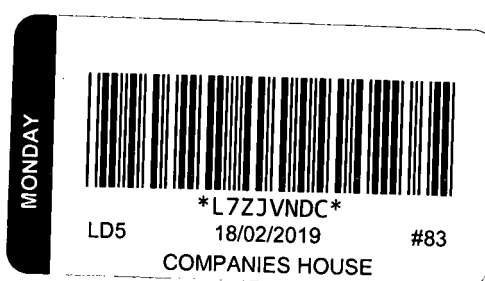


**Strategic Report, Director's Report and
Audited Financial Statements for the Year Ended 31 March 2018
for
Explore Development Management Limited**



**Contents of the Financial Statements
for the Year Ended 31 March 2018**

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Explore Development Management Limited

**Company Information
for the Year Ended 31 March 2018**

DIRECTOR: A S McIntyre

SECRETARY: R E Turner

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

REGISTERED NUMBER: 06112752 (England and Wales)

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

**Strategic Report
for the Year Ended 31 March 2018**

The director presents their Strategic Report of Explore Development Management Limited ("Company") for the year ended 31 March 2018.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Company is a wholly owned subsidiary of Explore Investments Limited and a member of the Laing O'Rourke Corporation Limited Group ("Group") that is domiciled in England and Wales. A summary of the results is shown in the Director's Report on page 3. The Company did not trade in the year, it is the intention of the director to strike off the Company in the future.


The directors of Laing O'Rourke Corporation Limited manage financial risk, including Brexit, for the Group as a whole, rather than as individual entities. For this reason, the Company's director believes that analysis of the Company's risks should be viewed in the context of the Group. The principle risks and uncertainties of Laing O'Rourke Corporation Limited, which include those of the Company, are discussed in the Group's financial statements which are available publicly, (these can be obtained from the Department of Registrar of Companies in Cyprus upon payment of the appropriate fee), however, does 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 include those of the Company, are discussed in the Group's financial statements which are available publicly, however, do not form part of this report.

EVENTS AFTER THE BALANCE SHEET DATE

After the year end the Group refinanced through Laing O'Rourke Plc; the refinancing vehicle for the UK entities.

ON BEHALF OF THE BOARD:



.....
A S McIntyre - Director

Date: 15 February 2019

**Director's Report
for the Year Ended 31 March 2018**

The director presents their Director's Report together with the audited financial statements of Explore Development Management Limited ("Company") for the year ended 31 March 2018.

PRINCIPAL ACTIVITIES

The Company did not trade in the year under review, the director intends to strike off the Company in the future.

Information in respect of the Business Review, Financial Risks, Principal Risks and Uncertainties, as well as the future developments are not discussed in the Director's Report because they are presented on page 2 within the Strategic Report in accordance with s414c(11) of the Companies Act 2006.

RESULTS

The results for the year are set out in the Income Statement on page 8.

Revenue for the year was £nil (2017: £nil). The result before taxation was £nil (2017: £nil) and the result for the financial year was £nil (2017: £nil). Total shareholders' funds of the Company at 31 March 2018 were £319 (2017: £319).

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 member of the group of companies whose ultimate parent is Laing O'Rourke Corporation Limited (the "Laing O'Rourke Group"). The directors have assessed whether the going concern basis of preparation is appropriate by reference to the position of the entire Laing O'Rourke Group, as the Company is reliant on financial support from this group of companies.

The directors of Laing O'Rourke Corporation Limited have carefully considered those factors likely to affect the Group's future development, performance and financial position in relation to the ability of the Group to operate within its current and foreseeable resources, financial and operational.

Laing O'Rourke Corporation Limited has provided a letter of support to the Company on behalf of the Laing O'Rourke Group. Accordingly, the director of the Company has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and conclude that it is appropriate for these financial statements to be prepared on a going concern basis.

DIVIDENDS

During the year interim dividends of £nil (2017: £nil) were paid. The director does not recommend the payment of a final dividend (2017: £nil).

DIRECTORS

A S McIntyre has held office from 1 April 2017 to the date of this report. Other changes in directors holding office are as follows:

C Richards - resigned 31 May 2017.

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.

**Director's Report
for the Year Ended 31 March 2018**

EMPLOYMENT POLICY

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

HEALTH, SAFETY AND WELFARE

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

EVENTS AFTER THE BALANCE SHEET DATE

Information relating to events since the end of the year is given in the notes to the financial statements (note 10).

**Director's Report
for the Year Ended 31 March 2018**

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Strategic Report, Director's Report and Audited Financial Statements in accordance with applicable law and regulation.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, including 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 director is 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.

The director is 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.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

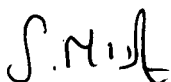
In the case of each director in office at the date of the Director's Report is approved:

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

AUDITORS

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

ON BEHALF OF THE BOARD:



.....
A S McIntyre - Director

Date: 15 February 2019

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, Explore Development Management Limited's financial statements:
- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Director's Report and Audited Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2018; the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union, which is currently due to occur on 29 March 2019, are not clear, and it is difficult to evaluate all of the potential implications on the Company's trade, customers, suppliers and the wider economy.

Reporting on other information

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

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

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent Auditors' Report to the Members of Explore Development Management Limited

Strategic Report and Director's Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Director's Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Director's Responsibilities Statement set out on page 5, the director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is 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 director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



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

Date: 15 February 2019

**Income Statement
for the Year Ended 31 March 2018**

	Notes	2018 £	2017 £
REVENUE		<u>-</u>	<u>-</u>
OPERATING RESULT and RESULT BEFORE TAXATION	4	-	-
Tax on result	5	<u>-</u>	<u>-</u>
RESULT FOR THE FINANCIAL YEAR		<u><u>-</u></u>	<u><u>-</u></u>

**Statement of Comprehensive Income
for the Year Ended 31 March 2018**

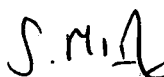
	Notes	2018 £	2017 £
RESULT FOR THE YEAR		-	-
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>-</u></u>	<u><u>-</u></u>

The notes on pages 12 to 15 form part of these financial statements

Statement of Financial Position
31 March 2018

	Notes	2018 £	2017 £
CURRENT ASSETS			
Trade and other receivables	6	<u>319</u>	<u>319</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>319</u>	<u>319</u>
CAPITAL AND RESERVES			
Called up share capital	7	1	1
Retained earnings		<u>318</u>	<u>318</u>
TOTAL SHAREHOLDERS' FUNDS		<u>319</u>	<u>319</u>

The financial statements on pages 8 to 15 were authorised for issue by the director on 15 February 2019 and were signed by:



.....
A S McIntyre - Director

**Statement of Changes in Equity
for the Year Ended 31 March 2018**

	Called up share capital £	Retained earnings £	Total shareholders' funds £
Balance at 1 April 2016	1	318	319
Changes in equity	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 March 2017	<u>1</u>	<u>318</u>	<u>319</u>
Changes in equity	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 March 2018	<u><u>1</u></u>	<u><u>318</u></u>	<u><u>319</u></u>

**Notes to the Financial Statements
for the Year Ended 31 March 2018**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparation

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

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

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

Going concern

The financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The Company is a member of the group of companies whose ultimate parent is Laing O'Rourke Corporation Limited (the "Laing O'Rourke Group"). The directors have assessed whether the going concern basis of preparation is appropriate by reference to the position of the entire Laing O'Rourke Group, as the Company is reliant on financial support from this group of companies.

The directors of Laing O'Rourke Corporation Limited have carefully considered those factors likely to affect the Group's future development, performance and financial position in relation to the ability of the Group to operate within its current and foreseeable resources, financial and operational.

Laing O'Rourke Corporation Limited has provided a letter of support to the Company on behalf of the Laing O'Rourke Group. Accordingly, the director of the Company has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and conclude that it is appropriate for these financial statements to be prepared on a going concern basis.

Basis of consolidation

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

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

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- 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;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

2. ACCOUNTING POLICIES - continued

Current and deferred tax

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

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

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

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

Trade and other receivables

Trade and other receivables are initially recorded at fair value and subsequently measured at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts.

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 expenses incurred during the reported period. Actual outcomes may therefore differ from these estimates and assumptions. These estimates and assumptions that have the most significant impact on the carrying value of assets and liabilities of the Company within the next financial year are detailed as follows:

a) Disputes

Management's best judgement has been taken into account in reporting disputed amounts, legal cases and claims but the actual future outcome may be different from this judgement.

b) Taxation

The Company is subject to tax and judgement is required in determining the provision for income taxes including the recognition of deferred tax assets. The Company provides for future liabilities in respect of uncertain tax positions where additional tax may become payable in future periods and such provisions are based upon management's assessment of exposures. Assets are only recognised where it is reasonably certain additional tax will become payable in future periods and when the asset can be utilised.

c) Financial risk management

In the course of its business, the Company is exposed to foreign currency risk, liquidity risk, interest rate risk and credit risk. The overall aim of the Company's financial risk management policies, processes and controls is to use judgement to minimise potential adverse effects on financial performance and net assets. Further details are provided in the Strategic Report.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

3. EMPLOYEES AND DIRECTORS

The Company has no employees (2017: 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. The management charge includes a recharge of administrative costs borne by Laing O'Rourke Services Limited on behalf of the company and it is not possible to identify separately the amount of directors' emoluments.

4. RESULT BEFORE TAXATION

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

5. TAXATION

	2018 £	2017 £
Current tax		
UK corporation tax result	-	-
Tax on result	-	-

The tax assessed for the year is the same as (2017: the same as) than the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018 £	2017 £
Result before taxation	-	-
Result before taxation multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%)	-	-
Total tax	-	-

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of the Finance Act 2016 on 15 September 2016. These include reductions to the main rate to reduce the rate to 17% from 1 April 2020. Deferred taxes at the statement of financial position date have been measured using this enacted tax rate and reflected in these financial statements.

6. TRADE AND OTHER RECEIVABLES

	2018 £	2017 £
Amounts owed by group undertakings	319	319

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 £	2017 £
1 (2017: 1)	Ordinary	£1	<u>1</u>	<u>1</u>

8. ULTIMATE PARENT COMPANY

The immediate parent undertaking of Explore Development Management Limited, is Explore Investments Limited, a company registered in England and Wales.

The ultimate parent undertaking and controlling party is Suffolk Partners Corporation, a company incorporated in the British Virgin Islands.

Laing O'Rourke Corporation Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 March 2018. Copies of the Laing O'Rourke Corporation Limited consolidated financial statements are available for viewing at the Registrar of Companies in Cyprus on payment of the appropriate fee.

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 on payment of the appropriate fee.

9. RELATED PARTY DISCLOSURES

As a wholly owned subsidiary within the Laing O'Rourke Corporation Limited Group, the Company has taken advantage of the exemption permitted by FRS101 not to provide information on related party transactions with other undertakings within the Laing O'Rourke Corporation Limited Group.

There are no other related party transactions.

10. EVENTS AFTER THE REPORTING PERIOD

After the year end the Group refinanced through Laing O'Rourke Plc; the refinancing vehicle for the UK entities.