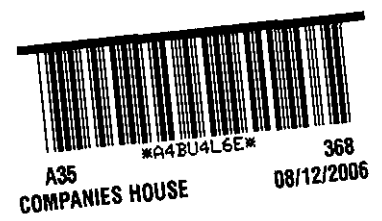


Company Registration Number 4221384

MITIE INTERIORS LIMITED

Report and Financial Statements

31 March 2006



MITIE INTERIORS LIMITED

REPORT AND FINANCIAL STATEMENTS 2006

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MITIE INTERIORS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

S C Baxter
S O'Boyle
R McGregor-Smith
M Quill
W Robson
I R Stewart

SECRETARY

MITIE Company Secretarial Services Limited (appointed 30 June 2006)
C K Ross (resigned 30 June 2006)

REGISTERED OFFICE

8 Monarch Court
The Brooms
Emersons Green
Bristol
BS16 7FH

BANKERS

HSBC Bank plc
49 Corn Street
Bristol
BS99 7PP

AUDITORS

Deloitte & Touche LLP
Bristol

MITIE INTERIORS LIMITED

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 March 2006.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those 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 accounting standards have been followed; 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 proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company is a majority owned subsidiary of MITIE Group PLC (the "Group"). The company provides fit out and refurbishment of commercial and industrial property in the United Kingdom. There have not been any significant changes in the company's principal activities in the year under review and the directors are not aware of any likely major changes.

As shown in the company's profit and loss account on page 6, the company's sales have increased by 116% over the prior year and profit after tax has increased by 170%.

The balance sheet on page 7 of the financial statements shows that the company's financial position at the year end has strengthened in terms of net assets and reduced in terms of cash.

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.

DIVIDENDS

A dividend of £1.53 (2005: 39p) per 'A' ordinary share and 8p (2005: 8p) per 'B' ordinary share was paid during the year.

PRINCIPAL RISKS AND UNCERTAINTIES

Loss of key customers is a key risk to the business. The company manages this risk by developing and maintaining strong relationships with these customers.

Group risks are discussed in the Group's Annual Report which does not form part of this Report.

MITIE INTERIORS LIMITED

DIRECTORS' REPORT (continued)

FINANCIAL RISK MANAGEMENT

The directors have reviewed the financial risk management objectives and policies of the company. The directors do not believe there to be significant risks in this area. The company does not enter into any hedging instruments, as there are not believed to be any material exposures. It does not enter into 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.

PAYMENT POLICY

The company's policy is to comply with the terms of payment agreed with a supplier. Where terms are not negotiated, the company endeavours to adhere with the supplier's standard terms. As at 31 March 2006 trade creditors, as a proportion of amounts invoiced from suppliers for the financial year, represented 62 days (2005: 128 days).

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 Group's Annual Report which does not form part of this Report.

EMPLOYEES

The company offers equal opportunities to all applicants for employment whatever their sex, race or religion. Disabled persons are considered for employment, training, career development and promotion on the basis of their attitudes and abilities in common with all employees, providing the disability does not make the particular employment impractical or the employee unable to conform to the stringent regulations which apply to the operations of the company.

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.

DIRECTORS AND THEIR INTERESTS

The directors during the year and subsequently were as follows:

S O'Boyle
R McGregor-Smith
M Quill
W Robson
I R Stewart
S C Baxter (appointed 8 May 2006)

MITIE INTERIORS LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS AND THEIR INTERESTS (continued)

The beneficial interests of the directors and their families in the share capital of the company at the beginning of the year or the date of appointment and the end of the year were as follows:

	At 31 March 2006 £1 'B' ordinary shares No.	At 1 April 2005 £1 'B' Ordinary shares No.
S O'Boyle	60,000	60,000
M Quill	60,000	60,000

W Robson, I R Stewart and R McGregor-Smith are directors of MITIE Group PLC, the parent undertaking, and their interests in the share capital of that company and other group companies are shown in the financial statements of MITIE Group PLC.

Other directors' interests in the share capital of MITIE Group PLC are as follows:

	At 31 March 2006 2.5p Ordinary shares No.	At 1 April 2005 2.5p Ordinary shares No.
S O'Boyle	250	250
M Quill	250	250

AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

A resolution to reappoint Deloitte & Touche LLP as the company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



R McGregor-Smith
Director

9th
October 2006

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MITIE INTERIORS LIMITED

We have audited the financial statements of MITIE Interiors Limited for the year ended 31 March 2006 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes 1 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with the relevant financial reporting framework and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 March 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

Deloitte & Touche LLP

DELOITTE & TOUCHE LLP
Chartered Accountants and Registered Auditors
Bristol, United Kingdom

MITIE INTERIORS LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 March 2006

	Notes	Continuing operations 2006 £	2005 (restated) £
TURNOVER	1	35,667,729	16,501,162
Cost of sales		(32,196,710)	(14,540,314)
GROSS PROFIT		3,471,019	1,960,848
Administrative expenses		(1,838,650)	(1,029,570)
OPERATING PROFIT	2	1,632,369	931,278
Interest receivable	3	74,000	58,396
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,706,369	989,674
Tax on profit on ordinary activities	4	(534,004)	(301,970)
PROFIT ON ORDINARY ACTIVITIES FOR THE FINANCIAL YEAR	11	1,172,365	687,704

There are no recognised gains and losses for the current and preceding financial year other than as stated in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses has been provided.

MITIE INTERIORS LIMITED


BALANCE SHEET

At 31 March 2006

	Notes	2006		2005 (restated)	
		£	£	£	£
FIXED ASSETS					
Tangible assets	6		16,009		5,884
CURRENT ASSETS					
Debtors	7	7,094,983		3,989,061	
Cash at bank and in hand		587,904		2,627,477	
		<u>7,682,887</u>		<u>6,616,538</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	<u>(5,705,291)</u>		<u>(5,472,682)</u>	
NET CURRENT ASSETS			<u>1,977,596</u>		<u>1,143,856</u>
NET ASSETS			<u>1,993,605</u>		<u>1,149,740</u>
SHARE CAPITAL AND RESERVES					
Called up share capital	9		400,000		400,000
Profit and loss account	10		<u>1,593,605</u>		<u>749,740</u>
TOTAL SHAREHOLDERS' FUNDS	11		<u>1,993,605</u>		<u>1,149,740</u>

These financial statements were approved by the Board of Directors on 9th October 2006.

Signed on behalf of the Board of Directors



R McGregor-Smith
Director

MITIE INTERIORS LIMITED

CASH FLOW STATEMENT Year ended 31 March 2006

	Notes	2006 £	2005 £
Net cash (outflow)/inflow from operating activities	12	(1,361,864)	1,896,339
Returns on investments and servicing of finance			
Interest received		75,980	52,770
Taxation			
UK corporation tax paid		(407,371)	(200,671)
Capital expenditure			
Payments to acquire tangible fixed assets		(17,818)	(3,939)
Dividends paid		(328,500)	(95,000)
(Decrease)/increase in cash in the year	14	<u>(2,039,573)</u>	<u>1,649,499</u>

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2006

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and are prepared in accordance with applicable United Kingdom accounting standards.

Turnover

Turnover represents the total, excluding sales taxes, receivable in respect of goods and services supplied and contract work completed in the year. All turnover arises within the United Kingdom, from the company's principal activity.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	3 to 5 years
Office equipment	3 to 10 years

Long-term contracts

Amounts recoverable on long-term contracts, which are included in debtors, 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 creditors 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 stock.

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 turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of the total contract value which costs incurred to date bear to total expected costs for that contract.

Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

MITIE INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2006

1. ACCOUNTING POLICIES (continued)

Pension costs

Pension costs represent amounts paid to one of the group's pension schemes. Details of the schemes are given in the financial statements of MITIE Group PLC.

Change in accounting policy

The financial statements for the year ended 31 March 2006 have been drawn up using the same accounting policies as for the year ended 31 March 2005 subject to the adoption of FRS 21 'Events after the balance sheet date', FRS 17 'Retirement Benefits' and FRS 25 'Financial Instruments'.

The adoption of FRS 17 and FRS 25 has had no impact on the financial statements of this company. The company has taken the exemption given in FRS 25 not to restate comparatives, as such the presentation of the non-equity shares held in the prior year has not been amended.

Adoption of FRS 21 - Events after the balance sheet date

The effect of adopting FRS 21, and therefore recognising dividends in the period during which they were approved, has decreased the retained profit for the year ended 31 March 2006 by £328,500 and increased the retained profit for 31 March 2005 by £296,500. The net assets at 31 March 2006 and 31 March 2005 have increased by nil and £328,500 respectively.

This change in policy has not impacted recognised gains or losses and no statement of total recognised gains and losses has been presented.

2. OPERATING PROFIT

	2006	2005
	£	£
Operating profit is stated after charging:		
Depreciation	7,693	12,912
Auditors' remuneration - audit services	5,500	5,000
Operating lease rentals - plant and machinery	18,119	8,982

3. INTEREST RECEIVABLE

	2006	2005
	£	£
Bank interest	74,000	58,396

MITIE INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2006

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2006 £	2005 £
(a) Analysis of charge in year		
United Kingdom corporation tax at 30% (2005: 30%)	533,701	304,701
Adjustment in respect of prior years	260	(99)
Total current tax (note 4(b))	533,961	304,602
Deferred taxation:		
Timing differences - origination and reversal	(109)	(2,632)
Adjustment in respect of prior years	152	-
Tax on profit on ordinary activities	534,004	301,970

(b) Factors affecting tax charge in year

The tax assessed for the year differs from that resulting from applying the standard rate of corporation tax in the UK of 30% (2005: 30%). The differences are as follows:

	£	£
Profit on ordinary activities before tax	1,706,369	989,674
	£	£
Tax at 30% (2005: 30%) thereon	511,911	296,902
Expenses not deductible for tax purposes	21,681	5,166
Capital allowances in excess of depreciation	(87)	1,160
Other timing differences	196	1,473
Adjustment in respect of prior years	260	(99)
Current tax charge for the year (note 4(a))	533,961	304,602

(c) Factors affecting future tax charges

The company is not aware of any matters that will materially affect the future tax charge.

MITIE INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2006

5. DIVIDENDS

The dividends approved and paid in the year are as follows:

	2006 £	2005 £
£1.53 (2005: 39p) per share on £1 'A' ordinary shares	312,820	79,320
8p (2005: 8p) per share on £1 'B' ordinary shares	15,680	15,680
	<u>328,500</u>	<u>95,000</u>

6. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office equipment £	Total £
Cost			
At 1 April 2005	22,448	17,950	40,398
Additions	-	17,818	17,818
	<u>22,448</u>	<u>35,768</u>	<u>58,216</u>
At 31 March 2006			
Depreciation			
At 1 April 2005	22,448	12,066	34,514
Charge for the year	-	7,693	7,693
	<u>22,448</u>	<u>19,759</u>	<u>42,207</u>
At 31 March 2006			
Net book value			
At 31 March 2006	<u>-</u>	<u>16,009</u>	<u>16,009</u>
At 31 March 2005	<u>-</u>	<u>5,884</u>	<u>5,884</u>

Capital commitments

At 31 March 2006 the directors had authorised capital expenditure of nil (2005: nil).

MITIE INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2006

7. DEBTORS	2006 £	2005 £
Trade debtors	3,005,563	3,311,455
Amounts recoverable on contracts	3,961,621	588,597
Amounts owed by group undertakings	-	66,037
Prepayments and accrued income and other debtors	33,849	20,282
Deferred tax asset	2,647	2,690
Other taxes and social security	91,303	-
	<u>7,094,983</u>	<u>3,989,061</u>

A deferred tax asset of £2,647 has been recognised at 31 March 2006 (2005: £2,690). This asset relates to depreciation in excess of capital allowances. The directors are of the opinion that suitable profits will be available in the periods in which these differences will reverse. The amount charged to the profit and loss account in the year was £43 (2005: credit of £2,632).

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2006 £	2005 (restated) £
Trade creditors	5,071,608	4,940,555
Corporation tax	281,911	155,321
Other taxes and social security	60,748	114,733
Accruals and deferred income and other creditors	289,641	260,718
Amounts owed to group undertakings	1,383	1,355
	<u>5,705,291</u>	<u>5,472,682</u>

9. CALLED UP SHARE CAPITAL	2006 £	2005 £
Authorised		
400,000 £1 'A' ordinary shares	400,000	400,000
400,000 £1 'B' ordinary shares	400,000	400,000
	<u>800,000</u>	<u>800,000</u>
	£	£
Allotted and fully paid		
204,000 £1 'A' ordinary shares	204,000	204,000
196,000 £1 'B' ordinary shares	196,000	196,000
	<u>400,000</u>	<u>400,000</u>

MITIE INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2006

9. CALLED UP SHARE CAPITAL (continued)

Rights attaching to shares

The rights attaching to the 'A' and 'B' £1 ordinary shares are as follows:

Income

Subject to the approval of the board, the profits of the Company available for distribution in respect of any financial year shall be applied:

- (i) first, in paying to the shareholders of "A" and "B" Shares a dividend of such amount as the board shall decide;
- (ii) second, in paying as a cumulative dividend to the holders together of the "A" shares one half of the profits of the Company available for distribution in each financial year less the amounts already paid in respect of the "A" shares under clause (i) together with any arrears of such cumulative dividend unpaid from any previous financial year insofar as there is sufficient profit remaining after the payment in clause (i); and
- (iii) third, the balance of the profits available for distribution which are resolved to be distributed shall be distributed among the holders of the "A" Share and "B" Shares pari passu as if they constituted one class of share.

Every dividend shall be distributed to the appropriate Shareholders pro rata according to the nominal value of the shares held by them respectively.

Capital

On a return of capital, the assets of the company will be distributed equally to all ordinary shareholders.

Voting

Each 'A' and 'B' share will carry one vote.

10. PROFIT AND LOSS ACCOUNT

	£
At 1 April 2005 (as previously stated)	421,240
Prior year adjustment (note 1)	328,500
	<hr/>
At 1 April 2005 (restated)	749,740
Profit for the financial year	1,172,365
Dividends	(328,500)
	<hr/>
At 31 March 2006	<u>1,593,605</u>

MITIE INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2006

11.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2006	2005
		£	£
	Profit for the financial year	1,172,365	687,704
	Dividends (note 5)	(328,500)	(95,000)
	Net addition to shareholders' funds	843,865	592,704
	Opening shareholders' funds (as previously stated)	821,240	525,036
	Prior year adjustment	328,500	32,000
	Opening shareholders' funds (restated)	1,149,740	557,036
	Closing shareholders' funds	1,993,605	1,149,740
12.	RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	2006	2005
		£	£
	Operating profit	1,632,369	931,278
	Depreciation charges	7,693	12,912
	Increase in debtors	(3,107,946)	(2,371,995)
	Increase in creditors	106,020	3,324,144
	Net cash (outflow)/inflow from operating activities	(1,361,864)	1,896,339
13.	ANALYSIS OF CHANGES IN NET FUNDS	At 1 April 2005	At 31 March 2006
		£	£
	Cash at bank and in hand	2,627,477	587,904
14.	RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS	2006	2005
		£	£
	(Decrease)/increase in cash in the year	(2,039,573)	1,649,499
	Net funds at beginning of year	2,627,477	977,978
	Net funds at end of year	587,904	2,627,477

MITIE INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2006

15. FINANCIAL COMMITMENTS

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. As at 31 March 2006, the overall commitment was £33 million (2005: nil).

Operating leases

At 31 March 2006 the company had annual commitments of £16,858 (2005: £10,829) under non-cancellable operating leases of office equipment expiring within two to five years.

16. DIRECTORS

	2006 £	2005 £
The emoluments of directors of the company were:		
Fees and other emoluments (excluding pension contributions but including benefits-in-kind)	196,132	196,090

Two directors are members of a defined contribution pension scheme (2005: two directors).

W Robson, I R Stewart and R McGregor-Smith are also directors of MITIE Group PLC and their emoluments and pension details are disclosed in the group accounts. It is not practicable to allocate their remuneration between their services as directors of MITIE Interiors Limited and their services as directors of other group companies.

17. EMPLOYEES

Number of employees

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

	2006 No.	2005 No.
Administration and management	20	12
Employment costs (including directors)	£	£
Wages and salaries	1,270,399	756,283
Social security costs	149,047	88,933
Pension costs	51,226	27,429
	1,470,672	872,645

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2006

18. RELATED PARTY TRANSACTIONS

MITIE Interiors Limited is a subsidiary undertaking of MITIE Group PLC who have a 51% shareholding.

During the period the following related party transactions took place with associated group companies:

Management charges of £51,750 (2005: £18,832) were paid to MITIE Property Services (London) Limited.

During the year the company supplied services to MITIE Document Solutions Limited totalling £56,605 (2005: nil) of which nil is included in debtors at the year end.

During the year the company supplied services to MITIE Engineering Services (South East) Limited totalling £31,000 (2005: £25,000) of which nil (2005: nil) is included in debtors at the year end.

During the year the company supplied services to MITIE Managed Services Limited totalling £367,900 (2005: £71,935) of which nil (including VAT) is included in debtors at the year end.

During the year, the company supplied services to MITIE Group Limited totalling £1,126 (2005: £14,208) of which nil is included in debtors at the year end.

During the year the company supplied services to MITIE Property Investment Limited totalling £1,504,664 (2005: £990) of which nil (2005: nil) is included in debtors at the year end.

Management charges of £285,800 (2005: £95,760) were paid to MITIE Property Services Limited.

During the year the company supplied services to MITIE Technology Limited totalling £1,426 (2005: £1,134) of which nil is included in debtors at the year end.

During the year MITIE Business Services Limited provided services to the value of £28,801 (2005: £31,073) of which nil is included in creditors at the year end.

During the year MITIE Engineering Services (London) Limited provided services to the value of £883,500 (2005: £333,799) of which nil is included in creditors at the year end.

During the year MITIE Engineering Services (South East) Limited provided services to the value of £3,680,162 (2005: £1,870,336) of which nil is included in creditors at the year end.

During the year MITIE Roofing (South East) Limited provided services to the value of nil (2005: £5,273).

During the year MITIE Technology Limited provided services to the value of nil (2005: £2,992).

During the year MITIE Property Services (UK) Limited provided services to the value of nil (2005: £1,019).

During the year the company supplied services to MITIE Property Services Limited to the value of £341,997 (2005: nil) of which nil is included in debtors at the year end.

During the year MITIE Property Services (UK) Limited provided services to the value of £3,379 (2005: £66) of which nil is included in creditors at the year end.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2006

18. RELATED PARTY TRANSACTIONS (continued)

During the year MITIE Air Conditioning Limited provided services to the value of £100,000 (2005: nil) of which nil is included in creditors at the year end.

During the year MITIE Engineering (South West) Limited provided services to the value of £408,000 (2005: nil) of which nil is included in creditors at the year end.

During the year MITIE Catering Services Limited provided services to the value of £1,177 (2005: nil) of which £1,177 is included in creditors at the year end.

During the year MITIE Document Solutions Limited provided services to the value of £4,036 (2005: nil) of which nil is included in creditors at the year end.

During the year MITIE Engineering Maintenance Limited provided services to the value of £59,641 (2005: nil) of which nil is included in creditors at the year end.

19. 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 Financial Reporting Standard 17 ("Retirement 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 29 to the Report and Accounts of the group sets out the details of the International Accounting Standard 19 'Employee Benefits' net pension surplus of £1.8 million (2005: deficit of £7.6 million).

Contributions to the scheme for the period are shown in note 17 and the agreed contribution rate for the next 12 months is 10% (2005: 10%) and 7.5% (2005: 7.5%) for the group and employees respectively.

20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The directors consider MITIE Group PLC, a company registered in Scotland, to be the company's ultimate parent undertaking and controlling party. MITIE Group PLC is both the smallest and largest group for which group accounts are prepared. Copies of the group financial statements can be obtained from the Company Secretary at the registered office.