

# **Mitie Technical Facilities Management Holdings Limited**

Annual Report and Financial Statements

Registered number 07094957

31 March 2019



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## **Company information**

### **Directors**

M Idle  
P J G Dickinson

### **Secretary**

Mitie Company Secretarial Services Limited

### **Registered office**

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

## Strategic report

Mitie Technical Facilities Management Holdings Limited ("the Company") is part of the Mitie Group of companies ("the Group"), the ultimate parent company being Mitie Group plc.

The Directors, in preparing this strategic report, have complied with Section 414c of the Companies Act 2006.

### Review of the business

The principal activity of the Company is a holding company for the Group. The Company is a wholly-owned subsidiary of Mitie Group plc. There have not been any significant changes in the Company's principal activities in the year under review.

As shown in the Company's profit and loss account on page 6, the Company's turnover was £nil (2018: £nil) and the loss after tax was £183,000 (2018: loss after tax of £4,076,000).

### Key performance indicators

The Group manages its operations on a divisional basis. For this reason, the Company's Directors do not believe further key performance indicators are necessary for an appropriate understanding of the performance and position of the Business. The performance of the Group's divisions is discussed in the Group's annual report which does not form part of this report.

### 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. The Directors have reviewed the financial risk management objectives and policies of the Company in light of the Group Risk Framework and the Directors do not believe there to be any significant risks.

### Financial risk management

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

The Company prepares regular forecasts of cash flow and liquidity and any requirement for additional funding is managed as part of the overall Mitie Group plc financing arrangements.

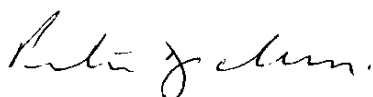
### Future developments

The Directors expect the general level of activity to remain consistent in the forthcoming year. This is by virtue of being a holding Company and that there are no expected changes in the investments in the companies it owns.

### Post balance sheet events

There have been no significant events since the balance sheet date.

Approved by the Board and signed on its behalf by:



P J G Dickinson  
Director

18 December 2019

## Directors' report

The Directors present the Annual Report and Financial Statements of Mitie Technical Facilities Management Holdings Limited ('the Company') for the year ended 31 March 2019.

In preparing this Directors' Report, the Directors have complied with S414C(11) of the Companies Act 2006 by including certain disclosures required by S416(4) within the Strategic Report.

### Going concern

The Company's business activities, together with the factors likely to affect its future development and position are set out in the Strategic report.

The Company has net current liabilities and is therefore reliant on the support of its immediate and ultimate parent companies in order to meet its liabilities as they fall due. A letter of support has been received from the ultimate parent Company and the Directors have satisfied themselves that the ultimate parent Company is able to provide the support.

The Directors, having assessed the responses of the Directors of the Company's ultimate parent Mitie Group plc to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Mitie Group to continue as a going concern, or its ability to continue with the current banking arrangements.

On the basis of their assessment of the Company's financial position and of the enquiries made of the Directors of Mitie Group plc, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### Directors

The Directors who held office during the year were:

Director	Date of appointment	Date of resignation
M Idle	18/01/2019	
P J G Dickinson		
R J Blumberger		18/01/2019
S A Rose		01/05/2018

A qualifying third-party indemnity provision as defined in Section 23 of the Companies Act 2006 is in force for the benefit of each of the Mitie Technical Facilities Management Holdings Limited Directors listed above in respect of liabilities incurred as a result of their office to the extent permitted by law.

### Dividends

No dividend was declared or paid in the year (2018: no dividend).

### 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 and sustainability reports which do not form part of this report.

**Directors' report** *(continued)*

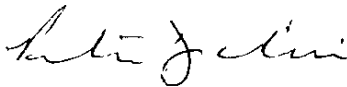
**Political contributions**

The Company made no political donations nor incurred any political expenditure during the year (2018: £nil).

**Other information**

An indication of likely future developments in the business, discussion of financial risk management, and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 2.

On behalf of the Board



**P J G Dickinson**  
*Director*

18 December 2019

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

## **Statement of Directors' responsibilities in respect of the annual report and financial statements**

The Directors are responsible for preparing the Strategic Report, 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>	<b>2019</b> <b>£000</b>	2018 £000
Income from shares in group undertakings		<b>4,151</b>	-
Interest payable and similar expenses	3	<b>(5,353)</b>	(5,008)
<b>Loss before taxation</b>		<b>(1,202)</b>	(5,008)
Tax on loss	4	<b>1,019</b>	932
<b>Loss for the financial year</b>		<b>(183)</b>	(4,076)

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 other comprehensive income has been prepared.



## Balance sheet

	Note	2019 £000	2018 £000
<b>Non current assets</b>			
Investments in subsidiaries	5	211,955	211,955
Debtors	6	842	932
		<u>212,797</u>	<u>212,887</u>
<b>Current assets</b>			
Debtors	6	5,261	7,490
		<u>5,261</u>	<u>7,490</u>
Creditors: amounts falling due within one year	7	(116,451)	(118,587)
<b>Net current liabilities</b>		<u>(111,190)</u>	<u>(111,097)</u>
<b>Total assets less current liabilities</b>		<u>101,607</u>	<u>101,790</u>
<b>Net assets</b>		<u>101,607</u>	<u>101,790</u>
<b>Capital and reserves</b>			
Called up share capital	9	10,159	10,159
Share premium account	9	91,431	91,431
Profit and loss account	9	17	200
<b>Shareholders' funds</b>		<u>101,607</u>	<u>101,790</u>

The Company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 March 2019.

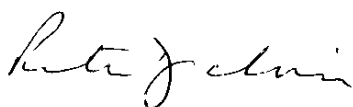
The members have not required the company to obtain an audit of its financial statement for the year ended 31 March 2019 in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for:

(a) ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements for the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

The financial statements of Mitie Technical Facilities Management Holdings Limited, company number 07094957, were approved by the Board of Directors and authorised for issue on 18 December 2019 and were signed on its behalf by:



**P J G Dickinson**  
Director

## Statement of changes in equity

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 April 2017	10,159	91,431	4,276	105,866
<b>Total comprehensive income</b>				
Loss for the year	-	-	(4,076)	207,879
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	-	(4,076)	(4,076)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2018</b>	<b>10,159</b>	<b>91,431</b>	<b>200</b>	<b>101,790</b>
	<hr/>	<hr/>	<hr/>	<hr/>

	Called up share capital £000	Share Premium Account £000	Profit and loss account £000	Total equity £000
Balance at 1 April 2018	10,159	91,431	200	101,790
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income</b>				
Loss for the year	-	-	(183)	(183)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	-	(183)	(183)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2019</b>	<b>10,159</b>	<b>91,431</b>	<b>17</b>	<b>101,607</b>
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## Notes

### 1 Accounting policies, judgements and estimates

#### a) General information

Mitie Technical Facilities Management Holdings Limited (the "Company") is a private company limited by shares and is incorporated in England and Wales and domiciled in the UK. The Company's registered number is 07094957. The Company's registered office is Level 12 The Shard, 32 London Bridge Street, London, SE1 9SG. Details of the Company's activities are set out in the Strategic Report.

As more fully detailed in the Directors' report, the Company's financial statements have been prepared on a going concern basis.

#### b) Statement of compliance with FRS101

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

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;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- 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;
- 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.

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

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

#### d) Significant accounting policies

##### Measurement convention

The financial statements are prepared on the historical cost basis.

##### Investment in subsidiaries

Investments in subsidiaries are stated at cost less provision for any impairment.

## Notes (continued)

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

#### Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes 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 receivables that are measured at initial recognition at fair value and subsequently at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised including where there is objective evidence that the asset is impaired.

Financial liabilities comprise financing liabilities and bank and other borrowings. These are measured at initial recognition at fair value and subsequently at amortised cost. Bank and other borrowings are stated at the amount of the net proceeds after deduction of transaction costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the income statement.

#### Taxation

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

## Notes (continued)

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

#### e) Critical accounting judgements and key sources of estimation uncertainty

##### Critical accounting judgements in applying the Company's accounting policies:

In the process of applying the Company's accounting policies, which are described in note 1 above, management has not made any judgements that have a significant effect on the amounts recognised in the financial statements.

##### Key sources of estimation uncertainty:

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

##### Fixed assets investments

The measurement of investments accounted for as fixed assets involves the estimation of future cash flows in the underlying business 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 is not required for the investments in subsidiaries.

### 2 Directors' remuneration

Director	Remunerated by	Disclosed by
M Idle	Mitie Ltd	Mitie Ltd
P J G Dickinson	Mitie Ltd	Mitie Ltd
R J Blumberger	Mitie Ltd	Mitie Ltd
S A Rose	Mitie Ltd	Mitie Ltd

There are no employees in the Company (2018: nil).

### 3 Interest payable and similar expenses

	2019 £000	2018 £000
Interest payable to Group undertakings	5,353	5,008
Total other interest payable and similar expenses	5,353	5,008

## Notes (continued)

### 4 Taxation

	2019 £000	2018 £000
<i>Analysis of credit in the year</i>		
Current tax on income for the period	(1,017)	-
Adjustments in respect of prior periods	(92)	-
Total current tax	(1,109)	-
Origination and reversal of temporary timing differences	-	(952)
Reduction in statutory tax rate	-	20
Adjustments in respect of prior periods	90	-
Total deferred tax	90	(932)
Total tax on loss	(1,019)	(932)
<i>Reconciliation of effective tax rate</i>		
Loss for the year	(183)	(4,076)
Total tax credit	(1,019)	(932)
Loss before taxation	(1,202)	(5,008)
Tax using the UK corporation tax rate of 19% (2018: 19%)	(228)	(952)
Reduction in statutory tax rate on deferred tax balances	-	20
Non-taxable income from shares in Group undertakings	(789)	-
Adjustments in respect of prior periods	(2)	-
Total tax credit	(1,019)	(932)

The main rate of corporation tax will reduce from 19% to 17% from 1 April 2020. These rates have been used to calculate the deferred tax balance as they were substantively enacted at the balance sheet date.

## Notes (continued)

### 5 Fixed asset investments

The Company has the following investments in subsidiaries:

	Shares in Group undertakings £000
<b>Cost</b>	
At beginning of year	211,955
At end of year	211,955
<b>Provisions</b>	
At beginning of year	-
At end of year	-
<b>Net book value</b>	
At 31 March 2018	211,955
	<b>211,955</b>

	Country of Incorporation	Class of shares held	Ownership 2019	2018
Mitie Technical Facilities Management Limited	United Kingdom	6,700,000 £1 Ordinary A, 3,956,166 £0.01 Ordinary B, 1 £1 Ordinary C	100%	100%
Parkersell Limited	United Kingdom	700,000 £1 Ordinary	100%	100%
Utiylx Holdings Limited	United Kingdom	2,603,778 £0.01 Ordinary	100%	100%
Mitie Justice Limited	United Kingdom	1 £1 Ordinary	100%	100%
Mitie Integrated Facilities Management Limited	United Kingdom	200,000 £0.01 A Ordinary, 100,000 £0.01 B Ordinary, 300,000 £0.20 Deferred	100%	100%

The registered office of the companies listed above is Level 12 The Shard, 32 London Bridge Street, London, England, SE1 9SG.

### 6 Debtors

	2019 £000	2018 £000
Amounts owed by Group undertakings	4,152	6,760
Deferred tax assets (see note 8)	842	932
Corporation tax	1,109	730
<b>Total</b>	<b>6,103</b>	<b>8,422</b>
Due within one year	5,261	7,490
Due after more than one year	842	932

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.

## Notes (continued)

### 7 Creditors: amounts falling due within one year

	2019 £000	2018 £000
Bank loans and overdrafts	16,436	3,638
Amounts owed to Group undertakings	100,015	114,949
	<u>116,451</u>	<u>118,587</u>

### 8 Deferred tax assets

#### Recognised deferred tax assets

Deferred tax assets are attributable to the following:

	Assets 2019 £000	2018 £000
Tax losses carried forward	842	932
Net tax assets	<u>842</u>	<u>932</u>

#### Movement in deferred tax during the year

	1 April 2018 £000	Recognised in income £000	31 March 2019 £000
Tax losses carried forward	932	(90)	842
	<u>932</u>	<u>(90)</u>	<u>842</u>

The UK Government announced a reduction in the UK corporation tax rate from 19% to 17% from 1 April 2020, which has been substantively enacted.

The reduction in the balance sheet carrying value of deferred tax assets to reflect the rate of tax at which those differences are expected to reverse has not had a material impact on the current year tax credit.



## **Notes** *(continued)*

### **9 Capital and reserves**

<b>Share capital authorised and fully paid</b>	<b>At start of year</b>	<b>At end of year</b>	<b>2019 £000</b>	<b>2018 £000</b>
<b>Ordinary Shares</b>				
Ordinary shares at £1 each	10,159,001	10,159,001	<b>10,159</b>	10,159
	<u>10,159,001</u>	<u>10,159,001</u>	<u><b>10,159</b></u>	<u>10,159</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.

### **10 Related Parties**

Under FRS 101 the Company is exempt from disclosing key management personnel compensation and transactions with other companies wholly owned by Mitie Group plc.

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

### **11 Subsequent events**

There are no material post balance sheet events that require adjustment or disclosure.

### **12 Ultimate parent company and parent company of larger group**

The Company is a subsidiary undertaking of Mitie Treasury Management Limited which is the immediate parent company incorporated in England. 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, UK or from [www.mitie.com](http://www.mitie.com).