

Mitie Security Holdings Limited

Annual report and financial statements

Registered number 05909105

31 March 2020

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Mitie Security Holdings Limited
Annual report and financial statements
31 March 2020

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Company information

Directors

P J G Dickinson
S C Kirkpatrick

Secretary

Mitie Company Secretarial Services Limited

Registered office

Level 12
The Shard
32 London Bridge Street
London
SE1 9SG

Directors' report

The Directors present the Annual report and unaudited financial statements of Mitie Security Holdings Limited (the "Company") for the year ended 31 March 2020.

The Company is part of the Mitie group of companies (the "Group"), the ultimate parent company being Mitie Group plc.

Review of the business

The principal activity of the Company is a holding company for certain security-based companies within the Group. There have not been any significant changes in the Company's principal activities in the year under review. The Company is a non-trading holding company and the Directors do not expect any changes to its activity in the foreseeable future.

On 31 July 2019, the Company acquired a 100% shareholding in Global Aware International Group Limited (see Note 5).

As shown in the profit and loss account on page 5, the Company's turnover was £nil (2019: £nil) and the loss for the year was £574,000 (2019: £39,016,000 profit). The loss was because no dividend income was received during the year (2019: £39,355,000).

Principal risks and uncertainties

The Company is part of the Mitie Group and manages its risks within the Mitie Group Risk Framework. Details of the principal risks and uncertainties are given in the Mitie Group plc annual report and accounts 2020. The Directors have reviewed the financial risk management objectives and policies of the Company in light of the Group Risk Framework. The Directors do not believe there to be any significant risks other than those detailed below.

The key risk is as follows:

Strategic risks

Changes in market

The Company acts as a holding company for its subsidiaries. These subsidiary companies have performance and resourcing requirements that may be impacted by any changes in the market, including those arising from COVID-19. These key risks are addressed in the individual subsidiary accounts and also in the Group's annual report and accounts 2020.

Financial risk management

The Company does not enter into any hedging instruments, or any financial instruments for speculative purposes.

The Company's requirement for additional funding is managed as part of the overall Mitie Group plc financing arrangements.

Post balance sheet events

Subsequent events have been disclosed in Note 11.

Strategic report

The Directors have taken advantage of the exemption provided by section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 from preparing a strategic report.

Going concern

The Company's business activities have been described above. The financial statements have been prepared on a going concern basis. See Note 1c.

Directors' report *(continued)*

Directors

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

Director	Date of appointment	Date of resignation
P J G Dickinson		
S C Kirkpatrick	30/01/2020	
M Idle		29/01/2020

Directors' indemnity

A qualifying third-party indemnity provision as defined in Section 234 of the Companies Act 2006 is in force for the benefit of each of the Company's Directors listed above in respect of liabilities incurred as a result of their office to the extent permitted by law.

Dividends

No dividend was paid during the year (2019: £37,109,000).

Environment

The Group endeavours to identify, monitor and manage the impact of their activities on the environment and is fully committed to environmental accountability and protection. The Company operates in accordance with Group policies which are described in the Group's annual report which does not form part of this report.

Political contributions

The Company made no political donations nor incurred any political expenditure during the year (2019: £nil).

Future developments

The Directors expect the general level of activity to remain consistent in the forthcoming year.

On behalf of the Board:

DocuSigned by:

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S C Kirkpatrick
Director

Level 12
The Shard
32 London Bridge Street
London
SE1 9SG

26 March 2021

Statement of Directors' responsibilities in respect of the Annual report and financial statements

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Profit and loss account

	<i>Note</i>	2020 £000	2019 £000
Administrative expenses		(15)	-
Operating loss		(15)	-
Dividends from shares in Group undertakings		-	39,355
(Loss)/profit before tax		(15)	39,355
Tax	4	(559)	(339)
(Loss)/profit for the year		(574)	39,016

The notes on pages 8 to 16 form an integral part of the financial statements.

The results for the year are wholly attributable to the continuing operations of the Company.

There were no items of other comprehensive income recognised during the current or prior year. Accordingly, no statement of comprehensive income has been prepared.

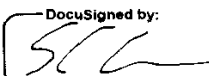
Balance sheet

	Note	2020 £000	2019 £000
Non-current assets			
Deferred tax assets	8	-	7
Investments in subsidiaries	5	100,678	98,752
Total non-current assets		100,678	98,759
Current assets			
Debtors	6	20,113	57,227
Total current assets		20,113	57,227
Current liabilities			
Creditors	7	(2,527)	(37,460)
Total current liabilities		(2,527)	(37,460)
Net current assets		17,586	19,767
Non-current liabilities			
Creditors	7	(311)	-
Total non-current liabilities		(311)	-
Net assets		117,953	118,526
Capital and reserves			
Called up share capital	9	11,152	11,152
Share premium account	9	106,498	106,498
Profit and loss account	9	303	876
Shareholders' funds		117,953	118,526

The notes on pages 8 to 16 form an integral part of the financial statements.

For the year ended 31 March 2020 the Company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the year ended 31 March 2020 in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements of Mitie Security Holdings Limited, company number 05909105, were approved by the Board of Directors and authorised for issue on 26 March 2021 and were signed on its behalf by:

DocuSigned by:

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S C Kirkpatrick
 Director

Statement of changes in equity

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 April 2018	11,152	106,498	(1,033)	116,617
Profit for the year	-	-	39,016	39,016
Total comprehensive income	-	-	39,016	39,016
Dividends paid	-	-	(37,109)	(37,109)
Other movements	-	-	2	2
At 31 March 2019	11,152	106,498	876	118,526
At 1 April 2019	11,152	106,498	876	118,526
Loss for the year	-	-	(574)	(574)
Total comprehensive expense	-	-	(574)	(574)
Other movements	-	-	1	1
At 31 March 2020	11,152	106,498	303	117,953

The notes on pages 8 to 16 form an integral part of the financial statements.

Notes

1 Accounting policies, judgements and estimates

a) General information

Mitie Security Holdings Limited (the "Company") is a private company limited by shares and is incorporated in England and Wales and domiciled in the UK. Details of the Company's activities are set out in the Directors' report.

The Company is exempt, by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group. The Company's ultimate parent undertaking, Mitie Group plc includes the Company in its consolidated financial statements. The consolidated financial statements of Mitie Group plc, which are prepared in accordance with International Financial Reporting Standards, are available to the public and may be obtained from www.mitie.com.

b) Statement of compliance with FRS 101

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

c) Basis of preparation

Going concern

The financial statements have been prepared on a going concern basis. The Company participates in the Group's centralised treasury arrangements and shares banking arrangements with Mitie Group plc, its ultimate parent, and with fellow subsidiaries. The Directors have received a letter of support from the directors of Mitie Group plc to confirm provision of adequate financial resources to the Company for a period of not less than twelve months from the date of approval of the Company's statutory financial statements for the year ended 31 March 2020 to ensure that the Company can meet its liabilities as they fall due.

On 30 November 2020, Mitie Group plc and its subsidiaries (the "Group") announced the completion of the acquisition of Interservefm (Holdings) Limited. The going concern assessment has therefore been performed by the directors of Mitie Group plc for the combined entity.

In adopting the going concern basis, the directors of Mitie Group plc have considered the Group's business activities as set out in the 2020 Annual Report and Accounts (pages 11 to 44) and the principal risks and uncertainties (pages 77 to 91). The directors of Mitie Group plc consider the principal risks and uncertainties to be largely unchanged, as the impact of COVID-19 had already been considered at that point.

The directors of Mitie Group plc have carried out an assessment on the Group's ability to continue as a going concern for the period of at least 12 months from the date of approval of the financial statements. This assessment has involved the review of medium-term cash forecasts based on the Group's Five Year Cash Flow model (the "Base Case"), which includes the ongoing impact of COVID-19 on each of the Group's operations. These base case projections indicate that the debt facilities currently in place are adequate to support the Group over the going concern assessment period.

The Group's principal debt financing arrangements are a £250m revolving credit facility, which expires on 16 December 2022, and £151.5m of US private placement notes (being the repayment amount based on the original dollar exchange rates when issued), of which £121.5m are repayable in December 2022 and the remaining £30.0m in December 2024. These financing arrangements are subject to certain financial covenants which are tested every six months on a rolling 12-month basis as at the September and December reporting dates. Mitie currently operates within the terms of its agreements with its lenders. The Base Case model indicates that the Group will continue to operate within these terms and that the headroom provided by the Group's strong cash position and the debt facilities currently in place is adequate to support the Group over the going concern assessment period.

The directors of Mitie Group plc have also completed reverse stress tests against the Group cash flow model to assess the point at which the covenants, or facility headroom, would be breached. The sensitivities considered have been chosen after considering both the Group's principal risks and uncertainties and the Viability Statement, included in Mitie's 2020 Annual Report and Accounts.

Notes *(continued)*

1 Accounting policies, judgements and estimates *(continued)*

c) Basis of preparation *(continued)*

Going concern *(continued)*

The primary financial risks from adverse changes in the economic environment and / or a deterioration in commercial or operational conditions are listed below. These risks have been considered specifically in the context of the potential impact of COVID-19:

- A downturn in revenues: this reflects the risks of not being able to deliver services to existing customers, or contracts being terminated or not renewed;
- A deterioration of gross margin: this reflects the risks of contracts being renegotiated at lower margins, or planned cost savings not being delivered;
- Lack of planned overhead savings: this reflects the risks of planned overhead cost savings, including the integration synergies identified, not being delivered;
- Downturn in cash generation: this reflects the risks of customers delaying payments due to liquidity constraints, or the removal of ancillary debt facilities; and
- Changes to the Group's financing arrangements.

As a result of completing this assessment, the directors of Mitie Group plc considered the likelihood of the reverse stress scenarios arising to be remote. In reaching the conclusion of remote, the directors of Mitie Group plc considered the following:

- Reviewing how the group has traded since the impact of COVID-19 started, up to the end of February 2021.
- In the event that results started to trend significantly below those included in the Group cash flow model, additional mitigation actions have been identified that would be implemented, which are not factored into the reverse stress test scenarios. These include cancellation of discretionary bonuses and reduced discretionary spend, including capital investments.

Based on these assessments, the directors of Mitie Group plc have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of no less than 12 months from the date of approval of these financial statements. In addition, in respect of material uncertainty, the directors of Mitie Group plc consider that this is remote.

Based on this assessment, and their enquiries of the directors of Mitie Group plc, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of no less than twelve months from the date of approval of the Company's financial statements for the year ended 31 March 2020. Accordingly, the financial statements have been prepared on a going concern basis.

FRS 101 exemptions

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital;
- the statement of compliance with Adopted IFRSs;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of the compensation of Key Management Personnel; and
- disclosure in respect of related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Notes (continued)

1 Accounting policies, judgements and estimates (continued)

c) Basis of preparation (continued)

FRS 101 exemptions (continued)

As the consolidated financial statements of Mitie Group plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instruments: Disclosures*.

Accounting standards that are newly effective in the current year

There are no new and mandatorily effective standards in the year that would have a material impact on the financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

d) Significant accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Taxation

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

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based upon tax rates and legislation that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to reserves, in which case the deferred tax is also dealt with in reserves.

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

Investments in subsidiaries

Fixed asset investments in subsidiaries are shown at cost less any provision for impairment. Investments in subsidiaries are reviewed on an ongoing basis for any indication of impairment and, if any such indication exists, the investment's recoverable amount is estimated. An impairment loss is recognised in the profit and loss account whenever the carrying value of an asset exceeds its recoverable amount.

Notes *(continued)*

1 Accounting policies, judgements and estimates *(continued)*

d) Significant accounting policies *(continued)*

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company derecognises financial assets and liabilities only when the contractual rights and obligations are transferred, discharged or expire.

Financial assets comprise other debtors that are measured at initial recognition at fair value and subsequently at amortised cost. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. The Company recognises a loss allowance for expected credit losses ("ECLs") on receivable balances subsequently measured at amortised cost, using a lifetime credit loss approach. ECLs are calculated on the basis of historic and forward-looking data on default risk which is applied to customers with common risk characteristics such as sector type.

Financial liabilities comprise other creditors. These are measured at initial recognition at fair value and subsequently at amortised cost.

Dividends

Dividends are recognised in the financial statements in the period in which the shareholder's right to receive payment of the dividend is established.

e) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements under FRS 101 requires management to make judgements, estimates and assumptions that affect amounts recognised for assets and liabilities at the reporting date and the amounts of revenue and expenses incurred during the reporting period. Actual results may differ from these judgements, estimates and assumptions.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, made by management in the process of applying the Company's accounting policies, that have the most significant effect on the amounts recognised in the Company's financial statements.

Recoverability of amounts owed by Group undertakings

The Company has material amounts owed by Group undertakings outstanding at year end. The judgement as to whether an amount has become irrecoverable is an assessment made by the Directors in the determination of the expected total credit loss recognised under IFRS 9. This assessment takes into consideration Group solvency and access to Group funding by the debtor. The Directors consider the full amount owed to be recoverable under IFRS 9.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Measurement and impairment of investments

The measurement of investments accounted for as non-current assets involves the estimation of future cash flows in the underlying businesses to determine whether the value of the investment has been impaired. The Directors have considered these cash flows and concluded that a provision for impairment was not required. The carrying value of investments was £100,678,000 (2019: £98,752,000) at the balance sheet date (see note 5).

Notes *(continued)***2 Staff numbers and costs**

There were no persons employed by the Company (including Directors) during the year (2019: nil).

3 Directors' remuneration

The following Directors were also directors or employees of another Group company. They were remunerated by the company shown. It is not practicable to allocate their remuneration between their services as Directors of this Company and as directors or employees of other Group companies.

Director	Remunerated by	Disclosed by
P J G Dickinson	Mitie Limited	Mitie Limited
S C Kirkpatrick	Mitie Limited	Mitie Limited
M Idle	Mitie Limited	Mitie Limited

4 Tax

	2020	2019
	£000	£000
<i>Analysis of charge in the year</i>		
<i>UK corporation tax at 19% (2019: 19%)</i>		
Current tax on (loss)/profit for the period	541	172
Adjustments in respect of prior periods	12	173
	<hr/>	<hr/>
Total current tax	553	345
Origination and reversal of temporary timing differences	7	(7)
Reduction in statutory tax rate	-	1
Restatement of opening deferred tax balances	(1)	-
	<hr/>	<hr/>
Tax charge for the year	559	339
	<hr/>	<hr/>
<i>Tax recognised directly in reserves</i>		
	2020	2019
	£000	£000
Deferred tax	1	(1)
	<hr/>	<hr/>
Total tax recognised directly in reserves	1	(1)
	<hr/>	<hr/>

Notes (continued)

4 Tax (continued)

	2020 £000	2019 £000
<i>Reconciliation of effective tax rate</i>		
(Loss)/profit before tax	(15)	39,355
Tax using the UK corporation tax rate of 19% (2019: 19%)	(3)	7,477
Reduction in statutory tax rate on deferred tax balances	-	1
Restatement of opening deferred tax balances	(1)	-
Items not deductible	544	165
Non-taxable income from shares in Group undertakings	-	(7,477)
Adjustments in respect of employee share options	7	-
Adjustments in respect of prior periods	12	173
Total tax charge	<u>559</u>	<u>339</u>

The UK corporation tax rate was due to reduce from 19% to 17% from 1 April 2020. This change is no longer occurring and as a consequence a credit of £1,000 (2019: £nil) has been included in the tax charge. The UK deferred tax asset at 31 March 2020 reflects this change.

5 Investments in subsidiaries

The Company has the following investments in Group undertakings:

	Shares in Group undertakings £000
Cost	
At 1 April 2018	100,438
At 31 March 2019	100,438
Additions	1,926
At 31 March 2020	<u>102,364</u>
Provisions for impairment	
At 1 April 2018	1,686
At 31 March 2019	1,686
At 31 March 2020	<u>1,686</u>
Net book value	
At 31 March 2019	98,752
At 31 March 2020	<u>100,678</u>

Notes (continued)

5 Investments in subsidiaries (continued)

On 31 July 2019, the Company acquired a 100% shareholding in Global Aware International Group Limited ("GAIG"). GAIG is a leading provider of niche intelligent software and security solutions. Initial consideration of £1,431,000 was paid in cash at completion. Subject to business performance, a maximum contingent consideration of £1.5m may become payable to the seller of the business in the future. The fair value of the contingent consideration at 31 March 2020 was £495,000 and is included in other creditors (see Note 7).

Company	Country of incorporation	Class of shares held	Ownership 2020
Mitie Security Limited*	England and Wales	Ordinary	100%
Mitie Security (London) Limited*	England and Wales	Ordinary	100%
Mitie Aviation Security Limited	England and Wales	Ordinary	99.9%
Procius Limited	England and Wales	Ordinary (all classes)	100%
UK CRBS Limited	England and Wales	Ordinary (all classes)	100%
Global Aware International Group Limited*	England and Wales	Ordinary	100%
Global Aware International Ltd	England and Wales	Ordinary	100%

*Held directly by the Company.

The registered office of the subsidiaries is Level 12, The Shard, 32 London Bridge Street, London, SE1 9SG.

6 Debtors

	2020 £000	2019 £000
Amounts owed by Group undertakings	20,087	57,201
Other debtors	26	26
Total	20,113	57,227

In the opinion of the Directors, the fair value does not materially differ from the carrying value.

Amounts owed by Group undertakings are repayable on demand.

7 Creditors

	2020 £000	2019 £000
Amounts owed to Group undertakings	1,624	37,109
Corporation tax	719	351
Other creditors	495	-
Total	2,838	37,460
Included in current liabilities	2,527	37,460
Included in non-current liabilities	311	-

In the opinion of the Directors, the fair value does not materially differ from the carrying value.

Amounts owed to Group undertakings are repayable on demand.

Notes (continued)

8 Deferred tax assets

Recognised deferred tax assets

Deferred tax assets are attributable to the following:

	2020 £000	2019 £000
Share-based payments	-	7
Net deferred tax assets	-	7

Movement in deferred tax during the year

	1 April 2019 £000	Recognised in income £000	Recognised in equity £000	31 March 2020 £000
Share-based payments	7	(6)	(1)	-
	7	(6)	(1)	-

Movement in deferred tax during the prior year

	1 April 2018 £000	Recognised in income £000	Recognised in equity £000	31 March 2019 £000
Share-based payments	-	6	1	7
	-	6	1	7

The UK corporation tax rate was due to reduce from 19% to 17% from 1 April 2020. This change is no longer occurring and as a consequence deferred tax balances are now valued using the 19% corporation tax rate. The opening deferred tax balances, previously valued using the 17% rate, have therefore been restated by £1,000 in the current period, with all of this adjustment being recognised in income.

Notes (continued)

9 Capital and reserves

Share capital authorised and fully paid

	2020 Number	2019 Number	2020 £000	2019 £000
Ordinary shares				
A Ordinary shares at £1 each	11,121,496	11,121,496	11,121	11,121
B Ordinary shares at £0.01 each	1,050,000	1,050,000	11	11
C Ordinary shares at £0.01 each	2,000,000	2,000,000	20	20
	<u>14,171,496</u>	<u>14,171,496</u>	<u>11,152</u>	<u>11,152</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Share premium account

The share premium account represents the premium arising on the issue of equity shares.

Profit and loss account

The profit and loss account comprises the retained earnings and losses of the Company, less amounts distributed to the Company's shareholder.

Dividends

The following dividends were recognised during the year:

	2020 £000	2019 £000
£nil (2019: £2.62) per qualifying A ordinary share	-	29,122
£nil (2019: £2.62) per qualifying B ordinary share	-	2,749
£nil (2019: £2.62) per qualifying C ordinary share	-	5,238
	<u>-</u>	<u>37,109</u>

10 Related parties

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries within the Group.

11 Subsequent events

On 30 November 2020, the Group announced that it had completed the acquisition of the entire issued share capital of Interservefm (Holdings) Limited. The consideration for the acquisition comprised the issuance of 248 million ordinary shares, representing c. 17.5% of the share capital of Mitie Group plc, and a cash consideration of £120m. The actual cash payment made at completion was £105m, being the £120m cash consideration adjusted for the estimated debt, debt like items and working capital as at the completion date (which will be validated by a completion accounts process).

12 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Mitie Limited which is the immediate parent company incorporated in England and Wales. The ultimate controlling party is Mitie Group plc, a company incorporated in Scotland with its registered office at 35 Duchess Road, Rutherglen, Glasgow, G73 1AU. Mitie Group plc is the parent company of the largest and smallest groups into which the accounts of the Company are consolidated. The consolidated financial statements of Mitie Group plc are available to the public and may be obtained from the Company Secretary at Level 12, The Shard, 32 London Bridge Street, London, SE1 9SG or from www.mitie.com.