

Company Registration Number 4655076

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

Report and Financial Statements

31 March 2005



MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

REPORT AND FINANCIAL STATEMENTS 2005

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MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

C S Acheson
D Freeman
R McGregor-Smith
W Mitchell
I R Stewart
I M Strong
S S Wallace

SECRETARY

C K Ross

REGISTERED OFFICE

8 Monarch Court
The Brooms
Emersons Green
Bristol
BS16 7FH

BANKERS

Royal Bank of Scotland plc
1 Moncrieff Street
Paisley
PA3 2AW

AUDITORS

Deloitte & Touche LLP
Bristol

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 March 2005.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period 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's principal activity is the installation of electrical services in commercial and industrial premises.

The company's business has developed satisfactorily and the directors consider that the company is in a good position to continue that development.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £102,339 (2004: loss of £60,351). The directors recommend that this be dealt with as follows:

	2005 £	2004 £
Ordinary dividends:		
- Final proposed 'A' shares 8p (2004: nil) per share	8,160	-
- Final proposed 'B' shares 8p (2004: nil) per share	7,840	-
- Final proposed 'A' shares 12.7p (2004: nil) per share	12,995	-
Total dividends	28,995	-
Transfer to/(from) reserves	73,344	(60,351)
	<u>102,339</u>	<u>(60,351)</u>

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS AND THEIR INTERESTS

The directors during the year were as follows:

C S Acheson
D Freeman
R McGregor-Smith
W Mitchell
I R Stewart
I M Strong
S S Wallace

The beneficial interests of the directors and their families in the share capital of the company were as follows:

	At 31 March 2005 £1 'B' ordinary shares No.	At 1 April 2004 £1 'B' ordinary shares No.
R McGregor-Smith	2,000	-
W Mitchell	25,000	25,000
I M Strong	20,000	20,000
S S Wallace	20,000	20,000

No other director had an interest in the share capital of the company.

C S Acheson, I R Stewart and R McGregor-Smith are directors of MITIE Group PLC, the parent undertaking, and their interests in and options on 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 2005 2.5p Ordinary shares No.	At 1 April 2004 2.5p Ordinary shares No.
D Freeman	906,336	1,561,366
W Mitchell	250	-
I M Strong	250	-

Details of the MITIE Group PLC share schemes are given in the financial statements of that company.

No other director held share options in MITIE Group PLC at the beginning or end of the period.

No other director had any other interest in the share capital of any other group company.

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

DIRECTORS' REPORT (continued)

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 2005 trade creditors, as a proportion of amounts invoiced from suppliers for the period, represented 77 days (2004: 124 days).

In the industry in which the company operates credit periods are frequently extended by agreement. The company's creditor days are a reflection of this custom.

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.

AUDITORS

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



C K Ross
Secretary

19 July 2005

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED**

We have audited the financial statements of MITIE Engineering Services (Edinburgh) Limited for the year ended 31 March 2005 which comprise the profit and loss account, the balance sheet, the cash flow statement and related notes 1 to 21. 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 accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if 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 with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards 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 of the state of the company's affairs as at 31 March 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

DELOITTE & TOUCHE LLP
Chartered Accountants and Registered Auditors
Bristol

19 July 2005

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 March 2005

		Year ended 31 March 2005 £	Continuing operations 3 February 2003 to 31 March 2004 £
	Notes		
TURNOVER	1	4,008,660	424,526
Cost of sales		(3,317,652)	(347,857)
GROSS PROFIT		691,008	76,669
Administrative expenses		(559,633)	(136,795)
OPERATING PROFIT/(LOSS)	2	131,375	(60,126)
Interest receivable	3	12,818	1,899
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		144,193	(58,227)
Tax on profit/(loss) on ordinary activities	4	(41,854)	(2,124)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		102,339	(60,351)
Dividends	5	(28,995)	-
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR	12	73,344	(60,351)

There are no recognised gains and losses for the current and preceding financial period other than as stated in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses is presented.

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

BALANCE SHEET

At 31 March 2005

	Notes	2005		2004	
		£	£	£	£
FIXED ASSETS					
Tangible assets	6		69,106		48,701
CURRENT ASSETS					
Stocks	7	6,869		-	
Debtors	8	768,271		256,122	
Cash at bank and in hand		619,074		109,564	
		<u>1,394,214</u>		<u>365,686</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	<u>(1,250,327)</u>		<u>(272,614)</u>	
NET CURRENT ASSETS			<u>143,887</u>		<u>93,072</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			212,993		141,773
PROVISIONS FOR LIABILITIES AND CHARGES	10		-		(2,124)
NET ASSETS			<u>212,993</u>		<u>139,649</u>
SHARE CAPITAL AND RESERVES					
Called up share capital	11		200,000		200,000
Profit and loss account	12		12,993		(60,351)
TOTAL EQUITY SHAREHOLDERS' FUNDS	12		<u>212,993</u>		<u>139,649</u>

These financial statements were approved by the Board of Directors on 19 July 2005.

Signed on behalf of the Board of Directors



R McGregor-Smith
Director

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

CASH FLOW STATEMENT
Year ended 31 March 2005

	Notes	Year ended 31 March 2005 £	3 February 2003 to 31 March 2004 £
Net cash inflow/(outflow) from operating activities	13	567,338	(42,066)
Returns on investments and servicing of finance			
Interest received		7,663	1,661
Taxation			
UK corporation tax (paid)/received		(23,833)	3,813
Capital expenditure			
Payments to acquire tangible fixed assets		(41,658)	(53,844)
Financing			
Issue of ordinary share capital		-	200,000
Increase in cash in the year	15	<u>509,510</u>	<u>109,564</u>

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2005

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:

Plant and office equipment	3 to 10 years
Motor vehicles	4 years

Leasing and hire purchase commitments

Rentals paid under operating leases are charged against income on a straight-line basis over the lease term.

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.

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2005

1. ACCOUNTING POLICIES (continued)

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 by 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 is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. 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.

Pension costs

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

2. OPERATING PROFIT/(LOSS) is stated after charging:	Year ended	Period ended
	31 March 2005 £	31 March 2004 £
Depreciation on owned assets	21,253	5,143
Auditors' remuneration - audit services	3,600	900
Operating lease rentals - land and buildings	36,800	-
Hire of plant	28,277	-
	<u> </u>	<u> </u>
3. INTEREST RECEIVABLE	Year ended	Period ended
	31 March 2005 £	31 March 2004 £
Bank interest	12,818	1,899
	<u> </u>	<u> </u>

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2005

4. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	Year ended 31 March 2005 £	Period ended 31 March 2004 £
(a) Analysis of charge in year		
United Kingdom corporation tax at 30% (note 4(b))	45,014	-
Deferred taxation:		
Timing differences - origination and reversal	(3,160)	2,124
Tax on profit/(loss) on ordinary activities	41,854	2,124

(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% (2004: 30%). The differences are as follows:

	£	£
Profit/(loss) on ordinary activities before tax	144,193	(58,227)
	£	£
Tax at 30% thereon	43,258	(17,468)
Expenses not deductible for tax purposes	204	2,061
Capital allowances less than depreciation	1,552	(2,124)
Generation of losses	-	17,531
Current tax charge for the year (note 4(a))	45,014	-

(c) Factors affecting future tax charges

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

5. DIVIDENDS	Year ended 31 March 2005 £	Period ended 31 March 2004 £
Final proposed		
- 'A' ordinary shares 12.7p (2004: nil) per share	12,995	-
- 'A' ordinary shares 8p (2004: nil) per share	8,160	-
- 'B' ordinary shares 8p (2004: nil) per share	7,840	-
	28,995	-

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2005

6. TANGIBLE FIXED ASSETS

	Motor vehicles £	Plant and office equipment £	Total £
Cost			
At 1 April 2004	40,958	12,886	53,844
Additions	31,467	10,191	41,658
At 31 March 2005	72,425	23,077	95,502
Depreciation			
At 1 April 2004	3,148	1,995	5,143
Charge for the year	15,731	5,522	21,253
At 31 March 2005	18,879	7,517	26,396
Net book value			
At 31 March 2005	53,546	15,560	69,106
At 31 March 2004	37,810	10,891	48,701

Capital commitments

At 31 March 2005 the directors had authorised capital expenditure of nil (2004: nil).

7. STOCKS	2005 £	2004 £
Work in progress	6,869	-
8. DEBTORS	2005 £	2004 £
Trade debtors	682,513	121,988
Amounts recoverable on contracts	64,378	132,899
Amounts owed by group undertakings	4,478	997
Other debtors	400	238
Prepayments and deferred income	15,466	-
Deferred tax asset	1,036	-
	768,271	256,122

A deferred tax asset of £1,036 has been recognised at 31 March 2005 (2004: provision of £2,124). This asset related to negative accelerated 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 credited to the profit and loss account in the year was £3,160 (2004: £2,124 charge).

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2005

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2005	2004
	£	£
Trade creditors	913,358	249,444
Amounts owed to group undertakings	84,422	250
Corporation tax	24,994	3,813
Other taxes and social security costs	160,573	5,143
Accruals and deferred income	37,270	13,964
Other creditors	715	-
Dividend payable	28,995	-
	<u>1,250,327</u>	<u>272,614</u>

10. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation	£
At 1 April 2004	2,124
Profit and loss account	(3,160)
At 31 March 2005 (note 8)	<u>(1,036)</u>

The amount of deferred taxation provided in the financial statements represents:

	2005	2004
	£	£
(Capital allowances in excess of depreciation)/depreciation in excess of allowances	<u>(1,036)</u>	<u>2,124</u>

There are no unprovided deferred taxation liabilities.

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2005

11. CALLED UP SHARE CAPITAL	2005 £	2004 £
Authorised		
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>
	£	£
Allotted and fully paid		
102,000 £1 'A' ordinary shares	102,000	102,000
98,000 £1 'B' ordinary shares	98,000	98,000
	<u>200,000</u>	<u>200,000</u>

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

Income

Dividends are declared on the following basis:

- (i) the profits available for distribution should be applied first in paying to the holders of the 'A' shares and the 'B' shares a dividend that the board should decide;
- (ii) secondly in paying a cumulative dividend to the holders of the 'A' shares which comprises of one half of the profits available for distribution after the payment of the dividend in (i); and
- (iii) thirdly in paying a dividend pari passu to the holders of the 'A' and 'B' shares.

Capital

On a return of capital, the assets of the company will be distributed equally to all £1 ordinary shareholders.

Voting

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

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2005

12. COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

	Share capital £	Profit and loss account £	2005 Total £	2004 Total £
At 1 April 2004	200,000	(60,351)	139,649	-
Issue of ordinary shares	-	-	-	200,000
Profit/(loss) for the financial year	-	102,339	102,339	(60,351)
Dividends	-	(28,995)	(28,995)	-
At 31 March 2005	200,000	12,993	212,933	139,649

13. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	Year ended 31 March 2005 £	Period ended 31 March 2004 £
Operating profit/(loss)	131,375	(60,126)
Depreciation charges	21,253	5,143
Increase in work in progress	(6,869)	-
Increase in debtors	(505,958)	(255,884)
Increase in creditors	927,537	268,801
Net cash inflow/(outflow) from operating activities	567,338	(42,066)

14. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2004 £	Cash flow £	At 31 March 2005 £
Cash at bank and in hand	109,564	509,510	619,074

15. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	Year ended 31 March 2005 £	Period ended 31 March 2004 £
Increase in cash in the year	509,510	-
Net funds at beginning of year	109,564	109,564
Net funds at end of year	619,074	109,564

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2005

16. FINANCIAL COMMITMENTS

Operating leases

At 31 March 2005 the company had annual commitments under non-cancellable operating leases as follows:

Land and buildings	Year ended 31 March 2005 £	Period ended 31 March 2004 £
Expiry date between two to five years	44,400	-

Commitments on behalf of group undertakings

The company is party with other group undertakings to cross-guarantees of each other's bank overdrafts. As at 31 March 2005, the overall commitment was nil (2004: nil).

17. DIRECTORS

	Year ended 31 March 2005 £	Period ended 31 March 2004 £
<i>The emoluments of directors of the company were:</i>		
Fees and other emoluments (excluding pension contributions but including benefits-in-kind)	164,440	32,898
	No.	No.
The number of directors who were members of a defined benefit pension scheme	3	-

C S Acheson, I R Stewart and R McGregor-Smith are remunerated by MITIE Group PLC for their services to the group as a whole. It is not practicable to allocate their remuneration between their services as directors of MITIE Engineering Services (Edinburgh) Limited and their services as directors of other group companies.

C S Acheson, I R Stewart and R McGregor-Smith are directors of MITIE Group PLC and their emoluments and pension details are disclosed in the group accounts.

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2005

18. EMPLOYEES

Number of employees

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

	Year ended 31 March 2005 No.	Period ended 31 March 2004 No.
Site labour	14	1
Administration and management	9	3
	<u>23</u>	<u>4</u>
Employment costs (including directors)	£	£
Wages and salaries	658,721	93,475
Social security costs	72,361	10,624
Pension costs	12,167	-
	<u>743,249</u>	<u>104,099</u>

19. RELATED PARTY TRANSACTIONS

MITIE Group PLC is a 52% shareholder of MITIE Engineering Services (Edinburgh) Limited.

MITIE Engineering Services (Edinburgh) Limited paid management charges of £15,000 (2004: £12,500) to companies within MITIE Group PLC. At the end of the year nil (2004: nil) remained outstanding in respect of these charges.

During the year, MITIE Engineering Services (Edinburgh) Limited provided services at an amount of nil (2004: £11,391) to companies within the MITIE Group PLC on normal commercial terms. An amount of nil (2004: £997) is included in debtors in respect of these services.

During the year, MITIE Engineering Services (Edinburgh) Limited purchased goods and services at an amount of £345,228 (2004: £44,424) from companies within the MITIE Group PLC on normal commercial terms. An amount of £84,422 (2004: £250) is included in creditors in respect of these charges at the period end.

MITIE ENGINEERING SERVICES (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2005

20. 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. The company is unable to identify its share of the underlying assets and liabilities of the scheme and accordingly accounts for the scheme as if it were a defined contribution scheme.

Contributions to the scheme for the period are shown in note 18 and the agreed contribution rate for the next 12 months is 10% (2004: 10%) and 7.5% (2004: 7.5%) for the group and employees respectively.

The next actuarial valuation which was due on 6 April 2005 is currently being prepared. The 2002 actuarial valuation, which was performed on 6 April 2002 by a professionally qualified actuary, showed that the actuarial value of the assets represented 87% of the benefits that had accrued to members after allowing for expected future increases in earnings.

21. PARENT UNDERTAKING AND CONTROLLING PARTY

The directors regard MITIE Group PLC, a company registered in Scotland, as 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.