

Company Registration No. 11134290 (England and Wales)

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

COMPANY INFORMATION

Directors	J L Rubio Diaz De Tudanca S Colvin W Lee	(Appointed 23 June 2022) (Appointed 14 January 2022)
Secretary	Victoria Burnett	
Company number	11134290	
Registered office	1 Kingsway London United Kingdom WC2B 6AN	

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

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LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) 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.

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 activity of the Company is that of supporting the bidding and investing activities of the John Laing group in the Latin America.

Branches

The Company has a branch registered in Spain.

Directors

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

A Yew	(Resigned 23 June 2022)
J L Rubio Diaz De Tudanca	
C Underwood	(Resigned 14 January 2022)
S Colvin	(Appointed 23 June 2022)
W Lee	(Appointed 14 January 2022)

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.

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) 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 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 limited because the counterparties are core companies in the John Laing group with 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 (SPAIN) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

Post reporting date events

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

On behalf of the board



.....
S Colvin
Director

Date: ...7 November 2022.....

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
Turnover	3	-	818
Administrative expenses		92	(3,427)
Operating profit/(loss)	4	92	(2,609)
Interest receivable and similar income	6	-	13
Interest payable and similar expenses	7	(28)	(1)
Profit/(loss) before taxation		64	(2,597)
Tax on profit/(loss)	8	(40)	471
Profit/(loss) for the financial year		24	(2,126)

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

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

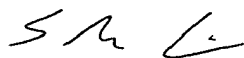
	Notes	2021 £'000	2020 £'000
Current assets			
Debtors	9	210	1,642
Cash at bank and in hand		29	9
		<u>239</u>	<u>1,651</u>
Creditors: amounts falling due within one year	10	(2,966)	(4,398)
Net current liabilities		(2,727)	(2,747)
Provisions for liabilities			
Deferred tax liability	11	-	4
		<u>-</u>	<u>(4)</u>
Net liabilities		<u>(2,727)</u>	<u>(2,751)</u>
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account		(2,728)	(2,752)
Total equity		<u>(2,727)</u>	<u>(2,751)</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 7 November 2022 and are signed on its behalf by:



S Colvin
Director

Company Registration No. 11134290

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Profit and loss account	Total
	£'000	£'000	£'000
Balance at 1 January 2020	1	(626)	(625)
Year ended 31 December 2020:			
Loss and total comprehensive income for the year	-	(2,126)	(2,126)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	1	(2,752)	(2,751)
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	24	24
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	<u>1</u>	<u>(2,728)</u>	<u>(2,727)</u>

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Laing Investments Management Services (Spain) 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 £'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 (SPAIN) 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 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:

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.

1.5 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.

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 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 Balance Sheet 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.

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.

1.7 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.

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.8 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.

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.

1.9 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.

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 Retirement benefits

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

1.11 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.

1.12 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 £'000	2020 £'000
Turnover analysed by class of business		
Service fee revenue	-	818
	<u> </u>	<u> </u>
	2021 £'000	2020 £'000
Other significant revenue		
Interest income	-	13
	<u> </u>	<u> </u>

4 Operating profit/(loss)

	2021 £'000	2020 £'000
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(324)	(79)
Depreciation of owned tangible fixed assets	-	8
(Profit)/loss on disposal of tangible fixed assets	-	12
Operating lease charges	7	38
	<u> </u>	<u> </u>

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Employees

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

	2021 Number	2020 Number
Total	-	1

Their aggregate remuneration comprised:

	2021 £'000	2020 £'000
Wages and salaries	2	25
Social security costs	-	22
Pension costs	-	6
	2	53

No Directors received any remuneration for services to the Company during the current period (2020: £nil).

6 Interest receivable and similar income

	2021 £'000	2020 £'000
Interest income		
Interest receivable from group companies	-	13

7 Interest payable and similar expenses

	2021 £'000	2020 £'000
Interest payable to group undertakings	28	1

8 Taxation

	2021 £'000	2020 £'000
Current tax		
UK corporation tax on profits for the current period	12	(496)
Adjustments in respect of prior periods	32	(4)
Total UK current tax	44	(500)
Foreign current tax on profits for the current period	-	32
Total current tax	44	(468)

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Taxation	(Continued)	
	2021 £'000	2020 £'000
Deferred tax		
Origination and reversal of timing differences	-	(2)
Adjustment in respect of prior periods	(4)	(1)
Total deferred tax	(4)	(3)
Total tax charge/(credit)	40	(471)

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 charge/(credit) for the year can be reconciled to the expected charge/(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	64	(2,597)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	12	(493)
Tax effect of expenses that are not deductible in determining taxable profit	-	(6)
Adjustments in respect of prior years	32	(4)
Deferred tax adjustments in respect of prior years	(4)	-
Foreign taxes	-	32
Taxation charge/(credit) for the year	40	(471)

9 Debtors	2021 £'000	2020 £'000
Amounts falling due within one year:		
Corporation tax recoverable	-	500
Amounts owed by group undertakings	-	1,002
Other debtors	210	140
	210	1,642

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Debtors

(Continued)

The amounts owed by group undertakings in the prior year include a loan due from a fellow group undertaking of £171,000 repayable on demand and interest receivable of £13,000. Interest on the loan was charged at 2% above base rates throughout 2020.

The amounts owed by group undertakings in the prior year also include a trading balance receivable from a fellow group undertaking of £818,000 which is repayable under agreed commercial terms on an arm's length basis. The trading balance receivable relates to the 2020 group management charge. The 2021 group management charge was netted off against a loan payable included within amounts owed to group undertakings in note 10.

10 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts owed to group undertakings	2,941	4,127
Corporation tax	12	-
Other taxation and social security	3	3
Accruals and deferred income	10	268
	<u>2,966</u>	<u>4,398</u>

The amounts owed to group undertakings include a loan payable to the parent undertaking of £2,906,000 (2020: £357,000) repayable on demand and interest payable on the loan of £26,000 (2020: £1,000). Interest on the loan was charged at 2% above base rate throughout 2020 (2019: 2% above base rate). The amounts owed to group undertakings also include a small trading balance of £9,000 repayable on demand.

The amounts owed to group undertakings in the prior year also included a trading balance payable to a fellow group undertaking of £3,768,000 which was repayable under agreed commercial terms on an arm's length basis. This was settled in 2021 against the loan payable to the parent undertaking.

11 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:

	Liabilities 2021 £'000	Liabilities 2020 £'000
Balances:		
Accelerated capital allowances	-	4
	<u>-</u>	<u>4</u>

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11	Deferred taxation	(Continued)
		2021
	Movements in the year:	£'000
	Liability at 1 January 2021	4
	Credit to profit or loss	(4)
	Liability at 31 December 2021	<u>-</u>

12	Retirement benefit schemes	2021	2020
		£'000	£'000
	Defined contribution schemes		
	Charge to profit or loss in respect of defined contribution schemes	<u>-</u>	<u>6</u>

Staff employed by the Company who are entitled to retirement benefits can choose to be members of a defined contribution Stakeholder Scheme sponsored by the John Laing Group in conjunction with Legal and General Assurance Society Limited.

13	Share capital	2021	2020	2021	2020
		Number	Number	£'000	£'000
	Ordinary share capital				
	Issued and fully paid				
	Ordinary shares of £'0001 each	<u>1,000</u>	<u>1,000</u>	<u>1</u>	<u>1</u>

14 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, there has not been a significant impact on the Company's operations.

15 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.

LAING INVESTMENTS MANAGEMENT SERVICES (SPAIN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 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. 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.