,000 (FY20: £25,782,000). The amounts recognised in the financial statements in relation to the leases are as follows:

Right of use assets	Short leasehold £'000	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost as at 31 March 2021	5,803	100,743	1,266	5,255	113,067
Accumulated depreciation as at 31 March 2021	<u>(1,107)</u>	<u>(28,320)</u>	<u>(831)</u>	<u>(2,996)</u>	<u>(33,254)</u>
Net book value as at 31 March 2021	<u>4,696</u>	<u>72,423</u>	<u>435</u>	<u>2,259</u>	<u>79,813</u>
Depreciation for the year	(689)	(7,357)	(416)	(1,433)	(9,895)
				2021 £'000	2020 £'000
Lease liabilities					
Current				17,313	19,978
Non-current				<u>31,716</u>	<u>33,067</u>
Total				<u>49,029</u>	<u>53,045</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

17. PROVISIONS FOR LIABILITIES

	2021 £'000	2020 £'000
Deferred tax liabilities		
Accelerated capital allowances	<u>(3,463)</u>	<u>(1,012)</u>
At 1 April	(1,012)	218
Deferred tax charged to the Income Statement (note 8)	<u>(2,451)</u>	<u>(1,230)</u>
At 31 March	<u>(3,463)</u>	<u>(1,012)</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal	2021	2020
Number:	Class:	value:	£	£
100 (FY20: 100)	Ordinary	£1	<u>100</u>	<u>100</u>

19. ULTIMATE PARENT COMPANY

The immediate parent company of Select Plant Hire Company Limited is R O'Rourke & Son Limited, a company registered in England and Wales.

The ultimate parent company of Select Plant Hire Company Limited was, until 25 March 2021, Suffolk Partners Corporation, a company incorporated in the British Virgin Islands. On 25 March 2021 100% of the share capital of Laing O'Rourke Corporation Limited was sold to R G O'Rourke KBE (65.2%) and H D O'Rourke (34.8%). R G O'Rourke KBE is the ultimate controlling party by virtue of his majority shareholding.

Laing O'Rourke Corporation Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 March 2021. The Laing O'Rourke Corporation Limited Group's Annual Report and Consolidated Financial Statements are available for viewing at www.laingorourke.com.

Laing O'Rourke Plc is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Laing O'Rourke Plc are available from the Registrar of Companies in England and Wales.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

20. CAPITAL COMMITMENTS

Details of capital commitments at the year end are as follows:

	2021	2020
	£'000	£'000
Contracted but not provided for in the financial statements	<u>13,168</u>	<u>8,400</u>

21. RELATED PARTY DISCLOSURES

Sale of goods and services provided by related parties

	2021		2020	
	Income/ (expenditure) in year £'000	Debtor/ Creditor at year-end £'000	Income/ (expenditure) in year £'000	Debtor/ Creditor at year-end £'000
Explore Transport Limited (JV) - hire of equipment and operating services	899	45	1,382	154
Explore Transport Limited (JV) - hire of equipment and transport services	(3,571)	(459)	(1,980)	(556)
Explore Transport Limited (JV) - dividend declared and paid	-	-	110	-
Oisin Aviation (Jersey) LP- leasing costs	(178)	-	(168)	-
Oisin Aviation (IOM) LP - leasing cost	(119)	-	(119)	-
H D O'Rourke - transport services	-	-	299	-
R G O'Rourke KBE - transport services	-	-	1,630	-

22. GUARANTEES AND CONTINGENT LIABILITIES

As at 31 March 2021, the Company was a guarantor of secured committed revolving credit facility and term loans of Laing O'Rourke Plc, for an amount of £108.7m (FY20: £159.0m), that were due to expire in December 2021. The Company is also a guarantor in respect of Surety Bonds and Bank Guarantees issued on behalf of Laing O'Rourke Plc and its subsidiaries. These guarantees may give rise to liabilities in the Company if Laing O'Rourke Plc does not meet its obligations under the terms of the guarantees. No material losses are anticipated in respect of these contingent liabilities. On 4 October 2021 Laing O'Rourke Plc repaid the £108.7m outstanding at the financial year end and entered into an agreement for a new revolving credit facility of £35.0m that expires 3 October 2023, of which the Company is also a guarantor.

23. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 4 October 2021, the Group refinanced its UK facilities, resulting in full repayment of its RCF, Term Loan and Arrangement Fee and the availability of a new unsecured RCF with an expiry date of 3 October 2023. A £13.7m property loan was also refinanced with an expiry date of 3 October 2023.