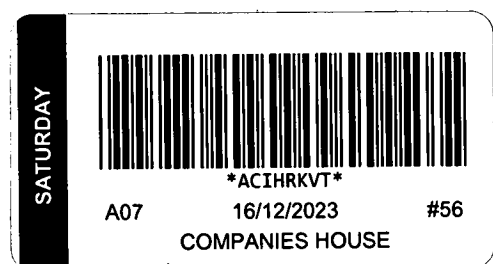


Registered number: 04309417

LAING O'ROURKE UTILITIES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



LAING O'ROURKE UTILITIES LIMITED

COMPANY INFORMATION

Directors	R C Baker J F Edmondson
Company secretary	R E Turner
Registered number	04309417
Registered office	Bridge Place Anchor Boulevard Admirals Park, Crossways Dartford Kent DA2 6SN

LAING O'ROURKE UTILITIES LIMITED

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LAING O'ROURKE UTILITIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Directors present their Directors' Report together with the financial statements of Laing O'Rourke Utilities Limited (the 'Company') for the year ended 31 March 2023.

BUSINESS REVIEW

The Company is a wholly owned subsidiary of Laing O'Rourke Plc and a member of the Laing O'Rourke Corporation Limited Group ('Group'). The results for the year are set out in the Statement of Comprehensive Income on page 3.

No transactions were carried out in either year, resulting in a £nil result for the financial year (FY22: £nil). Total shareholders' funds of the Company at 31 March 2023 was £1 (FY22: £1).

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 Accounts (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 Accounts which are available publicly; however these do not form part of this report.

The Company has taken exemption from preparing a Strategic Report in accordance with s.414B of the Companies Act 2006.

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 2023 (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 - both financial and operational. The Group's Annual Report and Accounts for the year ended 31 March 2023 (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 31 October 2023, 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 2025 and there were no material uncertainties identified that may cast significant doubt on the Group's going concern status. The Group has sufficient financial resources, committed banking facilities, secured revenue and a strong order book. 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 70 to 72 of the Laing O'Rourke Corporation Limited Group's Annual Report and Accounts.

LAING O'ROURKE UTILITIES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Having made the appropriate enquiries, including with the directors of the Group, and considering a letter of support provided 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 12 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.

DIRECTORS

The Directors who have held office from 1 April 2022 to the date of this report were:

R C Baker
J F Edmondson

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.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual Report and 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 the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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.

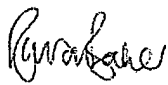
The Directors are responsible keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose them with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

LAING O'ROURKE UTILITIES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 15 December 2023 signed on its behalf by:



R C Baker
Director

LAING O'ROURKE UTILITIES LIMITED
REGISTERED NUMBER: 04309417

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Current assets			
Debtors: amounts falling due within one year	4	1	1
		<hr/>	<hr/>
Net assets		1	1
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	5	1	1
Retained earnings		-	-
		<hr/>	<hr/>
Total shareholders' funds		1	1
		<hr/>	<hr/>

For the year ending 31 March 2023 the Company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

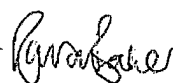
Directors' responsibilities:

The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476; and

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 4 to 10 were authorised for issue by the Board of Directors on 15 December 2023 and were signed on its behalf by:



R C Baker
Director

The notes on pages 6 to 10 form an integral part of these financial statements.

LAING O'ROURKE UTILITIES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Retained earnings £	Total shareholders' funds £
At 1 April 2021	1	691,757	691,758
Result for the financial year and total comprehensive income	-	-	-
Distribution to shareholder	-	(691,757)	(691,757)
At 31 March 2022	<u>1</u>	<u>-</u>	<u>1</u>
Result for the financial year and total comprehensive income	-	-	-
At 31 March 2023	<u><u>1</u></u>	<u><u>-</u></u>	<u><u>1</u></u>

The notes on pages 6 to 10 form an integral part of these financial statements.

In the prior year the Company waived a balance of £691,757 due from Laing O'Rourke Services Limited. As both parties concerned are under common control the waiver is treated as a distribution to shareholder.

LAING O'ROURKE UTILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. STATUTORY INFORMATION

Laing O'Rourke Utilities 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 of financial statements

The financial statements of Laing O'Rourke Utilities Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK adopted international accounting standards), but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions.

Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 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 paragraph 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, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

Consolidation

This information is included in the consolidated financial statements of Laing O'Rourke Corporation Limited as at 31 March 2023 and these financial statements may be obtained from www.laingorourke.com.

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.

LAING O'ROURKE UTILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES (continued)

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 2023 (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 - both financial and operational. The Group's Annual Report and Accounts for the year ended 31 March 2023 (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 31 October 2023, 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 2025 and there were no material uncertainties identified that may cast significant doubt on the Group's going concern status. The Group has sufficient financial resources, committed banking facilities, secured revenue and a strong order book. 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 70 to 72 of the Laing O'Rourke Corporation Limited Group's Annual Report and Accounts.

Having made the appropriate enquiries, including with the directors of the Group, and considering a letter of support provided 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 12 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.

Trade and other receivables

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

Other receivables are stated at cost.

LAING O'ROURKE UTILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES (continued)

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.

Key judgements and estimation 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. The 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 70 to 72 of the Directors' Report of the Laing O'Rourke Corporation Limited Group Annual Report and Accounts). 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;
- Timing and quantum of outcomes of claims; and
- Structural drivers for construction work.

Other judgements and estimation uncertainty

a) 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 2025. 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.

LAING O'ROURKE UTILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

3. EMPLOYEES AND DIRECTORS

The Company has no employees (FY22: 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.

4. TRADE AND OTHER RECEIVABLES

	2023 £	2022 £
Amounts owed by Group undertakings	1	1

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

5. CALLED UP SHARE CAPITAL

	2023 £	2022 £
Allotted, called up and fully paid		
1 (FY22:1) Ordinary share of £1	1	1

6. RESERVES

In the prior year the Company waived a balance of £691,757 due from Laing O'Rourke Services Limited. As both parties concerned are under common control the waiver is treated as a distribution to shareholder.

LAING O'ROURKE UTILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. ULTIMATE PARENT COMPANY

The immediate parent undertaking of Laing O'Rourke Utilities Limited is Laing O'Rourke Plc, a company registered in England and Wales.

The ultimate parent company of Laing O'Rourke Utilities Limited is Laing O'Rourke Corporation Limited, a company incorporated in Jersey. 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 2023. The Laing O'Rourke Corporation Limited Group's Annual Report and Accounts 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.