

**Company Registration Number:**

**05909104**

**MITIE PAYROLL SERVICES LIMITED**

**Annual Report and Financial Statements**

**For the year ended 31 March 2014**

**SATURDAY**



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**Officers and professional advisors**

**DIRECTORS**

M A Freeman

R Couzens

**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

## Directors' report

The directors' report and financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and therefore a strategic report is not required.

### Review of the business

The company ceased to trade in the prior financial year, and is consequently no longer considered to be a going concern.

### Directors

The directors who served during the year were:

M A Freeman  
R Couzens

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 auditor in the preparation of their report) of which the Company's auditor is 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 auditor is 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.

### Directors' responsibilities statement

The directors are responsible for preparing the Report and Financial Statements. The directors have elected to prepare financial statements in accordance with UK GAAP. 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 Directors' report which complies with the relevant requirements of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



M A Freeman  
Director  
7 August 2014

## **Independent auditor's report to the members of Mitie Payroll Services Limited**

We have audited the financial statements of Mitie Payroll Services Limited for the year ended 31 March 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 2014 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Emphasis of matter – Financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made above to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

### **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 Payroll Services Limited (continued)**

### **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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report.



**Judith Tacon (Senior statutory auditor)**  
**for and on behalf of Deloitte LLP**  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

7 August 2014

**Profit and loss account****For the year ended 31 March 2014**

	<b>Note</b>	<b>2014 £'000</b>	<b>2013 £'000</b>
Administration expense		-	(2)
<b>Operating profit/(loss)</b>	<b>2</b>	-	(2)
<b>Profit/(loss) on ordinary activities before interest and taxation</b>		-	(2)
Interest receivable and similar income	<b>5</b>	-	1
<b>Profit/(loss) on ordinary activities before taxation</b>		-	(1)
Tax credit/(charge) on profit/(loss) on ordinary activities	<b>6</b>	-	(1)
<b>Profit/(loss) for the financial year</b>	<b>9</b>	-	(2)

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

There are no recognised gains and losses for the current or 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 presented.

**Balance sheet****As at 31 March 2014**

	Note	2014 £'000	2013 £'000
<b>Current assets</b>			
Debtors			
- due within one year	7	10	-
Cash at bank and in hand		-	16
		<u>10</u>	<u>16</u>
<b>Creditors: amounts falling due within one year</b>	8	(1)	(7)
		<u>9</u>	<u>9</u>
<b>Net current assets</b>			
		<u>9</u>	<u>9</u>
<b>Total assets less current liabilities</b>		9	9
<b>Net assets</b>		<u>9</u>	<u>9</u>
<b>Share capital and reserves</b>			
Profit and loss account	9	9	9
		<u>9</u>	<u>9</u>
<b>Shareholders' funds</b>	10	<u>9</u>	<u>9</u>

The financial statements of Mitie Payroll Services Limited were approved by the board of directors and authorised for issue on 7 August 2014.



Signed on its behalf by:  
M.A Freeman  
Director



**Notes to the financial statements****Year ended 31 March 2014****1. Accounting policies**

The financial statements of the Company have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards and law.

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

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

**Cash flow statement**

The Company has taken the exemption from the requirement to prepare a cash flow statement, as it is included within the consolidated financial statements of Mitie Group plc and greater than 90% of the voting rights of the Company are held by Mitie Group plc.

**2. Operating profit**

	2014 £'000	2013 £'000
<b>Operating Profit/(loss) is stated after charging</b>		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	-	4
	<u>          </u>	<u>          </u>

Audit fees of £5,000 were borne by Mitie Cleaning & Environmental Services Limited and not recharged.

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. Directors**

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
M A Freeman	Mitie Facilities Services Limited
R Couzens	Mitie Facilities Services Limited

**4. Employees**

There were no persons (including directors) employed by the Company during the financial year.

**5. Interest**

	2014 £'000	2013 £'000
<b>Interest receivable and similar income</b>		

**Notes to the financial statements****Year ended 31 March 2014**

Bank interest

-	1
-	1

**6. Tax on profit/(loss) on ordinary activities**

£'000 £'000

**(a) Analysis of credit/(charge) in the year**

United Kingdom corporation tax 23% (2013: 24%)

Adjustment in respect of prior years

-	-
-	(1)
-	(1)

Total current tax (Note 6(b))

-	(1)
-	(1)

Tax on profit/(loss) on ordinary activities

**(b) Factors affecting tax credit/(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 23% (2013: 24%). The differences are as follows:

Profit/(loss) on ordinary activities before tax

-	(1)
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Tax at 23% (2013: 24%) thereon:

-	-
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Adjustments to tax charge in respect of prior periods

-	(1)
---	-----

Current tax credit for the year (Note 6(a))

-	(1)
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The UK Government announced reductions in the UK corporation tax rate from 23% to 21% from 1 April 2014 and from 21% to 20% from 1 April 2015, which were substantively enacted on 2 July 2013. The reduction in the balance sheet carrying value of deferred tax assets and liabilities to reflect the rate of tax at which those differences are expected to reverse has not had a material impact on the current year tax charge.

**7. Debtors**2014 2013  
£'000 £'000**Amounts falling due within one year:**

Amounts owed by Group undertakings

10	-
10	-

**Notes to the financial statements****Year ended 31 March 2014****8. Creditors: amounts falling due within one year**

	2014 £'000	2013 £'000
Amounts owed to Group undertakings	1	-
Corporation tax	-	2
Accruals and deferred income	-	5
	<u>1</u>	<u>7</u>
	<u><u>1</u></u>	<u><u>7</u></u>

**9. Reserves**

	Profit and loss account £'000
At start of year	9
Profit/(loss) for the financial year	-
	<u>-</u>
At end of year	<u>9</u>
	<u><u>9</u></u>

**10. Reconciliation of movement in shareholders' funds**

	2014 £'000	2013 £'000
Profit/(loss) for the financial year	-	(2)
	<u>-</u>	<u>(2)</u>
Net addition to shareholders' funds/(deficit)	-	(2)
Opening shareholders' funds	9	11
	<u>9</u>	<u>11</u>
Closing shareholders' funds	<u>9</u>	<u>9</u>
	<u><u>9</u></u>	<u><u>9</u></u>

**11. Related party transactions**

The Company has taken the exemption available under FRS 8 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 FRS 8.

**Notes to the financial statements**

**Year ended 31 March 2014**

**12. Ultimate parent undertaking and controlling party**

Mitie Facilities Services Ltd 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.