

Company Registration No. 06799107 (England and Wales)

**LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS)
LIMITED**

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

COMPANY INFORMATION

Directors	S Colvin J Heemelaar
Secretary	Victoria Burnett
Company number	06799107
Registered office	1 Kingsway London United Kingdom WC2B 6AN
Bankers	Barclays Bank Plc Level 28 1 Churchill Place London E14 5HP ABN AMRO Bank N.V. Coolsingel 93 Rotterdam The Netherlands 3012 AE

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

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LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their annual report and unaudited financial statements for the year ended 31 December 2021.

Going concern and COVID-19 update

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate. In reaching this conclusion, the Directors have also considered the Company's relationship with its immediate parent company, John Laing Group Limited.

The Directors consider there to be no significant impact on the Company's operations from Covid-19 post the balance sheet date.

Its principal activities, as described below, are reliant upon the performance of its parent undertaking, John Laing Group Limited, and the group's investing subsidiaries. The Company earns revenues from its asset management activities based on the value of the assets under management, in the region in which the Company operates, of the John Laing group ("the Group"), including the Group's wholly-owned investment portfolio and the investment portfolio it now holds a 50% interest in through John Laing Investments Limited. The Company can also earn revenue from the recovery of costs on successful bids for greenfield PPP projects.

The directors of John Laing Group Limited and its investing subsidiaries have undertaken their own review of the ongoing impact of Covid-19 on the Group's investment portfolios and have concluded that any impact is insignificant. Whilst the total value of the Group's assets under management reduced during 2021, this reduction was primarily as a result of significant disposals in the period and the group otherwise grew the portfolios through new investments and significant valuation gains. The Group has continued to grow its assets under management in 2022 including as a result of further new investments. The Group has a good investment pipeline for the remainder of 2022 and beyond and it is pursuing a number of investment opportunities including investments in greenfield PPP projects, adjacent greenfield projects and mid-market economic infrastructure businesses in energy transition, digital infrastructure, transport and specialised accommodation. The Group remains confident about the investment outlook, particularly as Governments in the Group's key markets are looking to infrastructure investment not only to stimulate economic growth, but also to modernise and improve the sustainability of their economies.

The Company had net liabilities at 31 December 2021 and is reliant on the support of its immediate parent company to be able to meet its liabilities as they fall due over a period of at least 12 months from the date of signing of these financial statements. The Directors have concluded that this support is still present, as evidenced by the letter of support from John Laing Group Limited, which states it will provide the necessary financial support to ensure that the Company is a going concern for at least twelve months from the date of signing of these financial statements. The Directors have made enquiries of the directors of John Laing Group Limited on the ability of John Laing Group Limited to provide support to the Company. John Laing Group Limited is a co-borrower under the John Laing group's £375 million banking facilities which mature in March 2025. The total amount currently available on these facilities is c£135 million. For a recent going concern assessment for the purposes of the group financial statements for the year ended 31 December 2021 of John Laing Group Limited, the directors of John Laing Group Limited concluded that they are confident the Group can continue to fund the Group's fixed operating costs, including the costs of the Company, without support from its own parent undertakings for at least a 12 month period from the date of signing of those financial statements. This assessment looked at various downside scenarios and the directors concluded the Group is adequately placed to manage its risks.

Principal activities

The principal activities of the Company continued to be to support the bidding and investing activities of the John Laing Group Limited in continental Europe as well as to provide asset management services to the John Laing Group Limited's investments in continental Europe and to provide management services to project companies in the Netherlands in which the John Laing Group Limited holds or previously held interests.

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Branches

The Company has a branch registered in the Netherlands.

Results and dividends

The results for the year are set out on page 5.

Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Colvin

J Heemelaar

Qualifying third party indemnity provisions

The Directors of the Company benefit from qualifying third party indemnity provisions provided by the Company's parent undertaking.

Directors' insurance

The Company's Directors are covered by insurance policies entered into by its parent undertaking, John Laing Group Limited, that insure them against liability arising from negligence, breach of duty and breach of trust in relation to the Company.

Post reporting date events

For details of post reporting date events, see the 'Events after the reporting date' note to the financial statements.

Future developments

The Directors are not aware, at the date of this report, of any major changes in the Company's activities in the next year.

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including cash flow risk, credit risk and liquidity risk.

The various types of financial risk and how they are managed are described below:

Cash flow risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company's exposure to changes in foreign currency exchange rates is from both revenue and costs, which provides a level of hedge. The Company does not use foreign exchange forward contracts. The Company's exposure to changes in interest rates is limited to loans due to and from group undertakings within the John Laing Group Limited, on which interest is charged at variable rates of interest. This risk is managed on a John Laing Group Limited basis.

Credit risk

The Company's principal financial assets are bank balances, trade debtors and amounts due from the immediate parent undertaking.

The Company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The credit risk on amounts due from the immediate parent undertaking which has significant net assets and financial resources.

Liquidity risk

The Company is reliant on the support of its immediate parent company to be able to meet its liabilities as they fall due. Further details regarding liquidity risk can be found in the Going Concern section of the accounting policies in the financial statements.

Climate change

Climate change is an acute risk facing society. Given the nature of the Company's operations and activities, the Directors do not believe there is a significant direct risk to the Company from climate change. However it has been an increasingly important emerging risk for the John Laing Group Limited over the last several years due to the group's business in financing and developing new infrastructure assets with long economic lives. The Company supports the bidding and investing activities of the John Laing Group Limited and provides asset management services to it so any impact on the John Laing Group Limited could affect the Company.

The impacts of climate change are difficult to predict given the wide variety of emission pathways and the interconnectedness of outcomes. The risks of climate change result from both the acute and chronic physical impacts as well as the transition to a low carbon economy. This presents a unique challenge and opportunity for the group in both the choice of sectors and projects to invest in and the management of those investments during the delivery and operational phases. A mapping exercise of sectors with respect to the transition and physical impacts of climate change has been undertaken and the group has strengthened its investment review process and portfolio monitoring of climate-related risks.

**LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS)
LIMITED**

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

On behalf of the board



S Colvin
Director

Date: 29/9/22

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
Turnover	3	1,467	2,786
Administrative expenses		(1,235)	(3,084)
Operating profit/(loss)	4	232	(298)
Interest payable and similar expenses	7	(47)	(8)
Profit/(loss) before taxation		185	(306)
Tax on profit/(loss)	8	(92)	68
Profit/(loss) for the financial year		93	(238)

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

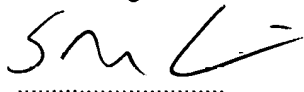
	Notes	2021 £'000	£'000	2020 £'000	£'000
Fixed assets					
Tangible assets	9		60		17
Current assets					
Debtors	10	133		2,519	
Cash at bank and in hand		442		342	
		<u>575</u>		<u>2,861</u>	
Creditors: amounts falling due within one year	11	<u>(2,450)</u>		<u>(4,796)</u>	
Net current liabilities			<u>(1,875)</u>		<u>(1,935)</u>
Net liabilities			<u>(1,815)</u>		<u>(1,918)</u>
Capital and reserves					
Other reserves			-		360
Profit and loss account			<u>(1,815)</u>		<u>(2,278)</u>
Total equity			<u>(1,815)</u>		<u>(1,918)</u>

For the financial year ended 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The financial statements were approved by the board of directors and authorised for issue on 29/9/22 and are signed on its behalf by:



S Colvin
Director

Company Registration No. 06799107

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Other reserves	Profit and loss account	Total
	£'000	£'000	£'000
Balance at 1 January 2020	335	(2,040)	(1,705)
Year ended 31 December 2020:			
Loss and total comprehensive expense for the year	-	(238)	(238)
Share based payments	25	-	25
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	360	(2,278)	(1,918)
Year ended 31 December 2021:			
Profit and total comprehensive expense for the year	-	93	93
Share based payments	(360)	370	10
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Laing Investments Management Services (Netherlands) Limited is a private company limited by shares incorporated in Great Britain and registered in England and Wales. The registered office is 1 Kingsway, London, United Kingdom, WC2B 6AN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements and;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of John Laing Group Limited. These consolidated financial statements are available from its registered office, 1 Kingsway, London, United Kingdom, WC2B 6AN.

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.2 Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The Company had net liabilities at 31 December 2021 and is reliant on the support of its immediate parent company to be able to meet its liabilities as they fall due over a period of at least 12 months from the date of signing of these financial statements. The Directors have concluded that this support is still present, as evidenced by the letter of support from John Laing Group Limited, which states it will provide the necessary financial support to ensure that the Company is a going concern for at least twelve months from the date of signing of these financial statements. The Directors have made enquiries of the directors of John Laing Group Limited on the ability of John Laing Group Limited to provide support to the Company. John Laing Group Limited is a co-borrower under the John Laing group's £375 million banking facilities which mature in March 2025. The total amount currently available on these facilities is c£135 million. For a recent going concern assessment for the purposes of the group financial statements for the year ended 31 December 2021 of John Laing Group Limited, the directors of John Laing Group Limited concluded that they are confident the Group can continue to fund the Group's fixed operating costs, including the costs of the Company, without support from its own parent undertakings for at least a 12 month period from the date of signing of those financial statements. This assessment looked at various downside scenarios and the directors concluded the Group is adequately placed to manage its risks.

After making enquiries and taking account of the factors noted above, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

Turnover represents income receivable in the ordinary course of business for services provided and excludes value added tax. Fees receivable in respect of MSAs with project companies are recognised evenly over the period of the agreement; and income arising in respect of recoveries of bid costs from the financial close of investments in project companies is recognised when recovery is virtually certain.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	- 3 years
IT equipment	- 3 years
Office equipment	- 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting end date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end 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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

The Company's normal policy on unused annual leave entitlement is that employees can carry forward up to five days of unused leave from their annual entitlement to be taken by 31 March following the end of the year. Since the maximum number of leave days is only five and these have to be taken in the first three months of the next year, the Company does not accrue for the costs of any unused holiday entitlement in the period in which the employee's services are received.

As a result of the lock down during the COVID-19 pandemic, the Company changed its policy in relation to 2020 annual leave entitlement and allowed employees to carry forward all unused annual leave entitlement for 2020 and 2021 until the end of 2022. However, given that this is a short-term policy change, the Company has not changed its accounting policy in respect of unused annual leave entitlement and the cost of this annual leave entitlement will continued to be recognised in the period in which it is taken.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Share-based payments

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

The Company had certain employees who were previously eligible for awards under John Laing Group Limited's share based incentive arrangements. John Laing Group Limited previously operated share-based incentive arrangements for Executive Directors, senior executives and other eligible employees under which awards are granted over John Laing Group Limited's ordinary shares. Awards were conditional on the relevant employee completing three years' service (the vesting period). The awards vested three years from the grant date, subject to the Group achieving a target share-based performance condition, total shareholder return (50% of the award), and a non-market based performance condition, net asset value growth per share (50% of the award). The Group had no legal or constructive obligation to repurchase or settle the awards in cash.

In addition, the John Laing Group previously operated a Deferred Share Bonus Plan under which executive directors and certain senior executives, including employees of the Company, were awarded shares in John Laing Group Limited in relation to that part of their annual bonus which exceeded 60% of their base salary. These awards vested in equal tranches on the first, second and third anniversary of grant, normally subject to continued employment.

The cost of the two share based incentive arrangements was calculated for each individual eligible employee and then aggregated to arrive at the total Group cost. The Company recognised an expense through its income statement in relation to its own employees and also recognised a capital contribution through other reserves to reflect that the cost was ultimately borne by John Laing Group Limited through the issue or purchase of ordinary shares.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under both the original terms and conditions and under the modified terms and conditions is determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern over which economic benefits from the lease asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting judgements and key sources of estimation uncertainty

Given the nature of the Company's assets and liabilities, the Directors are of the opinion that there are no critical accounting judgements or key sources of estimation uncertainty.

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Turnover

An analysis of the Company's turnover is as follows:

	2021 £'000	2020 £'000
Turnover analysed by class of business		
Service fee revenue	496	585
Management recharges	132	2,036
Recoveries of bid costs	838	165
	<u>1,466</u>	<u>2,786</u>
	2021 £'000	2020 £'000
Turnover analysed by geographical market		
Europe	1,466	2,786
United Kingdom	-	-
	<u>-</u>	<u>-</u>

4 Operating profit/(loss)

	2021 £'000	2020 £'000
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(186)	360
Depreciation of owned tangible fixed assets	13	8
Share-based payments	10	25
Operating lease charges	76	83
	<u>76</u>	<u>83</u>

5 Employees

The average monthly number of persons (including directors) employed by the Company during the year was 6 (2020:10).

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Employees

(Continued)

Their aggregate remuneration comprised:

	2021 £'000	2020 £'000
Wages and salaries	1,067	1,320
Social security costs	34	107
Pension costs	62	115
Share-based incentives	10	25
	<u>1,173</u>	<u>1,567</u>

6 Directors' remuneration

	2021 £'000	2020 £'000
Remuneration for qualifying services	182	426
Company pension contributions to defined contribution schemes	36	45
	<u>218</u>	<u>471</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2021 £'000	2020 £'000
Remuneration for qualifying services	182	232
Company pension contributions to defined contribution schemes	36	32
	<u></u>	<u></u>

7 Interest payable and similar expenses

	2021 £'000	2020 £'000
Interest on bank overdrafts and loans	-	1
Interest payable to group undertakings	47	7
	<u>47</u>	<u>8</u>

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8 Taxation

	2021 £'000	2020 £'000
Current tax		
UK corporation tax on profits for the current period	(5)	(72)
Adjustments in respect of prior periods	65	2
Total current tax	60	(70)
Deferred tax		
Changes in tax rates	(1)	(5)
Deferred tax on share-based payments charge	33	7
Total deferred tax	32	2
Total tax charge/(credit)	92	(68)

For the year ended 31 December 2021, a tax rate of 19% has been applied (2020 – 19%).

The UK Corporation Tax rate will increase to 25% effective from 1 April 2023 as enacted by the UK Government following the March 2021 budget announcement. The Company has measured its deferred tax asset at 31 December 2021 at 25% because it is expected that the majority of the deferred tax asset will be realised after 1 April 2023.

The actual expense/(credit) for the year can be reconciled to the expected expense/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £'000	2020 £'000
Profit/(loss) before taxation	185	(306)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	35	(58)
Tax effect of expenses that are not deductible in determining taxable profit	5	4
Adjustments in respect of prior years	65	1
Effect of change in corporation tax rate	(1)	(5)
Share based payment charge	(12)	(10)
Taxation charge/(credit) for the year	92	(68)

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Tangible fixed assets

	Fixtures and fittings £'000	IT equipment £'000	Office equipment £'000	Total £'000
Cost				
At 1 January 2021	37	24	50	111
Additions	55	-	1	56
At 31 December 2021	92	24	51	167
Depreciation and impairment				
At 1 January 2021	37	11	46	94
Depreciation charged in the year	5	7	1	13
At 31 December 2021	42	18	47	107
Carrying amount				
At 31 December 2021	50	6	4	60
At 31 December 2020	-	13	4	17

10 Debtors

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Trade debtors	23	326
Corporation tax recoverable	5	72
Amounts owed by group undertakings	-	10
Other debtors	26	10
Prepayments and accrued income	75	2,065
	129	2,483
Deferred tax asset (note 12)	4	36
	133	2,519

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

10 Debtors

(Continued)

11 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	8	35
Amounts owed to group undertakings	26	3,894
Amounts owed to parent undertaking	2,224	-
Taxation and social security	19	108
Accruals and deferred income	173	759
	<u>2,450</u>	<u>4,796</u>

Amounts owed to group undertakings comprise a loan of £25,000 (2020: £3,887,000) repayable on demand and interest payable on the loan of £1,000 (2020: £7,000).

Amounts owed to parent undertaking comprise a loan of £2,220,000 (2020: nil) repayable on demand and interest payable on the loan of £4,000.

Interest on the loans was charged at 2% above base rate throughout 2021.

12 Deferred taxation

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2021 £'000	Assets 2020 £'000
Balances:		
ACAs	4	3
Other timing differences	-	33
	<u>4</u>	<u>36</u>

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12 Deferred taxation

(Continued)

	2021 £'000
Movements in the year:	
Asset at 1 January 2021	(36)
Charge to profit or loss	32
Asset at 31 December 2021	(4)

Accelerated capital allowances and any payments under long term incentive plans will reduce future taxable profits or, to the extent that they create current year losses, will be surrendered for consideration at the prevailing corporation tax rate. It is therefore appropriate to recognise a deferred tax asset on these amounts.

13 Retirement benefit schemes

	2021 £'000	2020 £'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	62	115

14 Operating lease commitments

Lessee

The Company has a 4 year lease agreement with Schiphol WTC for office space at 7th floor, B-Tower, WTC Schiphol Airport, Schiphol Boulevard 253,1118 BH, Amsterdam, The Netherlands. The lease commenced on 1 October 2021 and runs through to 30 September 2025.

The Company also has 2 car lease agreements with various terms and expiry dates.

At the reporting end date the Company had outstanding commitments for future minimum lease payments under operating leases, which fall due as follows:

	2021 £'000	2020 £'000
Within one year	63	107
Between two and five years	132	29
	195	136

15 Share capital

	2021 Number	2020 Number	2021 £'000	2020 £'000
Ordinary share capital				
Ordinary share of £1 each	100	100	100	100

The other reserves represent the capital contribution to the equity based share incentive scheme.

LAING INVESTMENTS MANAGEMENT SERVICES (NETHERLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Related party transactions

As a wholly owned subsidiary of John Laing Group Limited, the Company has taken advantage of the exemption under FRS 102 Section 33 not to provide information on related party transactions with other undertakings in the John Laing Group Limited group. A copy of the published financial statements of John Laing Group Limited can be obtained from Companies House.

17 Ultimate controlling party

The Company's immediate parent company is John Laing Group Limited, a listed Company incorporated in Great Britain and registered in England and Wales, same registered office as the company. The smallest and largest group in which its results are consolidated is John Laing Group Limited. Copies of its accounts are available from Companies House.

The Company is ultimately owned by funds advised and managed by KKR & Co. Inc and there is no ultimate parent undertaking.

The Company considers the ultimate controlling party to be KKR & Co. Inc, incorporated in Delaware, United States of America and registered at 30 Hudson Yards, Suite 7500, New York, New York, 1001, United States of America.

18 Events after the reporting date

Following the outbreak of the conflict in Ukraine, the John Laing group undertook a review of its operations including key suppliers and other significant relationships to determine if there was any impact from the escalating conflict. The Company has not experienced any significant impact but will continue to monitor the situation as it develops.

The Company has seen increased short-term inflation in the period following the reporting date. Whilst there has been some increase in the costs incurred by the Company, a portion of its revenue is inflation-linked so the effect has been partially mitigated. Overall, there has not been a significant impact on the Company's operations.

Company Registration No. 08337154 (England and Wales)

**LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND)
LIMITED**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

COMPANY INFORMATION

Directors	J Bailey S Colvin D Jewell
Secretary	Victoria Burnett
Company number	08337154
Registered office	1 Kingsway London United Kingdom WC2B 6AN
Bankers	ANZ Banking Group Limited Auckland Q&V Branch ANZ House 203 Queen Street Auckland Central 1010 New Zealand

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

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Statement of changes in equity	7
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LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their annual report and unaudited financial statements for the year ended 31 December 2021.

Going concern and COVID-19 update

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate. In reaching this conclusion, the Directors have also considered the Company's relationship with its immediate parent company, John Laing Group Limited.

The Directors consider there to be no significant impact on the Company's operations from Covid-19 post the balance sheet date.

Its principal activities, as described below, are reliant upon the performance of its parent undertaking, John Laing Group Limited, and the group's investing subsidiaries. The Company earns revenues from its asset management activities based on the value of the assets under management, in the region in which the Company operates, of the John Laing group ("the Group"), including the Group's wholly-owned investment portfolio and the investment portfolio it now holds a 50% interest in through John Laing Investments Limited. The Company can also earn revenue from the recovery of costs on successful bids for greenfield PPP projects.

The directors of John Laing Group Limited and its investing subsidiaries have undertaken their own review of the ongoing impact of Covid-19 on the Group's investment portfolios and have concluded that any impact is insignificant. Whilst the total value of the Group's assets under management reduced during 2021, this reduction was primarily as a result of significant disposals in the period and the group otherwise grew the portfolios through new investments and significant valuation gains. The Group has continued to grow its assets under management in 2022 including as a result of further new investments. The Group has a good investment pipeline for the remainder of 2022 and beyond and it is pursuing a number of investment opportunities including investments in greenfield PPP projects, adjacent greenfield projects and mid-market economic infrastructure businesses in energy transition, digital infrastructure, transport and specialised accommodation. The Group remains confident about the investment outlook, particularly as Governments in the Group's key markets are looking to infrastructure investment not only to stimulate economic growth, but also to modernise and improve the sustainability of their economies.

The Company had net liabilities at 31 December 2021 and is reliant on the support of its immediate parent company to be able to meet its liabilities as they fall due over a period of at least 12 months from the date of signing of these financial statements. The Directors have concluded that this support is still present, as evidenced by the letter of support from John Laing Group Limited, which states it will provide the necessary financial support to ensure that the Company is a going concern for at least twelve months from the date of signing of these financial statements. The Directors have made enquiries of the directors of John Laing Group Limited on the ability of John Laing Group Limited to provide support to the Company. John Laing Group Limited is a co-borrower under the John Laing group's £375 million banking facilities which mature in March 2025. The total amount currently available on these facilities is c£135 million. For a recent going concern assessment for the purposes of the group financial statements for the year ended 31 December 2021 of John Laing Group Limited, the directors of John Laing Group Limited concluded that they are confident the Group can continue to fund the Group's fixed operating costs, including the costs of the Company, without support from its own parent undertakings for at least a 12 month period from the date of signing of those financial statements. This assessment looked at various downside scenarios and the directors concluded the Group is adequately placed to manage its risks.

Principal activities

The principal activities of the Company continued to be that of supporting the bidding and investing activities of the John Laing Group in New Zealand as well as to provide asset management services to the John Laing Group's investments in New Zealand.

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Branches

The Company has a branch registered in New Zealand.

Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

J Bailey
S Colvin
D Jewell

Qualifying third party indemnity provisions

The Directors of the Company benefit from qualifying third party indemnity provisions provided by the Company's parent undertaking.

Directors' insurance

The Company's Directors are covered by insurance policies entered into by its parent undertaking, John Laing Group Limited, that insure them against liability arising from negligence, breach of duty and breach of trust in relation to the Company.

Post reporting date events

For details of post reporting date events, see the 'Events after the reporting date' note to the financial statements.

Future developments

The Directors are not aware, at the date of this report, of any major changes in the Company's activities in the next year.

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including cash flow risk, credit risk and liquidity risk.

The various types of financial risk and how they are managed are described below:

Cash flow risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company's exposure to changes in foreign currency exchange rates is from both revenue and costs, which provides a level of hedge. The Company does not use foreign exchange forward contracts. The Company's exposure to changes in interest rates is limited to loans due to and from group undertakings within the John Laing Group, on which interest is charged at variable rates of interest. This risk is managed on a John Laing Group basis.

Credit risk

The Company's principal financial assets are bank balances, trade debtors and amounts due from the immediate parent undertaking.

The Company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The credit risk on amounts due from the immediate parent undertaking which has significant net assets and financial resources.

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

Liquidity risk

The Company is reliant on the support of its immediate parent company to be able to meet its liabilities as they fall due. Further details regarding liquidity risk can be found in the Going Concern section of the accounting policies in the financial statements.

Climate change

Climate change is an acute risk facing society. Given the nature of the Company's operations and activities, the Directors do not believe there is a significant direct risk to the Company from climate change. However, it has been an increasingly important emerging risk for the John Laing Group over the last several years due to the Group's business in financing and developing new infrastructure assets with long economic lives. The Company supports the bidding and investing activities of the John Laing Group and provides asset management services to it so any impact on the John Laing Group could affect the Company.

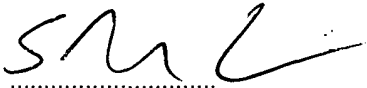
The impacts of climate change are difficult to predict given the wide variety of emission pathways and the interconnectedness of outcomes. The risks of climate change result from both the acute and chronic physical impacts as well as the transition to a low carbon economy. This presents a unique challenge and opportunity for the group in both the choice of sectors and projects to invest in and the management of those investments during the delivery and operational phases. A mapping exercise of sectors with respect to the transition and physical impacts of climate change has been undertaken and the group has strengthened its investment review process and portfolio monitoring of climate-related risks.

**LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND)
LIMITED**

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

On behalf of the board



S Colvin
Director

Date: 29/9/22

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Turnover	3	-	10,019
Administrative income/(expense)		3,951	(164,556)
Operating profit/(loss)	4	3,951	(154,537)
Interest payable and similar expenses	6	(17,282)	(22,829)
Loss before taxation		(13,331)	(177,366)
Tax on loss	7	5,872	34,190
Loss for the financial year		(7,459)	(143,176)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

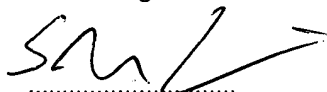
	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	8	15,207		48,373	
Cash at bank and in hand		24,100		8,028	
		<u>39,307</u>		<u>56,401</u>	
Creditors: amounts falling due within one year	9	(807,996)		(815,134)	
Net current liabilities			<u>(768,689)</u>		<u>(758,733)</u>
Capital and reserves					
Called up share capital	11		1		1
Other reserves			-		24,496
Profit and loss account			(768,690)		(783,230)
Total equity			<u>(768,689)</u>		<u>(758,733)</u>

For the financial year ended 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The financial statements were approved by the board of directors and authorised for issue on 29/9/22 and are signed on its behalf by:



S Colvin
Director

Company Registration No. 08337154

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Other reserves £	Profit and loss account £	Total £
Balance at 1 January 2020	1	24,496	(640,054)	(615,557)
Year ended 31 December 2020:				
Loss and total comprehensive expense for the year	-	-	(143,176)	(143,176)
Balance at 31 December 2020	1	24,496	(783,230)	(758,733)
Year ended 31 December 2021:				
Loss and total comprehensive expense for the year	-	-	(7,459)	(7,459)
Share-based payments	-	(24,496)	21,999	(2,497)
Balance at 31 December 2021	1	-	(768,690)	(768,689)

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Laing Investments Management Services (New Zealand) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Kingsway, London, United Kingdom, WC2B 6AN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements and;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of John Laing Group Limited. These consolidated financial statements are available from its registered office, 1 Kingsway, London, United Kingdom, WC2B 6AN.

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.2 Going concern

The Company had net liabilities at 31 December 2021 and is reliant on the support of its immediate parent company to be able to meet its liabilities as they fall due over a period of at least 12 months from the date of signing of these financial statements. The Directors have concluded that this support is still present, as evidenced by the letter of support from John Laing Group Limited, which states it will provide the necessary financial support to ensure that the Company is a going concern for at least twelve months from the date of signing of these financial statements. The Directors have made enquiries of the directors of John Laing Group Limited on the ability of John Laing Group Limited to provide support to the Company. John Laing Group Limited is a co-borrower under the John Laing group's £375 million banking facilities which mature in March 2025. The total amount currently available on these facilities is c£135 million. For a recent going concern assessment for the purposes of the group financial statements for the year ended 31 December 2021 of John Laing Group Limited, the directors of John Laing Group Limited concluded that they are confident the Group can continue to fund the Group's fixed operating costs, including the costs of the Company, without support from its own parent undertakings for at least a 12 month period from the date of signing of those financial statements. This assessment looked at various downside scenarios and the directors concluded the Group is adequately placed to manage its risks.

After making enquiries and taking account of the factors noted above, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

Turnover represents income receivable in the ordinary course of business for services provided and excludes value added tax. Fees receivable in respect of management services agreements with project companies are recognised evenly over the period of the agreement; and income arising in respect of recoveries of bid costs from the financial close of investments in project companies is recognised when recovery is virtually certain.

1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end 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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Share-based payments

The Company had certain employees who were previously eligible for awards under John Laing Group Limited's share based incentive arrangements. John Laing Group Limited previously operated share-based incentive arrangements for Executive Directors, senior executives and other eligible employees under which awards are granted over John Laing Group Limited's ordinary shares. Awards were conditional on the relevant employee completing three years' service (the vesting period). The awards vested three years from the grant date, subject to the Group achieving a target share-based performance condition, total shareholder return (50% of the award), and a non-market based performance condition, net asset value growth per share (50% of the award). The Group had no legal or constructive obligation to repurchase or settle the awards in cash.

In addition, the John Laing Group previously operated a Deferred Share Bonus Plan under which executive directors and certain senior executives, including employees of the Company, were awarded shares in John Laing Group Limited in relation to that part of their annual bonus which exceeded 60% of their base salary. These awards vested in equal tranches on the first, second and third anniversary of grant, normally subject to continued employment.

The cost of the two share based incentive arrangements was calculated for each individual eligible employee and then aggregated to arrive at the total Group cost. The Company recognised an expense through its income statement in relation to its own employees and also recognised a capital contribution through other reserves to reflect that the cost was ultimately borne by John Laing Group Limited through the issue or purchase of ordinary shares.

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under both the original terms and conditions and under the modified terms and conditions is determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern over which economic benefits from the lease asset are consumed.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

Given the nature of the Company's assets and liabilities, the Directors are of the opinion that there are no critical accounting judgements or key sources of estimation uncertainty.

3 Turnover and other revenue

An analysis of the Company's turnover is as follows:

	2021 £	2020 £
Turnover analysed by class of business		
Service fee revenue	-	10,019
	<u> </u>	<u> </u>
Turnover analysed by geographical market		
New Zealand	-	10,019
	<u> </u>	<u> </u>

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4 Operating profit/(loss)

	2021 £	2020 £
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(32,366)	89,413
Share-based payments	(2,497)	-
Operating lease charges	-	787
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the Company during the year was nil (2020: nil).

	2021 Number	2020 Number
Total	<u> </u>	<u> </u>
	-	-

6 Interest payable and similar expenses

	2021 £	2020 £
Interest payable to group undertakings	17,282	22,829
	<u> </u>	<u> </u>

7 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	(10,526)	(33,700)
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	1,167	-
Changes in tax rates	-	(490)
Adjustment in respect of prior periods	3,487	-
	<u> </u>	<u> </u>
Total deferred tax	4,654	(490)
	<u> </u>	<u> </u>
Total tax credit	(5,872)	(34,190)
	<u> </u>	<u> </u>

For the year ended 31 December 2021, a tax rate of 19% has been applied (2020 – 19%).

The UK Corporation Tax rate will increase to 25% effective from 1 April 2023 as enacted by the UK Government following the March 2021 budget announcement. The Company has measured its deferred tax asset at 31 December 2021 at 25% because it is expected that the majority of the deferred tax asset will be realised after 1 April 2023.

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

7 Taxation

(Continued)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Loss before taxation	(13,331)	(177,366)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(2,533)	(33,700)
Effect of change in corporation tax rate	-	(490)
Share based payment charge	(6,826)	-
Deferred tax adjustments in respect of prior years	3,487	-
Taxation credit for the year	(5,872)	(34,190)

8 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	-	10,019
Corporation tax recoverable	10,526	33,700
Other debtors	4,681	-
	15,207	43,719
Deferred tax asset (note 10)	-	4,654
	15,207	48,373

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	145	145
Amounts owed to group undertakings	-	811,634
Amounts owed to parent undertaking	807,851	-
Accruals and deferred income	-	3,355
	<u>807,996</u>	<u>815,134</u>

The amounts owed to parent undertaking primarily comprise a loan of £805,141 repayable on demand and interest payable on the loan of £2,710.

Interest on the loan was charged at 2% above base rate throughout 2021.

10 Deferred taxation

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2021 £	Assets 2020 £
Balances:		
Other timing differences	-	4,654
	<u>-</u>	<u>4,654</u>
Movements in the year:		2021 £
Asset at 1 January 2021		(4,654)
Charge to profit or loss		4,654
		<u>-</u>
Liability at 31 December 2021		<u>-</u>

11 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

The other reserves represent the capital contribution to the equity-based share incentive scheme.

LAING INVESTMENTS MANAGEMENT SERVICES (NEW ZEALAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2021**

12 Events after the reporting date

Following the outbreak of the conflict in Ukraine, the John Laing group undertook a review of its operations including key suppliers and other significant relationships to determine if there was any impact from the escalating conflict. The Company has not experienced any significant impact but will continue to monitor the situation as it develops.

13 Related party transactions

As a wholly owned subsidiary of John Laing Group Limited, the Company has taken advantage of the exemption under FRS 102 Section 33 not to provide information on related party transactions with other undertakings in the John Laing Group Limited group. A copy of the published financial statements of John Laing Group Limited can be obtained from Companies House.

14 Ultimate controlling party

The Company's immediate parent company is John Laing Group Limited, a listed Company incorporated in Great Britain and registered in England and Wales, same registered office as the company. The smallest and largest group in which its results are consolidated is John Laing Group Limited. Copies of its accounts are available from Companies House.

The Company is ultimately owned by funds advised and managed by KKR & Co. Inc and there is no ultimate parent undertaking.

The Company considers the ultimate controlling party to be KKR & Co. Inc, incorporated in Delaware, United States of America and registered at 30 Hudson Yards, Suite 7500, New York, New York, 1001, United States of America.