Company Registration Number: 00906936

Mitie Technical Facilities Management Limited

Annual Report and Financial Statements

For the year ended 31 March 2015

Mitie Technical Facilities Management Limited **00906936**

Contents

Officers and professional advisers

Directors

P F Mosley
S C Baxter
J I Clarke
R McGregor-Smith
S M Priestley

Secretary

MITIE Company Secretarial Services Limited

Registered office

1 Harlequin Office Park
Fieldfare
Emersons Green
Bristol
BS16 7FN

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

Strategic report

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

Principal activities and review of the business
The Company is a subsidiary of Mitie Group Plc ('the Group').

Mitie Technical Facilities Management Limited ('MTFM') focuses on delivering a range of technical and energy services: energy management; mechanical and electrical engineering maintenance; national mobile services; specialist technical services; lighting projects; lighting maintenance; building management and control systems. From 1 April 2014 Mitie realigned all the business activities with the following effect. All integrated facilities management contracts were moved out of the MTFM statutory legal entity and transferred to Mitie Facilities Services. In addition Mitie aligned all the niche property services delivered to commercial clients under MTFM in order to better focus its approach to the market.

As shown in the Company's income statement on page 7 the net effect of the above changes on the company's revenue has been a decrease of 20% over the period from £732.0m to £582.1m and the profit after tax has decreased by 6.6% from £18.2m to £17.0m.

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 the light of the Group Risk Framework. The directors do not believe there to be any other significant risks.

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

Appropriate trade terms are negotiated with suppliers and customers. Management reviews these terms and the relationships with suppliers and customers and manages any exposure on normal trade terms. 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.

Details of the Company's specific risks and sensitivities are given in note 16 - Financial instruments.

Future developments
The directors expect the general level of activity to increase in the forthcoming year. This is as a result of developing a robust operating model that is reliable in servicing major client needs and investment in appropriate strategic sales resources. Further, MTFM Ltd will continue to support the Mitie Group growth model of providing mechanical and electrical services to major clients who buy an Integrated Facilities Management service. The Company does not foresee any political, economic, social or technological change that will significantly impact on the Company's performance in the next financial period.

Approved by the Board and signed on its behalf by:

J I Clarke
Director
29 June 2015

Directors' report

The directors present the annual report and audited financial statements of Mitie Technical Facilities Management Limited ("the Company") for the year ended 31 March 2015.

Dividends
Dividends for each share class were declared as follows:
A Ordinary: 337p per share (2014: 107p).

Going Concern
The directors have considered the forecast results and associated cash flows for the foreseeable future, being the period not less than 12 months from the date of signing of these financial statements. The directors have considered the facilities available to the Company and believe that they can operate within the facilities available for the period of the cash flow forecast. Accordingly, the directors consider it appropriate to adopt the going concern basis in the preparation of the Company's financial statements.

Payment of payables
The Company manages its procurement and supply chain with increasing consideration of its impact on the Company's profitability, reputation and sustainability objectives and is committed to proactively developing mutually beneficial and sustainable trading relationships with all of our stakeholders, based on a foundation of trust and co-operation.

Environment
Mitie Group plc and its subsidiaries endeavour to identify, monitor and manage the impact of their activities on the environment and are 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.

Employees
The Company recognises the importance of good communications and employee relationships. In each company there is a relationship between the Chief Executive of Mitie Group plc and individual employees in the company. In these conditions, complex consultative procedures are seldom required to ensure that there is an understanding of the purpose of the business and the commercial realities of success. Employees are encouraged to become shareholders through the Savings Related Share Option Scheme.

Employee diversity and inclusion
The Company remains committed to developing a cultue that encourages the inclusion and diversity of all of the Company's employees through respecting and appreciating their differences and promoting the continuous development of employees through skills enhancement and training programmes.

The Company's employment policies are designed to attract, retain, train and motivate the very best people, recognising that this can be achieved only through offering equal opportunities regardless of gender, race, religion, age, disability, sexual orientation or any other aspect of diversity. Applications from disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. It is the policy of the Company that the training, career development and promotion of disabled persons (including those who become disabled whilst employees of the Company) should, as far as reasonably possible, be identical to that of other employees.

Directors
The directors who served during the year, together with those subsequently appointed were:

P F Mosley
S C Baxter
J I Clarke
R McGregor-Smith
S M Priestley

Directors' report (continued)

Disclosure of information to the auditors

Each of the directors in office as of the date of approval of this report confirms that:

- so far as he/she is aware, there is no relevant audit information (being information required by the auditors in the preparation of their report) of which the Company's auditors are unaware; and
- he/she has each taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of such information.

This confirmation is given, and should be interpreted in accordance with Section 418 of the Companies Act 2006.

Appointment of auditor

Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements have been put in place for it to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and Financial Statements. The directors are required to prepare financial statements for each financial year which 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 accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare 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 which disclose with reasonable accuracy at any time the financial position of the Company, safeguarding the assets, taking reasonable steps for the prevention and detection of fraud and other irregularities, and the preparation of a Strategic report and a Directors' report which complies with the relevant requirements of the Companies Act 2006.

Approved by the Board and signed on its behalf by:

J I Clarke
Director
29 June 2015

Independent auditor's report to the members of Mitie Technical Facilities Management Limited

We have audited the financial statements of Mitie Technical Facilities Management Limited for the year ended 31 March 2015 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Equity and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Mitie Technical Facilities Management Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

we have not received all the information and explanations we require for our audit.

Colin Hudson

Colin Hudson FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom
29 June 2015

Income statement

For the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Revenue	1	582,136	732,010
Cost of sales		(525,913)	(668,464)
Gross profit		56,223	63,546
Other operating income		(15)	(13)
Administration expense		(36,353)	(40,794)
Operating profit	2	19,855	22,739
Investment revenues	5	2,582	1,903
Finance costs	6	(936)	(667)
Profit before tax		21,501	23,975
Tax	7	(4,470)	(5,737)
Profit for the year		17,031	18,238

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

Statement of comprehensive income

For the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Profit for the year		17,031	18,238
Total comprehensive income for the year		17,031	18,238

Total comprehensive income is entirely attributable to owners of the Company.

Statement of Financial Position

As at 31 March 2015

	Note	2015 £'000	2014 £'000
Non-current Assets			
Goodwill	9	2,869	2,869
Other Intangible assets	11	1,129	1,596
Property, plant and equipment	12	7,400	5,689
Deferrred tax asset	7	954	935
Total non-current assets		12,352	11,089
Current assets			
Inventories	13	4,226	4,889
Trade and other receivables	14	175,548	161,395
Cash and cash equivalents	19	88,296	78,173
Total current assets		268,070	244,457
Total assets		280,422	255,546
Current liabilities			
Trade and other payables	15	(235,863)	(207,243)
Current tax liabilities		(1,393)	(504)
Total current liabilities		(237,256)	(207,747)
Net current assets		30,814	36,710
Total liabilities		(237,256)	(207,747)
Net assets		43,166	47,799

Statement of Financial Position (continued)

As at 31 March 2015

	Note	2015 £'000	2014 £'000
Equity			
Called up share capital	17	6,739	6,739
Share premium account		3,917	3,917
Retained earnings		32,510	37,143
Total shareholders' equity	18	43,166	47,799

The financial statements of Mitie Technical Facilities Management Limited (registered company number 00906936) were approved by the board of directors and authorised for issue on 29 June 2015 and were signed on its behalf by:

J I Clarke
Director
29 June 2015

Statement of changes in equity

For the year ended 31 March 2015

	Share capital	Share premium account	Retained earnings	Total equity
	£'000	£'000	£'000	£'000
Balance at 1 April 2013	6,739	3,917	25,523	36,179
Profit for the period	-	-	18,238	18,238
Credit to equity for equity-settled share-based payments	-	-	586	586
Deferred tax on share-based payments	-	-	(31)	(31)
Dividends			(7,173)	(7,173)
Balance at 31 March 2014	6,739	3,917	37,143	47,799
Profit for the period	-	-	17,031	17,031
Credit to equity for equity-settled share-based payments	-	-	916	916
Deferred tax on share-based payments	-	-	-	-
Dividends			(22,580)	(22,580)
Balance at 31 March 2015	6,739	3,917	32,510	43,166

Mitie Technical Facilities Management Limited 00906936

Cash flow statement

For the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Cash flow from continuing operating activities			
Operating profit	2	19,855	22,739
Adjustments for:			
Share-based payment expense	21	916	586
Depreciation of property, plant and equipment	12	1,626	1,708
Profit on disposals of property, plant and equipment	12	(42)	-
Amortisation of intangible assets	11	467	460
Operating cash flows before movements in working capital		22,822	25,493
Decrease in inventories	13	663	1,477
Increase in receivables	14	(14,153)	(25,356)
Increase in payables	15	28,620	33,392
Cash generated by operations		37,952	35,006
Income taxes paid		(3,600)	(4,206)
Interest paid	6	(936)	(667)
Net cash from operating activities		33,416	30,133
Investing activities			
Interest received	5	2,582	1,903
Purchase of property, plant and equipment	12	(3,418)	(1,269)
Proceeds from disposal of property, plant and equipment	12	123	813
Purchases of intangible assets	11	-	(53)
Net cash (outflow)/inflow from investing activities		(713)	1,394

Cash flow statement (continued)

For the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Financing activities			
Repayments of obligations under finance leases		-	(1)
Equity dividends paid	8	(22,580)	(7,173)
Net cash outflow from financing		(22,580)	(7,174)
Net increase in cash and cash equivalents		10,123	24,353
Net cash and cash equivalents at beginning of the year		78,173	53,818
Net cash and cash equivalents at the end of the year	19	88,296	78,171
Net cash and cash equivalents comprise:			
Cash at bank	19	88,296	78,173
Reconciliation of net cash to flow to movements in net debt			
Net cash at start of year		78,171	53,818
Net increase in cash and cash equivalents	19	10,123	24,353
Net cash at end of year	19	88,296	78,171

1 Accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The financial statements have also been prepared in accordance with IFRSs adopted by the European Union and comply with Article 4 of the EU IAS Regulation.

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

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year, except as described below.

New and revised standards

The following standards and amendments were effective for the first time in the financial year but had no impact on the results or the financial position of the Company:

- IFRS10 'Consolidated Financial Statements';
- IFRS 11 'Joint Arrangements';
- IFRS 12 'Disclosures of Interests in Other Entities';
- IAS 27(Revised) 'Separate Financial Statements';
- IAS 28 (Revised) 'Investments in Associates and Joint Ventures';
- Amendments to IAS 32 'Financial Instruments: Presentation' - offsetting financial assets and financial liabilities;
- Amendments to IAS 39 'Novation of Derivatives and Continuation of Hedge Accounting';
- Amendments to IAS 36 'Recoverable Amount Disclosures for Non-Financial Assets'; and
- IFRIC Interpretation 21 'Levies'.

The following standards and interpretations have been issued but are not yet mandatorily effective (and in some cases have not yet been adopted by the EU):

- IFRS 9 'Financial Instruments';
- Amendments to IAS 19 'Employee Benefits' – Employee Contributions;
- Amendments to IFRS 11 'Joint Arrangements' - Accounting for Acquisitions of Interests in Joint Operations;
- Amendments to IAS 16 'Property, Plant and Equipment' and IAS 38 'Intangible Assets' – Clarification of Acceptable Methods of Depreciation and Amortisation;
- Amendments to IAS 27 'Separate Financial Statements' – Equity Method in Separate Financial Statements
- Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures'– Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IFRS 10 'Consolidated Financial Statements', IFRS 12 'Disclosures of Interests in Other Entities' and IAS 28 'Investments in Associates and Joint Ventures' – Investment Entities: Applying the Consolidation Exception;
- Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure Initiative; and
- Amendments resulting from Annual Improvements to IFRSs 2010-2012 Cycle, 2011-2013 Cycle and 2012-2014 Cycle.

The Company is conducting a review of IFRS 15 'Revenue from Contracts with Customers' which is currently due to be effective for periods beginning on or after 1 January 2017, although this is subject to a proposal, by the International Accounting Standards Board, to defer the effective date by one year. The Directors do not anticipate that the adoption of other standards and interpretations that have been issued but are not yet effective (and in some cases have not yet been adopted by the EU) will have a material financial impact on the Company's financial statements in the period of initial application.

Group accounts

Consolidated Group financial statements have not been prepared as the Company has taken advantage of the exemption from this requirement, conferred by IAS1 - Preparation of Financial Statements, on the grounds that its accounts are consolidated in the larger Group of Mitie Group plc. Accordingly, the financial statements present information about the Company as an entity and not as a Group.

1 Accounting policies (continued)

Revenue

Revenue from a contract to provide services is recognised by reference to the state of completion of the contract at the balance sheet date. Revenue from time and materials contracts is recognised at the contractual rates as labour hours and tasks are delivered and direct expenses incurred. In other cases, where services provided reflect a contractual arrangement to deliver an indeterminate number of acts over the contract term, revenue is recognised on a straight-line basis unless this is not an accurate reflection of the work performed. In such instances, for example if specific works on contracts represent a significant element of the whole, revenue is recognised based on the percentage of completion method, based on the proportion of costs incurred at the balance sheet date relative to the total estimated cost of completing the contracted work.

All the revenue of the Company has been derived in the UK and related to rendering of services.

Bid, mobilisation and pre-contract costs

Rendering of services

All bid costs are expensed through the income statement up to the point where contract award or full recovery of the costs is virtually certain.

The confirmation of the preferred bidder for a contract by a client is the point at which the award of a contract is considered to be virtually certain. Costs incurred after that point, but before the commencement of services under the contract, are defined as mobilisation costs. For most contracts, these costs are capitalised and included within trade and other receivables on the balance sheet provided that the costs relate directly to the contract, are separately identifiable, can be measured reliably and that the future net cash inflows from the contract are estimated to be no less than the amounts capitalised. For large and complex integrated facilities management contracts, mobilisation costs are included in contract costs to which the percentage of completion method is applied.

The capitalised mobilisation costs are amortised over the life of the contract, generally on a straight-line basis, or on a basis to reflect the profile of work to be performed over the life of the contract if the straight-line basis is not considered to be appropriate for the specific contract to which the costs relate. If the contract becomes loss making, any unamortised costs are written off immediately.

Other operating income

Other operating income represents management charges receivable from other Group companies. Other operating income from the supply of management services represents the value of services provided to the extent that there is a right to consideration and is recorded at the value of the consideration due.

Retirement benefit costs

The Company participates in Mitie Group plc pension schemes. One is a defined benefit multi-employer scheme, the assets and liabilities of which are held independently from the Group. For the purposes of IAS 19 - Employee Benefits, the Company has been unable to identify its share of the underlying assets and liabilities in this scheme on a consistent and reasonable basis. Therefore the Company is accounting for contributions to the scheme as if it were a defined contribution scheme.

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

Share-based payments

The Company participates in a number of Mitie Group plc executive and employee share option schemes. For all grants of share options, the fair value as at the date of grant is calculated using the appropriate valuation model and the corresponding expense is recognised on a straight-line basis over the vesting period based on the Company's estimate of shares that will actually vest. Further details of the Group's share option schemes are contained in the Mitie Group plc annual report.

1 Accounting policies (continued)

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 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 tax able 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 tax 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 and 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.

Financial Instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attirbutable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial Assets

All financial assets are regocnised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1 Accounting policies (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.
Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

Available for sale financial assets

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilites.
Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.
Repurchase of the Comany's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Loans and receivables

Trade receivables, 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 income is recognised by applying the effective interest rate, except for the short-term receivables when the recognition of interest would be immaterial.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Company's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated impairment losses. It is reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1 Accounting policies (continued)

Intangible assets

Intangible assets identified in a business acquisition are capitalised at fair value as at the date of acquisition.

Software and development expenditure is capitalised as an intangible asset if the asset created can be identified, if it is probable that the asset created will generate future economic benefits and if the development cost of the asset can be measured reliably.

Following initial recognition, the carrying amount of an intangible asset is its cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are reviewed for impairment annually, or more frequently when there is an indication that they may be impaired. Amortisation expense is charged to administrative expenses in the income statement on a straight-line basis over its useful life.

Property, plant and equipment

Property, plant and equipment assets are stated at cost less accumulated depreciation. Depreciation is charged so as to write off the cost of the assets over their estimated useful lives and is calculated on a straight-line basis as follows:

Motor vehicles	-	4 years
Leasehold improvements	-	5 to over the term of the lease years
Plant	-	3 - 10 years

Leasing

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased item or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Capitalised leased assets are depreciated over the shorter of the estimated life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. Any lease incentives are amortised on a straight-line basis over the non-cancellable period for which the group has contracted to lease the asset, together with any further terms for which the Company has the option to continue to lease the asset if, at the inception of the lease, it is judged to be reasonably certain that the Company will exercise the option.

Inventory

Inventory and work in progress are valued at the lower of cost or net realisable value.

Cost represents materials, direct labour and overheads incurred in bringing the inventories to their present condition and location. Net realisable value is based on estimated selling price less further costs expected to be incurred completion and estimated selling costs. Provision is made for obsolete, slow moving or defective items where appropriate.

1 Accounting policies (continued)

Long-term contracts

Amounts recoverable on long term contracts, which are included in receivables, are stated at the net sales value of the work done less amounts receivable as progress payments on account. Excess progress payments are included in payables as payments on account. Cumulative costs incurred net of amounts transferred to cost of sales, less provision for contingencies and anticipated future losses on contracts, are included as long term contract balances in inventory.

Profit is recognised on long term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account and related costs as contract activity progresses. Revenue is calculated as that proportion of the total contract value which costs incurred to date bear to total expected costs for that contract.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Revenue recognition

Revenue is recognised for certain project based contracts based on the stage of completion of the contract activity. This is measured by comparing the proportion of costs incurred against the estimated whole-life contract costs.

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 within the next financial year, are discussed below.

Useful lives of property, plant and equipment

As described above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the directors determined that the useful lives of certain items of equipment should be the same; due to there being no indication to change.

Impairment of investments in subsidiaries

Determing whether the Company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values.

2 Operating profit

	2015 £'000	2014 £'000
Operating Profit is stated after charging/(crediting)		
Depreciation of property, plant and equipment:		
owned	1,626	1,708
Depreciation of internally generated intangible assets	467	460
Impairment of investments	-	679
Profit on disposal of property, plant and equipment	(42)	-
Operating lease rentals:		
plant and machinery	8,285	7,924
other	3,131	2,831
Fees payable to the Company's auditor for the audit of the Company's annual accounts	120	158

The Company has taken the exemption available to it not to disclose separately information about fees for non-audit services provided to the Company as this information is available in the consolidated financial statements of Mitie Group plc

3 Employees

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

	2015 No.	2014 No.
Operations	4,575	4,627
Administration	376	362
	4,951	4,989

	£'000	£'000
Employment cost		
Wages and salaries	142,381	160,144
Social security costs	16,996	17,454
Other pension costs	3,661	3,470
Share-based payments	914	586
	163,952	181,654

4 Directors

	2015 £'000	2014 £'000
The emoluments of the directors of the Company were:		
-Aggregate emoluments	1,039	490
-Aggregate value of contributions paid to a money purchase pension scheme	12	10
	1,051	500

	No.	No.
The number of directors who:		
were members of a defined benefit pension scheme	2	2
were members of a defined contribution pension scheme	1	1
exercised share options in the year	-	2

	£'000	£'000
Highest paid director:		
-Aggregate emoluments	495	249
	495	249

The highest paid director did not exercise share options in the year.

The highest paid director is a member of the Company's defined benefit pension scheme and had accrued entitlements of £34,676 under the scheme at the end of the year. There is no accrued lump sum.

The following directors are also directors or employees of another Group company. They are 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
R McGregor-Smith	Mitie Group Plc
S C Baxter	Mitie Group Plc

5 Investment revenues

	2015 **£'000**	**2014** **£'000**
Interest revenues:		
Bank interest	2,582	1,903
Total interest revenues	2,582	1,903

6 Finance costs

	2015 **£'000**	**2014** **£'000**
Bank interest	7	127
Other	929	540
	936	667

7 Tax on profit on ordinary activities

	2015 £'000	2014 £'000
(a) Analysis of charge in the year		
United Kingdom corporation tax 21% (2014 : 23%)	4,589	5,583
Adjustment in respect of prior years	(100)	68
Total current tax	4,489	5,651
Deferred taxation:		
Timing differences - origination and reversal	(46)	(9)
Adjustment in respect of prior years	27	95
Tax on profit on ordinary activities (Note 7(b))	4,470	5,737

(b) Factors affecting tax charge in the year

The tax assessed for the year differs from that resulting from applying the standard rate of corporation tax in the UK of 21% (2014: 23%). The differences are as follows:

	2015 £'000	2014 £'000
Profit on ordinary activities before tax	21,501	23,975
Tax at 21% (2014: 23%) thereon:	4,515	5,514
Expenses not deductible for tax purposes	18	178
Capital allowances in excess of depreciation	(69)	-
Relief in respect of employee share options	(66)	(257)
Other timing differences	146	-
Impact of change in tax rate	-	140
Adjustments to tax charge in respect of prior periods	(74)	162
Tax charge for the year (Note 7(a))	**4,470**	**5,737**

7 Tax on profit on ordinary activities (continued)

	2015 £'000	2014 £'000
The deferred tax balance comprises the following:		
Depreciation in excess of capital allowances	478	610
Share-based payment timing difference	343	231
Other timing differences	133	94
Total deferred tax asset	954	935
Balance at the beginning of the year	935	1,021
Amount credited/(charged) to the profit and loss account in the year in relation to deferred tax	19	(86)

8 Dividends

	2015 £'000	2014 £'000
Amounts recognised as distributions to shareholders in the year:		
A Ordinary shares - 337p per share (2014: 107p per share)	22,580	7,173
	22,580	7,173

9 Goodwill

	2015 £'000	2014 £'000
Cost		
At start of year	2,869	2,869
At end of year	2,869	2,869

Goodwill relates to the company's acquisition of the trade and assets of Mitie Engineering Maintenance Limited, Mitie Engineering Maintenance (North) Limited and Mitie Engineering Maintenance (Caledonia) Limited on 31 March 2010.

The directors are of the view that the operations of the company are a single cash-generating unit and have therefore allocated all goodwill to that cash-generating unit.

Goodwill is subject to annual impairment reviews based upon the value in the use of the relevant cash-generating unit.

Key assumptions

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practises and expectations of future changes in the market.

10 Investments

	2015 £'000	2014 £'000
At start of year	-	23
Impairment losses	-	(23)
At end of year	-	-

11 Other intangible assets

	2015 £'000	2014 £'000
Development costs		
Cost		
At start of year	2,320	2,267
Additions	-	53
At end of year	2,320	2,320
Amortisation		
At start of year	(724)	(264)
Charge for the year	(467)	(460)
At end of year	(1,191)	(724)
Carrying amount		
At end of year	1,129	1,596

12 Property, plant and equipment

	Leasehold improvements £'000	Plant and office equipment £'000	Motor vehicles £'000	Total £'000
Cost or valuation				
At 1 April 2013	1,125	9,320	1,960	12,405
Additions	31	1,233	5	1,269
Disposals	(761)	(664)	(1,128)	(2,553)
At 31 March 2014	395	9,889	837	11,121
Additions	-	3,418	-	3,418
Disposals	(55)	(389)	(447)	(891)
At 31 March 2015	340	12,918	390	13,648
Depreciation				
At 1 April 2013	255	4,154	1,053	5,462
Charge for the year	99	1,328	281	1,708
Disposals	(212)	(651)	(875)	(1,738)
At 31 March 2014	142	4,831	459	5,432
Charge for the year	43	1,434	149	1,626
Disposals	(55)	(389)	(366)	(810)
At 31 March 2015	130	5,876	242	6,248
Carrying amount				
At 31 March 2015	210	7,042	148	7,400
At 31 March 2014	253	5,058	378	5,689

13 Inventories

	2015 £'000	2014 £'000
Raw materials	4,226	1,933
Work in progress	-	2,956
	4,226	4,889

14 Receivables

	2015 £'000	2014 £'000
Amounts falling due within one year:		
Trade receivables	52,373	62,506
Amounts recoverable on contracts	67,095	57,592
Amounts owed by Group undertakings	39,056	20,419
Other receivables	1,742	1,532
Prepayments and accrued income	15,282	19,346
	175,548	161,395

The ageing of trade receivables, net of allowance for impairment, at the reporting date:

	2015 £'000	2014 £'000
Not past due	44,473	52,965
Past due:		
0-30 days	5,378	4,627
31-90 days	(2,554)	1,149
91-180 days	140	190
181-365 days	3,564	881
More than one year	1,372	2,694
	52,373	62,506

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2015 £'000	2014 £'000
Balance at the beginning of the period	401	1,477
Impairment losses acquired	1,099	-
Impairment losses reversed	-	(1,076)
Balance at the end of the period	1,500	401

15 Payables: amounts falling due within one year

	2015 £'000	2014 £'000
Payments received on account	5,218	863
Trade payables	92,307	66,811
Amounts owed to Group undertakings	84,637	60,225
Other taxation and social security	20,463	17,320
Other payables	612	637
Accruals and deferred income	32,626	61,387
	235,863	207,243

16 Financial instruments

The Company's principal financial assets are cash and cash equivalents and trade receivables. All financial assets are classified as loans and receivables.

The Company's principal financial liabilities are trade payables and loans. All financial liabilities are held at amortised cost.

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expense) for each class of financial asset, financial liability and equity instruments are disclosed in Note 1.

Risk management objectives
The Mitie Group's Treasury function monitors and manages the financial risks relating to the operations of the Group. These risks include those arising from interest rates, foreign currencies, liquidity, credit and capital management. The Company seeks to minimise the effects of these risks by using effective control measures. The Company's policy is not to trade in financial instruments. The risk management policies remain unchanged from the previous year.

Interest rate risk
The Company's interest rate risk is managed within the framework set out by the Mitie Group's Treasury function. Details of the way in which the Group manages this risk is set out in the financial statements of Mitie Group plc.

Interest rate risk sensitivity
The interest rate sensitivity has been determined based on the exposure to interest rates for financial instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. All financial liabilities other than loans are interest free.

Foreign currency risk
The Company has limited exposure to transactional foreign currency risk from trading transactions in currencies other than its functional currency. Currency risk is managed at a Group level by the Mitie Group's Treasury function.

Liquidity risk

The Company has access to funding from the Mitie Group and manages its liquidity risk within the liquidity framework set out by the Mitie Group's Treasury function. Details of the way in which the Group manages its overall liquidity risk is set out in the financial statements of Mitie Group plc.

The tables below summarise the maturity profile (including both undiscounted interest and principal cash flows) of the Company's financial assets and liabilities:

16 Financial instruments (continued)

	Due within one year £'000	Due in the second to fifth years £'000	Due after five years £'000	Total £'000
Financial assets at 31 March 2015				-
Trade receivables	174,490	-	-	174,490
Cash and cash equivalents	88,296	-	-	88,296
Financial assets	262,786	-	-	262,786
Financial assets at 31 March 2014				-
Trade receivables	161,395	-	-	161,395
Cash and cash equivalents	78,173	-	-	78,173
Financial assets	239,568	-	-	239,568
Financial liabilities at 31 March 2015				-
Trade payables	177,555	-	-	177,555
Financial liabilities	177,555	-	-	177,555
Financial liabilities at 31 March 2014				-
Trade payables	147,018	-	-	147,018
Financial liabilities	147,018	-	-	147,018

16 Financial instruments (continued)

Credit risk
The Company's credit risk is managed within the framework set by the Mitie Group Treasury function and reported formally each month.

The amounts presented in the balance sheet in relation to the Company's trade receivables are net of allowances for doubtful receivables.

Before accepting a new customer, the Company uses external credit scoring systems to assess the potential customer's credit quality and define an appropriate credit limit which is reviewed regularly.

In determining the recoverability of a trade receivable, the Company considers the credit quality of the counterparty. 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 directors believe that there is no further provision required in excess of the allowance for doubtful debtors at the balance sheet date.

The maximum exposure to credit risk in relation to trade receivables at the balance sheet date is the fair value of trade receivables. The Company's customer base is large and unrelated and, accordingly, the Company does not have a significant concentration of credit risk with any one counterparty or Group of counterparties.

Capital management risk
Capital is managed in accordance with a framework set by the Mitie Group Treasury function and consists of intragroup debt and equity. The Company is not subject to externally imposed regulatory requirements.

17 Called up share capital

	2015 £'000	2014 £'000
Allotted and called up share capital		
6,700,000 £1 A Ordinary	6,700	6,700
3,956,166 £0.01 B Ordinary	39	39
1 £1 C Ordinary	-	-
	6,739	6,739

18 Reconciliation of movements in shareholders' funds

	2015 £'000	2014 £'000
Profit for the financial year	17,031	18,238
Dividends paid on equity shares	(22,580)	(7,173)
Deferred tax on share-based payments	-	(31)
Capital contribution relating to share-based payments	916	586
Net (reduction)/addition to sharehlders' (deficit)/funds	(4,633)	11,620
Opening shareholders' funds	47,799	36,179
Closing shareholders' funds	43,166	47,799

19 Analysis of changes in net cash

	At start of year £'000	Cash flow £'000	At end of year £'000
Cash at bank and in hand	78,173	10,123	88,296
Net cash	78,173	10,123	88,296

20 Financial commitments

Operating leases

The Company has annual lease commitments under non-cancellable operating leases as detailed below:

	2015		2014	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Expiry date:				
-in less than one year	780	3,295	576	4,524
-between two and five years	2,301	3,963	1,361	5,275
-after five years	585	-	891	-
	3,666	7,258	2,828	9,799

Commitments on behalf of Group undertakings

The Company is party with other Group undertakings to cross-guarantees of each other's' bank overdrafts and loans.

	2015	2014
	£'000	£'000
Overall commitment	277,447	260,606

21 Share-based payments

The Company participates in the following Mitie Group plc share option schemes:

The Mitie Group plc 2011 Executive share option scheme
The Executive Share Option Scheme exercise price is equal to the average market value of the shares on the business day preceding grant or, if the Remuneration Committee decided, the average market value of share over a number of preceding business days (not to exceed 20). The vesting period is three years. If the options remain unexercised after a period of ten years from the date of grant the options expire. Options may be forfeited if the employee leaves the Group. Before options can be exercised, a performance condition must be satisfied; the performance condition is linked to the percentage growth in earnings per share over a three-year period.

The Mitie Group plc 2001 Savings Related share option scheme
The SAYE scheme is open to all employees. The exercise price is not less than 80.0% of the market value of the shares on the day preceding the date on which invitations to participate in the scheme are issued. For options granted prior to September 2008, the vesting period is five years. For options granted in September 2008 and thereafter, the vesting period is three years. If the options remain unexercised after a period of six months from the date of vesting, the options expire. Options may be forfeited if the employee leaves the Group.

The Mitie Group plc 2011 SAYE Scheme
The SAYE scheme is open to all employees. The exercise price is not less than 80.0% of the market value of the shares determined using either: the share price preceding the date on which invitations to participate in the scheme are issued; or an average share price over five days preceding the invitation date. The vesting period is three years. If the options remain unexercised after a period of six months from the date of vesting, the options expire. Options may be forfeited if the employee leaves the Group.

The Mitie Group plc Long Term Incentive Plan (LTIP)
The LTIP was introduced in 2007. The awards of shares or rights to acquire shares (the awards) are offered to a small number of key senior management. Where offered as options the exercise price is nil. The vesting period is three years. If the awards remain unexercised after a period of four years from the date of grant, the awards expire. The awards may be forfeited if the employee leaves the Group. Before the awards can be exercised, a performance condition must be satisfied; the number of awards that vest is determined by a sliding scale based on growth in earnings per share over a three-year period.

The Share Incentive Plan (SIP)
The SIP was introduced in 2011 and is a non-discretionary scheme open to all eligible UK resident employees. Under the scheme, eligible employees are invited to invest in Partnership Shares which are purchased in the market on their behalf and held in a UK employee benefit trust. One Matching Share is awarded for every ten Partnership Shares purchased and has a holding period of three years. Matching Shares are funded by way of market purchases.

The Conditional Share Plan (CSP)
The CSP was introduced in 2014 and is a discretionary scheme. The awards of shares or the rights to acquire shares (the awards) are offered to a small number of key senior management. Where offered as options, the exercise price is nil. The vesting period is determined at the discretion of the Remuneration Committee and, for the 2014 scheme, is three years. If the awards remain unexercised after a period of ten years from the date of grant, the awards expire. The awards may be forfeited if the employee leaves the group.

21 Share-based payments (continued)

Details of the share options outstanding during the year are as follows:

	2015		2014	
	Number of share options	Weighted average exercise price (p)	Number of share options	Weighted average exercise price (p)
Outstanding at beginning of the year	3,576,033	213	3,051,219	-
Granted	1,776,253	221	1,593,314	177
Forfeited	(771,680)	127	(380,478)	166
Transferred (to)/from Group companies	318,119	165	234,040	189
Exercised	(426,741)	223	(922,062)	190
Outstanding at end of the year	4,471,984	210	3,576,033	186
Exercisable at end of year	488,040	225	353,681	213

The Company recognised the following expense related to share-based payments:

	2015 £'000	2014 £'000
Discretionary schemes	549	459
Non-discretionary schemes	367	127
	916	586

	2015	2014
The weighted average share price at the date of exercise for share options exercised during the year was: (p)	310	295
The options outstanding at the year -end had a weighted average price of: (p)	210	186
The options outstanding at the year-end had a weighted average remaining contractual life of: (years)	4	5

The Company granted options under the following schemes in the year:

	Fair value £'000
LTIP	217
Savings related share options	431
Executive share options	106

21 Share-based payments (continued)

The fair value of options is measured by use of the Black-Scholes model or the Monte Carlo model. The inputs into the models are as follows:

	2015	2014
Black-Scholes		
Share price (p)	219 - 274	198 - 274
Exercise price (p)	0 - 254	0 - 254
Expected volatility (%)	30 - 32	32 - 35
Expected life (years)	3 - 5	3 - 5
Risk-free rate (%)	0.55 - 1.48	0.55 - 2.42
Expected dividends (%)	3.5 - 4.1	3.30 - 4.10
Monte-Carlo		
Share price (p)	251 - 319	251
Exercise price (p)	29 - 32	32
Expected volatility (%)	21 - 24	24
Expected life (years)	3	3
Risk-free rate (%)	0.64 - 1.29	0.64
Expected dividends (%)	3.5 - 4.1	4.1

Expected volatility was based on historical volatility over the expected life of the schemes. The expected life is based upon historical data and has been adjusted based on management's best estimates for the effects of non-transferability, exercise restrictions and behavioural considerations.

22 Pension arrangements

The Company participates in the Mitie Group plc Pension Scheme. This is a defined benefit multi-employer scheme, the assets and liabilities of which are held independently from the Group. For the purposes of IAS 19 ("Employee Benefits"), the Company has been unable to identify its share of the underlying assets and liabilities in the main Group scheme on a consistent and reasonable basis. Therefore the Company is accounting for contributions to the scheme as if it were a defined contribution scheme. Note 36 to the Report and Accounts of the Group sets out the details of the International Accounting Standard 19 'Employee Benefits' net pension deficit of £34.90 million (2014: deficit of £17.00 million).

Employer contributions to the scheme for the period are shown in note 3. The agreed contribution rate for employee and employer contributions for the next 12 months is 22.3% (2014: 18.5%).

23 Related party transactions

Set out below are the related party transactions. The Company has taken the exemption available under IAS 24 not to disclose transactions with other wholly-owned subsidiaries of Mitie Group plc. There were no transactions with entities other than members of Mitie Group plc which require disclosure under IAS 24.

Related Party	Nature of transaction	Transaction amount 2015 £'000	Transaction amount 2014 £'000	Year 2015 £'000	Year 2014 £'000
Cole Motors Ltd	Sales	1	293	-	-
Cole Motors Ltd	Purchases	-	(11)	(1)	-
EPS Consolidated Group Entity	Sales	-	-	133	133
Mitie Aviation Security Ltd	Purchases	(273)	(120)	(32)	-
Mitie Belgium BVBA	Sales	-	-	4	-
Mitie Built Environment	Sales	11,713	339	92	131
Mitie Built Environment	Purchases	(966)	(2,868)	(76)	(1,661)
Mitie Business Services Ltd	Sales	11	8	-	7
Mitie Business Services Ltd	Purchases	(59)	(1,945)	(56)	(412)
Mitie Business Services UK Ltd	Purchases	(2,324)	(6,567)	(117)	(1,004)
Mitie Care & Custody Ltd	Sales	563	461	138	85
Mitie Catering Ltd	Sales	6	97	2	6
Mitie Catering Ltd	Purchases	(2,493)	(13,135)	(853)	(1,461)
Mitie Cleaning & Environmental Services Ltd	Sales	678	893	264	254
Mitie Cleaning & Environmental Services Ltd	Purchases	(25,872)	(51,459)	(3,982)	(9,517)
Mitie Client Services Ltd	Sales	1,265	1,046	149	197
Mitie Client Services Ltd	Purchases	(834)	(5,017)	(116)	(2,000)
Mitie Compliance Ltd	Purchases	(4,165)	(592)	(1,213)	(372)
Mitie Compliance Ltd	Sales	379	25	13	25
Mitie Deutschland Gmbh	Sales	28	234	22	35
Mitie Deutschland Gmbh	Purchases	(947)	(203)	(494)	(59)
Mitie Document Services Ltd	Sales	2	21	-	11
Mitie Document Services Ltd	Purchases	-	(339)	(26)	(112)
Mitie Engineering Maintenance	Purchases	-	-	(10,472)	(10,472)
Mitie Events & Leisure Ltd	Purchases	(1,487)	(608)	(20)	(2)
Facilities Management Ltd (Ire)	Sales	6	123	-	48
Facilities Management Ltd (Ire)	Purchases	(173)	(436)	(50)	(108)
Mitie Facilities Services Ltd	Sales	214,241	167,616	32,685	14,725
Mitie Facilities Services Ltd	Purchases	(136,417)	(1,402)	(41,210)	(715)
Mitie France SA	Sales	1	28	-	1
Mitie France SA	Purchases	(96)	(28)	(37)	-
Mitie Group Plc	Sales	-	27	-	1
Mitie Group Plc	Purchases	(6)	(27)	(1,052)	-
Mitie Infrastructure Ltd	Sales	922	1,150	142	218
Mitie Infrastructure Ltd	Purchases	-	(2)	-	-
Mitie Justice Ltd	Sales	25,404	29,578	2,343	851

Related Party	Nature of transaction	Transaction amount		Year	
		2015 £'000	2014 £'000	2015 £'000	2014 £'000
Mitie Justice Ltd	Purchases	(22)	(266)	-	(1)
Mitie Landscape ltd	Sales	20	28	-	10
Mitie Landscape ltd	Purchases	(2,462)	(4,325)	(569)	(1,204)
Mitie ltd	Purchases	(128)	(2,161)	-	-
Mitie Ltd (Ire)	Sales	568	(2)	167	19
Mitie Ltd (Ire)	Purchases	-	-	(37)	(315)
Mitie Local Services Ltd	Purchases	-	-	(11)	-
Mitie Lighting Ltd	Purchases	-	-	(7,911)	(7,911)
Mitie Managed Services (North & Scotland) Ltd	Sales	-	2,815	181	772
Mitie Managed Services (North & Scotland) Ltd	Purchases	-	(156)	-	(121)
Mitie Managed Services Ltd	Sales	1,641	-	-	-
Mitie Managed Services Ltd	Purchases	(330)	-	-	-
Mitie Nederland BV	Sales	-	2	-	-
Mitie Nederland BV	Purchases	(3)	(1)	-	(1)
Mitie Norge Aksjeselskap	Sales	9	169	-	2
Mitie Norge Aksjeselskap	Purchases	(587)	(251)	(110)	-
Mitie Pest Control Ltd	Purchases	(662)	(682)	(189)	(237)
Mitie Pest Control (London) Ltd	Purchases	(14)	(244)	-	-
Mitie PFI Ltd	Sales	1,377	1,058	221	178
Mitie PFI Ltd	Purchases	(2)	(3)	-	-
Mitie Polska Sp. Zoo	Sales	20	31	(20)	-
Mitie Polska Sp. Zoo	Purchases	(20)	(17)	-	(1)
Mitie Property Investments Ltd	Sales	(1)	67	-	-
Mitie Property Management Ltd	Sales	1	2	-	-
Mitie Property Services Ltd	Sales	545	813	373	-
Mitie Property Services Ltd	Purchases	(1,590)	(6,255)	(640)	(151)
Mitie Security London Ltd	Sales	(1)	-	-	-
Mitie Security London Ltd	Purchases	(4,110)	(6,926)	(402)	(803)
Mitie Security Ltd	Sales	77	169	40	-
Mitie Security Ltd	Purchases	(12,267)	(29,359)	(2,309)	(4,114)
Mitie Security Systems Ltd	Sales	-	5	-	-
Mitie Security Systems Ltd	Purchases	(27)	(463)	-	-
Mitie Services (Retail) Ltd	Sales	-	4	-	-
Mitie Shared Services Ltd	Sales	13,272	2,079	695	59
Mitie Shared Services Ltd	Purchases	-	(5)	-	-
Mitie Suomi Oy	Sales	18	54	36	(2)
Mitie Sverige AB	Sales	2	54	-	12
Mitie Sverige AB	Purchases	(639)	(186)	(337)	1
Mitie Tilley Roofing Ltd	Sales	1,535	2	44	-
Mitie Tilley Roofing Ltd	Purchases	(816)	(719)	(402)	(56)
Mitie Transport Services Ltd	Sales	52	75	-	-

Related Party	Nature of transaction	Transaction amount		Year	
		2015 £'000	2014 £'000	2015 £'000	2014 £'000
Mitie Transport Services Ltd	Purchases	(2,011)	(174)	(588)	(23)
Mitie Treasury Management Ltd	Sales	-	-	568	-
Mitie Waste & Environmental Services Ltd	Sales	17	3	2	-
Mitie Waste & Environmental Services Ltd	Purchases	(5,633)	(8,556)	(1,083)	(3,503)
Mitie Work Wise Ltd	Sales	126		4	-
Mitie Work Wise Ltd	Purchases	-	(277)	(18)	(65)
MTFM Holdings Ltd	Purchases	(6,798)	-	(6,759)	39
Parkersell Ltd	Purchases	-	-	(3,338)	(3,338)
Pinniger & Partners Ltd	Sales	-	885	445	32
Pinniger & Partners Ltd	Purchases	-	(1)	-	-
Service Management International Ltd (SMI)	Sales	-	16	-	-
Utilyx Asset Management Ltd	Sales	37	61	3	7
Utilyx Healthcare Energy Services Ltd	Sales	1,241	1,073	102	197
Utilyx Healthcare Energy Services Ltd	Purchases	-	-	(24)	(24)
Utilyx Ltd	Sales	327	5,558	208	518
Utilyx Ltd	Purchases	(280)	(650)	(104)	(197)

24 Ultimate parent undertaking and controlling party

Mitie Technical Facilities Management Holdings Limited is the immediate controlling party and the directors regard Mitie Group plc, a company registered in Scotland, as the ultimate parent company and controlling party.

Mitie Group plc is the largest and smallest Group for which Group accounts are prepared. Copies of the Group financial statements can be obtained from the Company Secretary at the registered office.