REGISTERED NUMBER: 00301199 (England and Wales)

Strategic Report, Report of the Directors and Audited Financial Statements for the Year Ended 31 December 2020

for

RMD Kwikform Limited

RMD Kwikform Limited

Contents of the Financial Statements
for the Year Ended 31 December 2020

RMD Kwikform Limited

Company Information
for the Year Ended 31 December 2020

DIRECTORS:	M J Pickard J M Breen G Ralph B O'Hara
SECRETARY:	P R Allmark
REGISTERED OFFICE:	Foundation House Brickyard Road Walsall WS9 8BW
REGISTERED NUMBER:	00301199 (England and Wales)
AUDITORS:	Grant Thornton UK LLP Chartered Accountants and Statutory The Colmore Building 20 Colmore Circus Birmingham B4 6AT

The directors present their strategic report for RMD Kwikform Limited for the year ended 31 December 2020.

PRINCIPAL ACTIVITY
The principal activities of the Company are the hire and sale of falsework, formwork and ground shoring equipment.

TRADING ENVIRONMENT
Since March 2020, the outbreak of the Covid-19 pandemic caused a significant degree of uncertainty in the trading year and led to a contraction in the UK construction market with project cancellations most importantly delays in the start of new projects. Despite that, the market continued to offer opportunities and the medium- term pipeline remains strong with projects such large projects such as Hinkley Point and HS2. We are focusing on the Civils and ground shoring sectors to support our business, and we expect this to continue throughout the following year.

POST BALANCE SHEET EVENTS
In October 2021, the company as part of the RMDK business has been sold to a third party. That business and this company intend to continue trading with the same principal activity. See note 23 for further detail.

REVIEW OF BUSINESS

The 2020 Company results are turnover £32,368k (2019: £37,575k), operating profit of £5,161k (2019: £7,305k) and loss before tax £56,290k (2019: profit of £8,417k). Dividends of nil were paid during the year 2020 (2019: nil).

The performance of the underlying trading business, as evidenced by the level of revenue, was a deterioration from 2019, mainly due to the impact of Covid-19 (discussed further below), which continued to present challenges to the business. Whilst the business reacted quickly to initial lockdown measures during Q1 2020, delays and cancellations of projects impacted the revenue and profitability of the business. The business took measures to control costs and maintain a strong cash position. The quick reaction along with the continued focus on cash management has meant that the business has been self-sufficient during the period and has not required any additional external funding.

During the year the recoverability of the intercompany loan due from RMDK Finco Limited was assessed. It was concluded that as at 31 December 2020 it was not recoverable and a full expected credit loss provision of £63,362k was recognised.
As disclosed in note 23, the sale of the RMDK business to Altrad in October 2021, resulted in this loan being novated to an Altrad group company, the expected credit loss provision will be reassessed for 31 December 2021 based on the new counterparty.

The Company balance sheet is disclosed on page 14.

The average number of persons employed by the Company during 2020 was 316 (2019: average 308).

The above information, together with a review of hire fleet utilisation, is used by the Company as its key performance indicators to monitor the performance of the business.

Covid-19 pandemic
On 30 January 2020 the World Health Organisation declared the outbreak of coronavirus (COVID-19) a pandemic resulting in the governments of many countries, states and cities taking preventative and protective actions such as imposing restrictions on travel and business operations and advising or requiring individuals to stay at home or quarantine in cases where people have been exposed to the virus.

RMDK Group (of which RMD Kwikform Limited is a part) has implemented business continuity plans with only key front line staff working in its offices and yard and as far as possible the remainder of its staff working from home which has meant that there has been limited impact on service delivery and operations.

The RMDK Group has undertaken a detailed review of the potential impacts of COVID-19 and continues to monitor future developments closely. At the date of this report the impact of COVID-19 continues to varying degrees around the world, resulting in customer site closures, delays to the commissioning of project work, both in the public and private sector. Which has been offset to the degree possible by cost management in the business.

Plans to grow in each of the Company's sectors were hindered due to the Pandemic but the business has continued to develop its offering in the ground shoring market and continues with its strategy to grow market share in this sector. Investment and development continued throughout 2020 as part of our overall growth strategy. The traditional formwork/falsework business showed a good degree of resilience in the year, despite challenging market conditions (see Trading Environment section above), mainly thanks to the sustained level of activity in the Civils sector.

Cyber attack
During May 2020 the wider Interserve Group was subject to a Cyber attack which had minimal impact on the RMDK business.

At the end of November 2020, the RMDK Group, was subject to a separate but much more limited attack which caused some disruption to their normal operations. The Group's Crisis Response was swiftly implemented and the impact was contained.

The Group has cooperated fully with relevant law enforcement authorities and with the Information Commissioner's Office (ICO) in connection with the ICO's investigation into the cyber-attack. The ICO has yet to respond to the reporting of the attack.

In further response to the attack, the RMDK IT Steering Committee continues to provide oversight of our IT expenditure ensuring that potential investments are duly considered and align with the strategic objectives of the business and wider IT strategy.

This Committee forms part of the newly strengthened IT governance framework. This framework includes the introduction during 2020 of an Information Security Management Committee which meets at least once a quarter and provides oversight of the Group's information security programme and a separate Information Security Management Forum which currently meets monthly and brings operational and functional management together to focus on the effective operation, maintenance and performance of controls and counter-measures to protect the Group's assets.

In response to issues experienced during 2020 we have enhanced monitoring and preventative maintenance regimes (aligned with good industry practice) to minimise the potential impact of IT failures and/or security incidents.

HEALTH AND SAFETY

The company is committed to the health and safety of its employees a fact that is recognised by our continuing ISO18001 accreditation and receipt of various ROSPA awards throughout 2020. We strive to promote a culture of continuous improvement and ensure a safe working environment for our employees. We adopted Social Distancing measures in all of our operational sites to ensure the safety of our employees.

SECTION 172 (1) STATEMENT

The Directors of the Company, as those of all UK companies, must act in accordance with a set of general duties which are detailed in section 172 of the Companies Act 2006. These duties include a duty by the Directors of the Company to act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision-making.

As part of their induction, a Director is briefed on their duties and they can access professional advice on these, either through the Company or, if they judge it necessary, from an independent provider. On-going training is provided to directors to ensure that their knowledge remains up to date so that they can continue to perform their duties. It is important to recognise that in a large company such as ours, the Directors fulfil their duties partly through a governance framework that delegates day-to-day decision-making to employees of the Company.

ENGAGEMENT WITH OUR STAKEHOLDERS

SHAREHOLDERS

Our shareholders are key to the future success of the business, providing funds which aid business growth and stability. The Directors provide information on company strategy and performance, being honest and transparent at all times. Value is generated for shareholders by supporting the overall Group to deliver the business plan. Shareholders are able to ask questions regarding the business and are provided with a copy of the Annual Report and Financial Statements for the Group.

SUPPLIERS

The Group has a broad range of suppliers, ranging from the provision of materials for design, development and production to suppliers of IT, software and facilities. Our Code of Conduct helps us build on our reputation for having a positive social and environmental impact and makes clear the high ethical standards that we operate. Interaction with our suppliers and treating suppliers fairly allows us to drive higher standards and reduce risk in our supply chain whilst benefitting from cost efficiencies and positive environmental outcomes.

CUSTOMERS

A close working relationship with our customers helps us to better understand their needs and provide suitable and reliable products and service support. Our talented teams are dedicated to making sure we constantly refine what we do, providing confidence with delivery of everything we do. It is this employee experience, expertise and creativity that is what our customers seek and value.

EMPLOYEES

The company complies with its ultimate parent company(Interserve Group Limited to September 2021 and Altrad Investment Authority thereafter), and their policies on employment. The group, of which RMD Kwikform Limited is a part, believe in involving our people in matters affecting them as employees and keeping them informed of all relevant factors concerning the company's performance, strategy, financial status, charitable activities and other issues, as well as achieving common employee awareness of the financial and economic factors affecting the company's performance.

Also, the company's policies aim at providing employees systemically with information on matters of concern to them. In this respect, the directors of the company undertake site visits to review operations, health and safety performance, and engage with employees on a regular basis either in person, via video calls, emails or toolbox talks.

The directors actively promote employee surveys and other employee engagement activities, and robust action planning is in place to support feedbacks received from employees.

RMD Kwikform is committed to eliminate discrimination among our workforce in order that we may offer employees an environment where there is no unlawful discrimination, and all decisions are based on merit. The policy is to promote equality and fairness for all in our employment. The Group aims to ensure that no job applicant or employee receives less favourable treatment or is disadvantaged by imposed conditions or requirements that cannot be shown to be justifiable, on the grounds of gender, race, disability, sexual orientation, religion or belief, age, and pregnancy or maternity.

The Group takes every step to ensure working environments are free from harassment and bullying, where all individuals are treated equally and fairly and that selection for employment, promotion, training or any other benefit will be taken solely on merit and ability against job-based criteria. The Group avoids discrimination in working conditions and terms of employment and are committed to making reasonable adjustments for disabled employees.

SUSTAINABILITY
The company is actively engaged in delivering long term sustainable performance, this process was managed and monitored through our parent company's, Interserve Group Limited, up to September 2021, and Altrad Investment Authority thereafter. The plan involves both short-term and longer-term objectives with set milestone dates through to 2020.

COMMUNITY
By contributing to the wider society this enables us to create stronger communities and have a positive environmental impact. The Company's approach to environmental and social matters is of high importance. Our Group Parent Company has overall responsibility and oversight of such matter and provides regular updates to the Directors.

GOING CONCERN
The Directors have considered the following factors which affect the Company's future performance and financial position in arriving at the conclusion on the going concern status of the Company.

- At 31 December 2020, it was part of the Interserve Group which had significant debt after restructuring in March 2019, £350 million of which was allocated to the "RMDK Group" (Interserve Holdings Limited and all subsidiaries, including RMDK Bidco Limited).
- On 1 October 2021, the "RMDK business" which is RMDK Bidco Limited, all subsidiaries and the Saudi Arabian and Qatari businesses, were sold to Altrad Group. As part of that sale the charges and obligations of the £350 million debt were removed from the companies sold to Altrad.
- Assessing the future performance in future budgets to February 2023, historic achievement of budgets and the assumptions within. Specifically reviewing the recovery from Covid-19, which is considered to be moderate to prudent, and any further downside risk.
- A letter of support received from Altrad, for the period from acquisition, to further support the going concern assessment.

Based on the above the Board has concluded that the "RMDK business" will be self sufficient and ultimately supported by a group with significant financial strength for a period of at least 12 months from the date of signing the accounts. Accordingly, the Board adopts the going concern basis when preparing the Financial Statements.

FUTURE DEVELOPMENTS
The Directors anticipate the market will continue to present opportunities for growth and therefore aim to position the business to increase market share in both the ground shoring and formwork markets.

PRINCIPAL RISKS AND UNCERTAINTIES

The company has exposure to a variety of risks which are managed with the purpose of minimising any potential adverse effect on the company's performance and net assets. The Directors have policies for managing each of these risks and they are summarised below.

Finance and Foreign Exchange Risk

The Company is financed by interest-bearing loans from Group undertakings. In addition, the ultimate parent company manages both interest rate risk and exchange rate risk, through the Group Treasury department.

Credit Risk

All trade is carried out subject to our standard credit terms and normal terms and conditions. The debtor's ledger is reviewed on a regular basis to determine the age of the debt and any necessary provision is made accordingly.
Financial receivables are interest bearing loans, reviewed on a regular basis to determine whether a lifetime expected credit loss exists, and any necessary loss allowance required as a result.

Liquidity Risk

In order to ensure the Company has sufficient funds for its ongoing operations and future activities, the Company uses Group loans. The financing and liquidity of the Company is managed in conjunction with the Group Treasury function.

Pandemic Risk

Covid-19 became an issue for the business in March 2020 and has had a material impact on RMDK resulting in suspension and delay of some projects in 2020, reduction of some activity and some loss of business
The impact of the Covid-19 virus continues to present a clear risk to our business, although the level of impact of potential further waves of the virus is currently uncertain, and strong vaccination programmes in a number of our key markets suggests a more positive environment in 2022. It may impact on:

- our ability to provide services in line with our contractual obligations due to temporary staff shortages, client inability to accept services, government restrictions on movement of people or uncertain supplier chains;
- payments being made to the Company in accordance with contractual obligations;
- our ability to win new contracts if resources are constrained or indeed, more generally, a probable reduction in the tender and award of such new contracts whilst any country in which we operate is materially disrupted by the Covid-19 virus;
- our reputation if we are unable to fulfil key strategic contracts for high-profile clients; and
- the ability of our suppliers to increase production and provide the necessary materials and products needed to fulfil contracts as the construction industry experiences a global pick-up in projects as the impacts of the pandemic decrease

As a result of the RMDK business's careful management of, and cooperating with, our material suppliers, we have been able to manage our way through the impacts of Covid-19.
We established a Group-wide working group comprising the wider leadership team to operate alongside the Senior leadership team and have implemented a range of measures including:

- reviewing and implementing Group contingency and business continuity plans;
- providing timely advice to our workforce about the virus and how to try to work safely and mitigate the risks;
- remaining in close and regular contact with UK Government and relevant public authorities in the locations we operate in;
- remaining in close and regular contact with our customers and suppliers and reviewing relevant contractual arrangements;
- utilising government support both in the UK (such as use of the furlough scheme where appropriate)
- Monitoring our supply arrangements carefully and making advance materials orders where practicable.

IT Security risk

Our IT systems are critical to business success and our ability to meet customer expectations. As a result, there has been a continuing and increased focus on Cyber Security, Operational Resilience & Legacy Applications.
Failure in any of these areas could adversely impact our reputation, affect our ability to provide customer services, undermine contractual compliance and place the integrity of our data at risk. It may also limit the ability of our workforce to carry out their jobs effectively.
Issues experienced during 2020, including the cyber-attack on RMDK in November 2020, have reaffirmed the importance of these 3 critical risk themes which now form key components of the 2020/2021 IT roadmap.
The business has cooperated fully with relevant law enforcement authorities and with the Information Commissioner's Office (ICO) in connection with the ICO's investigation into the cyber-attack. The ICO has yet to respond to the reporting of the attack.
The RMDK IT Steering Committee continues to provide oversight of our IT expenditure ensuring that potential investments are duly considered and align with the strategic objectives of the business and wider IT strategy.
This Committee form part of the newly strengthened IT governance framework. This framework includes the introduction during 2020 of an Information Security Management Committee which meets at least once a quarter and provides oversight of the Group's information security programme and a separate Information Security Management Forum which currently meets monthly and brings operational and functional management together to focus on the effective operation, maintenance and performance of controls and counter-measures to protect the Group's assets.
In response to issues experienced during 2020 we have enhanced monitoring and preventative maintenance regimes (aligned with good industry practice) to minimise the potential impact of IT failures and/or security incidents.

The Directors are satisfied that, given the nature of this Company, there are no other significant risks and uncertainties to consider.

Group risks are discussed in the Group's annual report, which does not form part of these financial statements.

APPROVED BY THE BOARD OF DIRECTORS:

Paul Allmark
....
Signed on behalf of the Board by
P R Allmark - Secretary

3/2/2022
Date: ....

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

DIVIDENDS
Dividends of £nil were distributed during the year ending 31 December 2020 (2019: £nil).

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

M J Pickard
J M Breen
G Ralph

Other changes in directors holding office are as follows:

B O'Hara – appointed on 16 December 2020.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Streamlined energy and carbon reporting
The Company has taken advantage of the exemption to not disclose energy and carbon information in its own accounts as these details are included on a consolidated basis in the Interserve Holdings Limited accounts.

Matters covered in the Strategic Report
For a review of the business, information on how the board engages with employees and other key stakeholders', details of principal risks and uncertainties and post balance sheet events please refer to the Strategic report.

Qualifying third party indemnity provisions
The company has not provided qualifying provisions in respect of the board of directors during the year and at the date of this report.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITOR
The auditors, Grant Thornton UK LLP, are expected to be re-appointed to conduct the audit for the period ending 31 December 2021.

APPROVED BY THE BOARD OF DIRECTORS:

Paul Allmark
....
Signed on behalf of the Board by
P R Allmark - Secretary

Date: 3/2/2022

Independent Auditors' Report to the Members of
RMD Kwikform Limited

Opinion

We have audited the financial statements of RMD Kwikform Limited (the 'company') for the year ended 31 December 2020, which comprise the statement of comprehensive income, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the strategic report and report of the directors, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the strategic report and the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the report of the directors.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of 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 and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting frameworks (FRS 101 and Companies Act 2006).

- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

- We enquired of management and those charged with governance, concerning the company's policies and procedures relating to:
  - o the identification, evaluation and compliance with laws and regulations; and
  - o the detection and response to the risks of fraud.

- We enquired of management and those charged with governance, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

- We corroborated the results of our enquires to relevant supporting documentation.

- Audit procedures performed by the engagement team included:
  - o evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
  - o testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
  - o identifying and testing related party transactions.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - o understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
  - o knowledge of the industry in which the client operates;
  - o understanding of the legal and regulatory requirements specific to the company including:
    - the provisions of the applicable legislation;
    - the applicable statutory provisions.

- We did not identify any matters relating to non-compliance with laws and regulation and fraud.

- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - o the company's operations, including the nature of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
  - o the applicable statutory provisions;
  - o the company's control environment, including the policies and procedures implemented to comply with the requirements of its regulator, the adequacy of procedures for authorisation of transactions, internal review procedures over the company's compliance with regulatory requirements.

Use of our report

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.

Grant Thornton UK LLP

Andrew Turner FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham

Date 3/2/2022

RMD Kwikform Limited

Statement of Comprehensive Income
for the Year Ended 31 December 2020

	Notes	2020 £'000	2019 £'000
TURNOVER	3	32,368	37,575
Cost of sales		(8,109)	(9,978)
GROSS PROFIT		24,259	27,597
Administrative expenses		(20,516)	(20,292)
Other Operating Income	4	1,418	-
OPERATING PROFIT		5,161	7,305
Interest receivable and similar income	6	1,911	1,720
Interest payable and similar expense	7	(581)	(608)
Expected credit loss charge on intercompany loan receivable balance	13	(63,362)	-
PROFIT/(LOSS) BEFORE TAXATION	8	(56,871)	8,417
Tax on profit/loss	9	(825)	(1,353)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		(57,696)	7,064
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		(57,696)	7,064

RMD Kwikform Limited (Registered number: 00301199)

Balance Sheet
31 December 2020

	Notes	2020 £'000	2019 £'00
FIXED ASSETS			
Owned			
Intangible assets	10	48	56
Tangible assets	11	24,426	26,242
Right of Use			
Tangible assets	19	6,661	7,464
		31,135	33,762
CURRENT ASSETS			
Stocks	12	3,532	3,824
Debtors: amounts falling due within one year	13	15,359	19,499
Debtors: amounts falling due after more than one year	13	8,624	55,169
Cash in hand		1,350	3,224
		28,865	81,716
CREDITORS			
Amounts falling due within one year	14	(14,613)	(12,241)
NET CURRENT ASSETS		14,252	69,475
TOTAL ASSETS LESS CURRENT LIABILITIES		45,387	103,237
CREDITORS			
Amounts falling due after more than one year	15	(5,240)	(5,395)
PROVISIONS FOR LIABILITIES			
Deferred Tax	16	-	-
Long Term Restoration Costs	16	(424)	(424)
		(424)	(424)
NET ASSETS		39,723	97,418
CAPITAL AND RESERVES			
Called up share capital	17	11,700	11,700
Retained earnings	18	28,023	85,718
SHAREHOLDERS' FUNDS		39,723	97,418

The financial statements of RMD Kwikform Limited were approved by the Board of Directors on 3/2/2022 and were signed on its behalf by:

Mark Pickard
M J Pickard - Director

J M Breen - Director

Statement of Changes in Equity for the Year Ended 31 December 2020

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2019	11,700	78,654	90,354
Changes in equity			
Total comprehensive income	-	7,064	7,064
Balance at 31 December 2019	11,700	85,718	97,418
Changes in equity			
Total comprehensive loss	-	(57,696)	(57,696)
Balance at 31 December 2020	11,700	28,023	39,723

The notes form part of these financial statements

1. STATUTORY INFORMATION

RMD Kwikform Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page. These financial statements cover the individual entity only.

2. ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with applicable accounting standards and in accordance with Financial Reporting Standard 101 - 'The Reduced Disclosure Framework' (FRS 101). The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have all been applied consistently throughout the year unless otherwise stated.

Interserve Holdings Limited, a parent undertaking, includes the company in its consolidated financial statements. The consolidated financial statements are prepared in accordance with international accounting standards in conformity with the requirements of Companies Act 2006 and are available to the public as set out below.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Sterling (£) and have been presented in round thousands (£'000).

Disclosure exemptions adopted
- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 62, B64 (d, e, g, h, j, m, n - ii, o, p, q - ii) B66 and B67 of IFRS Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- 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;
- paragraph 118(e) of IAS 38 Intangible Assets;
- paragraphs 76 and 79(d) of IAS 40 Investment Property; and
- paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 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 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, provided that any subsidiary which is party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.
- the effect of future accounting standards not yet adopted.

Parent company
As at 31 December 2020, Interserve Group Limited, a company registered in England and Wales was the company regarded by the directors as the ultimate parent company and controlling party. Interserve Holdings Limited and was the smallest and largest group for which group financial statements were prepared. A copy of the financial statements of Interserve Holdings Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

In October 2021, the "RMDK business" which includes this company was sold to Altrad Group, see note 16 for further information.

continued...

2. **ACCOUNTING POLICIES - continued**

Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its liabilities as they fall due in the 12 month period to February 2023 ("the going concern review period"). Based on current forecasts and taking into account existing cash and debt facilities of the "RMDK business" (RMDK Bidco Limited, all subsidiaries and the Saudi Arabian and Qatari businesses), the Directors expect the Company to have sufficient liquidity to meet its funding requirements during the going concern review period.

When considering the appropriateness of the going concern basis of preparation, the Directors have reviewed a number of factors, including information provided to them in relation to the business's trading results, its available resources and the Group's latest forecasts and projections, comprising:

- A Base Case forecast which has been prepared on a bottom up basis with conservative assumptions regarding recovery from Covid-19;
- Analysing the sensitivity of the Base Case forecast to review how changes in key assumptions would impact the liquidity of the business.

Significant headroom is available throughout the going concern review period in the base case forecast and the sensitivity analysis demonstrates that no plausible scenario would give rise to an exhaustion of available liquidity. The Directors have also obtained a Letter of Support from Altrad Group, which is applicable from the date of acquisition in October 2021, which documents that Altrad will support the RMDK businesses as required for the Going Concern review period.

The Directors have concluded that, after due consideration, there is a reasonable expectation that the Company has adequate resources to continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing these financial statements.

Tangible Fixed Assets

Fixed assets are stated at cost net of depreciation and provision for impairment. Depreciation is provided on a straight-line basis calculated to write down their cost over their estimated useful economic lives at the following annual rates:

Buildings - 2%
Plant and equipment - 10% - 33% (written down to a residual value of 30%)
Freehold land is not depreciated

Fixed assets held for rental to others that are routinely sold to customers are transferred to inventory at their carrying amount when they cease to be rented and become held for sale. The proceeds from the sale of such assets are recognised as revenues.

Intangible Assets

Intangible assets are stated at cost net of amortisation and provision for impairment. Amortisation is provided on a straight-line basis calculated to write down the cost over their estimated useful economic lives at the following rates:

IT Software - 10% - 33%

continued...

2. **ACCOUNTING POLICIES - continued**

IFRS 16 - Leased Assets
For any new contracts entered into on or after 1 January 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Company has the right to direct the use of the identified asset throughout the period of use.
- the Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.
- the Company calculates the outstanding liability for existing operating leases using its incremental borrowing rate at date of transition.

Measurement and recognition of leases as a lessee
At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The lease liability is measured at an amount equal to the present value of future lease payments over the lease term, and subsequently adjusted for interest and lease payments. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, an estimate of any costs to dismantle and remove the asset at the end of the lease, payments made at or before lease commencement date, less any incentives received. The right of use asset is measured at cost less accumulated depreciation.

The Company is required to reassess the lease liability for changes in cash flows that are the result of contractual clauses that have been a part of the contract since inception. Therefore, the liability will be reassessed for changes in lease term due to extension or termination options being exercised, variable lease payments that are dependent on an index or a rate, the exercise of a purchase option and changes in amounts expected to be paid under a residual value guarantee. The Company also assesses the right-of-use asset for impairment when such indicators exist.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Company has applied the recognition exemption available for short term leases (lease term of 12 months or less) and leases of low value assets; £5,000 or less. Where this exemption has been applied, lease payments are recognised as a straight-line operating expense over the lease term.

The Company has taken certain practical expedients available under the IFRS 16 Standard:
"Separation of lease components from non-lease components:
The Company has elected not to separate lease components from associated non-lease components on vehicle leases, and instead account for these as a single lease component. The service costs on leased vehicles are regarded as a non-lease component and incorporated into the fixed rental payments. "

Initial Direct costs:
Costs incurred in negotiating or securing a lease arrangement form part of the initial measurement of the right of use asset. The Company has taken a practical expedient to exclude such costs from the right of use assets recognised under IFRS 16.

continued...

2. ACCOUNTING POLICIES - continued

Impairment of tangible and other intangible assets

The company reviews, at least annually, the carrying amounts of its tangible and intangible assets compared to the recoverable amounts to determine whether those assets have suffered an impairment loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Inventories

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

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

For the defined contribution scheme the amount charged to the statement of comprehensive income in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Equity, reserves and dividends paid

Financial instruments issued by the Company are classified as equity, only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity. Transaction costs on the issue of shares are deducted from the share premium account arising on that issue. Dividends on the Company's ordinary shares are recognised directly in equity. Interim dividends are recognised when they are paid. A liability for unpaid dividends is recognised when the dividends have been approved in a general meeting prior to the reporting date.

Government Grants received

Government grants relating to the Coronavirus Job Retention Scheme ("CJRS") in the UK are recognised in profit or loss over the periods necessary to match them with the related costs and are presented as other operating income in the statement of comprehensive income.

continued...

2. **ACCOUNTING POLICIES - continued**

Financial instruments

Financial assets
The Company's financial assets fall into the categories discussed below, with the allocation depending on the purpose for which the asset was acquired.
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Assets held at amortised cost
These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables) and deposits held at banks but may also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost as reduced by appropriate allowances for estimated unrecoverable amounts.
The Company records the loss allowance as lifetime expected credit losses. These are expected shortfalls in contractual cash flows, considering the potential for default at any point during the lifetime of the financial instrument. The Company uses its historical experience, external indicators and forward-looking information when measuring credit risk and expected credit losses.
The Company assesses the impairment of trade receivables on an individual basis, as they possess specific credit risk characteristics.
Assets held at amortised cost in the company includes loans issued to other group companies. They are initially recognised at fair value less transaction costs that are directly attributable and subsequently at amortised cost reduced by appropriate allowances for credit losses.
For loans with other group companies that are repayable on demand, expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date in accordance with IFRS 9.

Financial liabilities
The Company classifies its financial liabilities into categories depending on the purpose for which the liability was incurred.

Financial liabilities measured at amortised cost
These liabilities include the following items:
Trade payables, amounts due to other group companies and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost.

Cash and cash equivalents
Cash comprises of cash on hand and demand deposits, which are presented as cash at bank and in hand in the statement of financial position.

Cash equivalents comprise of short-term, highly liquid investments with maturities of three months or less from inception, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are presented as part of current assets in the statement of financial position.

Revenue recognition
Turnover comprises amounts arising from the provision of goods and services falling within an entity's ordinary activities after deducting trade discounts, VAT and other tax based on those amounts. It is measured at the fair value of consideration received or receivable, excluding sales taxes, and reduced by any rebates and trade discounts allowed.

Revenue is derived from the provision of engineering solutions for the construction industry in the specialist field of temporary structures i.e. formwork, falsework and shoring.

continued...

2. ACCOUNTING POLICIES - continued

Hire services do not meet the definition of a lease under IFRS 16 as the hire contracts do not specifically identify the asset subject.
The company recognises revenue in the following manner:
· Hire Services - recognised over time, as the supply and consumption of economic benefit is concurrent. The price-per-unit for each equipment part supplied to a customer is agreed in advance and therefore the transaction price is certain.

· Sale of Equipment - recognised at a single point in time, when the performance obligation is completed.

· Other Services - are mainly recognised at a point in time when the performance obligation has been completed however this is dependent upon the nature of the individual contract/service being provided.
Payment terms are between 30-60 days for all types of sale and therefore the impact of the time value of money is minimal.

Foreign Currency
Transactions in foreign currency are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities nominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract exchange rate.

Taxation
Current tax, including corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement, because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Current tax is recognised in the Statement of Comprehensive Income, except when it relates to items that are recognised in other comprehensive income, in which case, the current tax is also recognised in other comprehensive income.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transition that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is charged or credited in the statement of total comprehensive income, except when it relates to items charged or credited in the comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

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

2. **ACCOUNTING POLICIES - continued**

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

Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation, and is measured as the present value of the cash flows estimated to settle the present obligation.

SIGNIFICANT JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY ESTIMATION UNCERTAINTY

When preparing the financial statements, management make a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty
Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain equipment.

Residual value
Management reviews its estimate of the residual value of depreciable assets at each reporting date, based on the value that could be achieved at sale. Uncertainties in this estimate relate to varying assets, changes in scrap values and market demands and usage whilst on hire.

Expected Credit loss provisions
Determining the recoverable value of intercompany loans and expected credit loss provision requires judgment and estimates around future financial performance. In making these judgments the expected cash flow of the owing entity is considered based on Board-approved budgets along with credit risk and other forward looking factors. The amounts owed by group undertakings due in greater than one year carrying value of £8,624k at 31 December 2020 (2019: £55,169) includes a provision of £63,362 (2019: £nil).

3. TURNOVER

Segmental Analysis - Turnover by Destination

	2020 £'000	2019 £'000
United Kingdom	30,561	34,734
Rest of Europe	674	2,073
Middle East and Africa	727	430
Far East	195	117
Americas	49	195
Australia and New Zealand	162	26
	32,368	37,575

Total revenue, analysed by category, was as follows:	2020 £'000	2019 £'000
Hire revenue	23,309	26,547
Sales revenues	9,059	11,028
	32,368	37,575

4. GOVERNMENT GRANTS RECEIVED

	2020 £'000	2019 £'000
Other Operating Income	1,418	-

Government grants relating to the Coronavirus Job Retention Scheme ("CJRS").

5. EMPLOYEES AND DIRECTORS

The average monthly number of employees during the year was as follows:

	2020 No.	2019 No.
Production	81	92
Sales	45	46
Administration	190	170
	316	308

The costs incurred in respect of these employees (including Directors) were:

	2020 £'000	2019 £'000
Wages and Salaries	14,504	14,012
Social Security Costs	1,349	1,298
Other Pension Costs - defined contribution scheme	692	659
	16,545	15,969

	2020 £'000	2019 £'000
Aggregate directors' emoluments (excluding pension contributions)	672	434
Highest paid director		
Aggregate director emoluments	282	168
Pension contributions	11	11

The directors received pension benefits of £27,565 (2019: £25,890). During the year retirement benefits were accruing to 4 directors (2019: 3) in respect of defined contribution pension schemes.

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2020 £'000	2019 £'000
Group interest income	1,911	1,720

7. INTEREST PAYABLE AND SIMILAR EXPENSE

	2020 £'000	2019 £'000
Interest expense on leases	581	608

8. PROFIT/(LOSS) BEFORE TAXATION

	2020 £'000	2019 £'000
Operating profit is arrived at after charging:		
Depreciation on tangible assets - Owned	2,617	2,725
Depreciation on tangible assets - Right of Use	1,749	1,559
Amortisation	8	12
(Profit)/Loss from disposal of right of use assets	(1)	-
Rentals under operating leases:		
Hire of plant and machinery	-	-
Other lease rentals	183	275
Foreign exchange losses/(gains)	(139)	(44)
Analysis of auditor's remuneration is as follows:		
Fees payable to the Company's auditors for the audit of the Company's annual accounts	50	19
Non-Audit Fees for the year	-	-

continued...

9. TAXATION

Analysis of tax expense

	2020	2019
	£'000	£'000
Current Tax:		
Group taxation charge	1,148	1,532
Adjustments in respect to prior periods	(20)	300
Group taxation	1,128	1,832
Deferred tax:		
Deferred tax - current year	(350)	(327)
Deferred tax - prior period adjustment	47	(152)
Total deferred tax	(303)	(479)
Total tax expense in statement of comprehensive income	825	1,353

Factors affecting the tax expense
The tax assessed in the year is lower than (2019: lower than) the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£'000	£'000
Profit/(Loss) before income tax	(57,696)	8,417
Profit/(Loss) multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(10,962)	1,599
Effects of:		
Permanent Differences	(127)	(270)
Expenses not deductible for tax purposes	12,039	-
Adjustments in respect of prior periods	27	148
Other timing differences	(152)	(124)
Tax expense	825	1,353

Factors affecting future tax changes
In the Spring Budget 2021, the Chancellor announced that the rate of corporation tax in the UK would increase from its current level of 19% to 25% with effect from April 2023. The rate will remain at 19% until that date. This change has been substantively enacted and it will increase the amount of corporation tax payable in the UK.

Current and deferred taxation has therefore been measured at the enacted tax rate of 19% (2019: 19%) in these financial statements.
There were no other factors that may affect future tax charges.

continued...

10. INTANGIBLE FIXED ASSETS

	IT Software £'000
COST	
At 1 January 2020	4,480
Additions at cost	-
Disposals	-
At 31 December 2020	4,480
DEPRECIATION	
At 1 January 2020	4,424
Charge for the year	8
Disposals	-
At 31 December 2020	4,432
NET BOOK VALUE	
At 31 December 2020	48
NET BOOK VALUE	
At 31 December 2019	56

11. TANGIBLE FIXED ASSETS

	Land & Buildings £'000	Plant & Equipment £'000	Total £'000
COST			
At 1 January 2020	2,837	34,347	37,184
Additions at cost	86	3,242	3,328
Disposals	-	(4,178)	(4,178)
At 31 December 2020	2,923	33,411	36,334
DEPRECIATION			
At 1 January 2020	2,114	8,828	10,942
Charge for the year	162	2,455	2,617
Disposals	-	(1,651)	(1,651)
At 31 December 2020	2,276	9,632	11,908
NET BOOK VALUE			
At 31 December 2020	647	23,779	24,426
NET BOOK VALUE			
At 31 December 2019	723	25,519	26,242

The rental fleet has a significant carrying value. The great majority of equipment in the rental fleet is depreciated on a straight-line basis to a residual value of 30% of cost over 10 years. Asset lives are reviewed regularly in light of technological change, prospective utilisation and the physical condition of the assets. Due to the transportable nature of the rental fleet, the review for potential impairment is performed on the worldwide fleet (not country by country) with individual product groups considered separately.

12. STOCKS

	2020 £'000	2019 £'000
Stocks	3,532	3,824

There is no significant difference between the replacement cost of inventory and its carrying amount. Inventories recognised in cost of sales during the year as an expense was £2,966k (2019: £3,838k).

13. DEBTORS

	2020	2019
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	7,486	7,223
Intra Group trade balances	6,407	11,012
Deferred tax asset	364	61
Prepayments and accrued income	1,102	1,203
	15,359	19,499
Amounts falling due after more than one year:		
Amounts owed by group undertakings	8,624	55,169
Aggregate amounts	23,983	74,668

Amounts falling due within one year are repayable within the usual trading terms.

Interest is charged on amounts owed by group undertakings due in more than one year at rates of between 3.00% and 3.67%

Expected credit loss provision of loan receivable
An expected credit loss charge of £63,362k (2019: £nil) arose in 2020 on a loan receivable balance with a fellow group undertaking, as disclosed separately on the face of the Statement of Comprehensive Income.
The expected credit loss charge was required by the applicable accounting standards, due to the fact that the loan is payable in March 2023 and based on the updated information provided to the Directors of the Company in relation to the group undertaking's available resources and latest forecasts and projections, the latter would not have been in condition to reimburse the loan within the required timescale.
Following the sale of the "RMDK business" from Interserve Group to Altrad Group in October 2021 (see note 23), the full value of the loan owed to the Company was transferred to an Altrad Group undertaking. As a result, a new assessment of the recoverability of the loan receivable will be completed for the 2021 accounts, which might result in a different outcome in respect to the expected credit loss provision currently recognised.

Deferred Tax assets/(liabilities)	Fixed asset timing differences £'000	Other provisions £'000	Deferred tax £'000
Balance at 1 January 2020	153	(92)	61
Credit to profit and loss during the year	350	-	350
Effects of a change of rate to Deferred Tax	-	-	-
Adjustment in respect of prior periods	(47)	-	(47)
Balance at 31 December 2020	456	(92)	364

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £'000	2019 £'000
Trade creditors	3,051	4,682
Group tax relief payable	1,217	105
Social security and other taxes	1,438	1,568
Other creditors	38	62
Intra group trade balances	2,152	463
Accrued expenses	5,328	3,600
Lease Liabilities < 1 year (see note 19)	1,389	1,761
	14,613	12,241

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

	2020 £'000	2019 £'000
Lease Liabilities > 1 year (see note 19)	5,240	5,395

16. PROVISIONS FOR LIABILITIES

Deferred Tax

See note 13.

Dilapidation Provisions for Right of Use assets (IFRS 16)	Dilapidation provision
	£'000
Balance at 1 January 2020	(424)
Provision for Long term Restoration Costs	-
Balance at 31 December 2020	(424)

The provision primarily relates to dilapidation provisions on leased properties, which would become payable at the end of the lease. The valuation and completeness of the provision is assessed each year for the operations at the property in relation to the obligation on the group

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £'000	2019 £'000
11,700,000	Ordinary shares	£1	11,700	11,700

18. RESERVES

Called up share capital

Represents the nominal value of shares that have been issued.

Retained earnings
Includes all current and prior period retained profits and losses.

19. LEASING

Right of Use Assets

	Land and buildings £'000	Motor Vehicles £'000	Other plant and equipment £'000	Total £'000
Gross carrying amount				
Balance at 1 January 2020	7,986	935	102	9,023
Additions	819	161	-	980
Disposals	-	(247)	-	(247)
Balance at 31 December 2020	8,805	849	102	9,756
Depreciation and impairment				
Balance at 1 January 2020	1,222	317	20	1,559
Depreciation charge for the year	1,344	380	25	1,749
Disposals	-	(213)	-	(213)
Balance at 31 December 2020	2,566	484	45	3,095
Carrying amount				
Balance at 31 December 2020	6,239	365	57	6,661
Balance at 31 December 2019	6,764	618	82	7,464

Lease Liabilities
The Company's lease portfolio consists primarily of property and vehicle assets across its business locations.

Lease liabilities include the net present value of the following lease payments:
- Fixed payments (including any in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate;
- The exercise price of any purchase option if the lessee is reasonably certain to exercise that option; and
- Payment of penalties for terminating a lease early, if the lease term reflects the Company exercise that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are discounted using the Company's incremental borrowing rate at transition. In determining the incremental borrowing rate the Company:
- used a matrix approach that begins with a country risk-free rate at differing maturities to reflect the lease term;
- rates are adjusted for liquidity risk, and country risk (based on the countries in which we operate);
- a credit risk spread is applied based on yields of comparable entities; and
- where applicable, adjustments have been made to factor in security type and currency.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases of office buildings, the Company is required to keep those properties in a good state of repair and return the properties to their original condition at the end of the lease. Further, the Company must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see note 10).

Lease liabilities are presented in the statement of financial position as follows:

	2020 £'000	2019 £'000
Current	(1,389)	(1,761)
Non-current (between one and five years)	(4,553)	(4,552)
Non-current (after five years)	(687)	(843)
	(6,629)	(7,156)

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at 31 December 2020 is as follows:

	2020 £'000	2019 £'000
Minimum lease payments:		
Within one year	(1,798)	(1,761)
Between one and five years	(4,944)	(5,734)
After five years	(1,210)	(1,477)
Total minimum lease payments	(7,952)	(8,972)
Less: Future finance charges	(1,323)	(1,816)
Present value of lease liabilities	(6,629)	(7,156)

The Company has elected not to recognise a lease liability for short-term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.
The Lease Liabilities over 5 years for 2020 are £1,210k (2019: £1,477k).

The expense relating to payments not included in the measurement of the lease liability is as follows:

	2020 £'000	2019 £'000
Short-term leases	(102)	(253)
Leases of low value assets	(81)	(22)
	(183)	(275)

Additional information on variable lease payments is as follows:

Variable lease payments not recognised in the related lease liability are expensed as incurred and include usage payments such as excess mileage allowance on vehicles and excess use charges on plant and machinery.

The excess mileage arrangements in place with the lessor cover vehicle mileages tracking at either 10% or more of contracted under and over mileages. Vehicles tracking mileage either side of these tolerance levels are deemed to be under or over mileage and trigger either additional charges or credits as applicable.

20. CONTINGENT LIABILITIES

In March 2019, as a result of the Deleveraging Plan, RMDK Group was allocated a total of £350 million of ring-fenced debt with non-recourse to the rest of the Interserve Group, which the Company had a contingent liability for, as guarantor for £168,266k and associated interest (2019: £168,266k).

As disclosed in Note 23, in October 2021, the "RMDK business" which includes this company was sold to Altrad Group, which resulted in the charge on the company being released.

At the end of November 2020, the group, of which RMD Kwikform Limited was part, was subject to a cyber-attack which caused some disruption to their normal operations. The RMDK Group's Crisis Response was swiftly implemented, and the impact was contained. RMDK has complied with its notification obligations under applicable data privacy law, including to the ICO. The outcome of the ICO review is outstanding at the time of this report. The business has considered the ICO regulations and considers the risk of a material penalty to be low, however given the uncertainty around the potential liability arising, a contingent liability exists.

As at 31 December 2020 there were also contingent liabilities in respect of guarantees given in the ordinary course of business of £50k (2019: £50k).

21. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

As at 31 December 2020, Interserve Group Limited, a company registered in England and Wales was the company regarded by the directors as the ultimate parent company and controlling party. Interserve Holdings Limited and was the smallest and largest group for which group financial statements were prepared. A copy of the financial statements of Interserve Holdings Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

In October 2021, the "RMDK business" which includes this company was sold to Altrad Group, see note 23 for further information. The ultimate parent company at the date of signing the accounts was Altrad Investment Authority.

22. PENSIONS

The amount recognised in the profit and loss account is equal to the contributions payable to the schemes during the year.

23. POST BALANCE SHEET EVENTS

On 6 October 2021, the "RMDK business" (which includes this company) was sold by Interserve Holdings Limited and RMDK Finco Limited to Altrad Investment Authority. The sale of the RMDK business was structured as a share sale, with Interserve Holdings Limited selling its shareholdings in joint venture companies in Saudi Arabia and Qatar and RMDK Finco Limited selling its shareholding in RMDK Bidco Limited with Interserve Holdings Limited, RMDK Holdco Limited and RMDK Finco Limited being retained by the Interserve Group.

For the Company this has resulted in the charge on the ring fenced debt being released (see note 20) and the intercompany loan receivable disclosed in note 13 has been transferred to an Altrad entity.