

Company Registration Number: 6600039

MITIE T S 2 LIMITED

Report and Financial Statements

Year ended 31 March 2011

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MITIE T S 2 LIMITED

REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2011

CONTENTS

	Page
Officers and professional advisors	3
Directors' report	4
Independent auditor's report	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

MITIE T S 2 LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

S C Baxter
R McGregor-Smith

SECRETARY

MITIE Company Secretarial Services Limited

REGISTERED OFFICE

8 Monarch Court
The Brooms
Emersons Green
Bristol
BS16 7FH

BANKERS

HSBC Bank PLC
62 George White Street
Cabot Circus
Bristol
BS1 3BA

AUDITOR

Deloitte LLP
Bristol

MITIE T S 2 LIMITED

DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable United Kingdom Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company is a wholly owned subsidiary of MITIE Group PLC (the 'group'). The company provides treasury services to the group.

Although there was little in the way of trading, the company made a profit, mainly due to interest received from intercompany loans.

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

Dividends for each share class were declared as follows:

A' Ordinary: No Dividend

B' Ordinary: No Dividend

PRINCIPAL RISKS AND UNCERTAINTIES

The key risk to the company is the recoverability of its intercompany debtors. These risks are managed by maintaining strong relationships with its subsidiaries.

Group risks are discussed in the group's annual report which does not form part of this report.

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.

DIRECTORS' REPORT CONTINUED

GOING CONCERN

The company was profitable in the year. The directors have considered the forecast and budgeted profit and associated cash flows for the coming five years. The directors have considered the facilities available to the entity 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.

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 report which does not form part of this report.

DIRECTORS

The directors during the year and subsequently were as follows:

S C Baxter

R McGregor-Smith

AUDITOR

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


So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

Approved by the Board and signed on its behalf by:

S C Baxter
Director


30 August 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MITIE T S 2 LIMITED

We have audited the financial statements of MITIE T S 2 Limited for the year ended 31 March 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. 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 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. 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 2011 and of its profit 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.

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.

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.

Nigel Thomas
Nigel Thomas (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Bristol, United Kingdom

31 August 2011

MITIE T S 2 LIMITED
PROFIT AND LOSS ACCOUNT
Year ended 31 March 2011

	Note	2011 £'000	2010 £'000
TURNOVER	1	-	-
Cost of sales		-	-
GROSS PROFIT		-	-
OPERATING PROFIT	2	-	-
PROFIT ON OPERATING ACTIVITIES BEFORE INTEREST AND TAXATION		-	-
Interest receivable and similar income	3	3,825	94
Interest payable and similar charges	3	(19)	-
PROFIT ON OPERATING ACTIVITIES BEFORE TAXATION		3,806	94
Tax on profit on ordinary activities	4	(1,092)	-
PROFIT FOR THE FINANCIAL YEAR		<u>2,714</u>	<u>94</u>

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

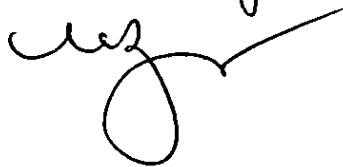
There are no recognised gains and losses for the current or preceding financial year other than as stated in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses is presented

MITIE T S 2 LIMITED
BALANCE SHEET
Year ended 31 March 2011

		2011	2010
	Note	£'000	£'000
CURRENT ASSETS			
Debtors			
- due within one year	5	1,527	1,527
- due after one year	5	72,993	69,190
Cash at bank and in hand		46	69
		<u>74,567</u>	<u>70,786</u>
CREDITORS AMOUNTS FALLING DUE	6	<u>(2,500)</u>	<u>(1,433)</u>
NET CURRENT ASSETS		<u>72,067</u>	<u>69,353</u>
CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR	7	(69)	(69)
NET ASSETS		<u>71,998</u>	<u>69,284</u>
SHARE CAPITAL AND RESERVES			
Called up share capital	8	-	-
Share premium account	9	-	-
Other reserve		69,190	69,190
Profit and loss account	9	2,808	94
SHAREHOLDERS' FUNDS	10	<u>71,998</u>	<u>69,284</u>

The financial statements of MITIE T S 2 Limited, company registered number 06600039, were approved by the board and authorised for issue on 30 August 2011

S C Baxter
Director



MITIE T S 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2011

1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial year are described below.

Accounting convention

The accounts are prepared under the historical cost convention.

Going concern

Details regarding the director's consideration of going concern are given in the going concern section of the director's report.

Taxation

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 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.

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

Audit fees of £3,500 (2010: £3,500) were borne by MITIE Group PLC 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 INTEREST

	2011 £'000	2010 £'000
Interest receivable and similar income		
Accretion of intercompany interest	3,825	94
	<u>3,825</u>	<u>94</u>
Interest payable and similar charges		
Other	19	-
	<u>19</u>	<u>-</u>

MITIE T S 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2011

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2011 £'000	2010 £'000
(a) Analysis of charge in the year		
United Kingdom corporation tax 28% (2010 28%)	1,066	-
Adjustment in respect of prior years	26	-
Tax on profit on ordinary activities	<u>1,092</u>	<u>-</u>

(b) Factors affecting tax charge in the year

The tax assessed for the period differs from that resulting from applying the standard rate of corporation tax in the UK of 28% (2010 28%). The differences are as follows

	£'000	£'000
Profit on ordinary activities before tax	<u>3,806</u>	<u>94</u>
	£'000	£'000
Tax at 28% (2010 28%) thereon	1,066	26
Non-taxable income from shares in group undertakings	-	(26)
Adjustments to tax charge in respect of prior periods	26	-
Current tax charge for the year (Note 4 (a))	<u>1,092</u>	<u>-</u>

The forthcoming changes in the corporation tax rate from 28% to 23% in future years will not materially affect the future tax charge

5 DEBTORS

	2011 £'000	2010 £'000
Amounts falling due within one year		
Amounts owed by Group undertakings (Intercompany loan with Energy)	<u>1,527</u>	<u>1,527</u>
	<u>1,527</u>	<u>1,527</u>
	£'000	£'000
Amounts falling due after more than one year		
Amounts owed by Group undertakings	<u>72,993</u>	<u>69,190</u>
	<u>72,993</u>	<u>69,190</u>
		£'000
Principal of loan under Forward Subscription Agreement with MITIE Facilities Services Ltd (payable 31/3/2012)		69,190
Accretion/Notional Interest for the year ended 31 March 2011		<u>3,803</u>
		<u>72,993</u>

MITIE T S 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2011

6 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £'000	2010 £'000
Amounts owed to Group undertakings	1,434	1,433
Corporation tax	1,066	-
	<u>2,500</u>	<u>1,433</u>

7 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £'000	2010 £'000
Other loans	69	69
	<u>69</u>	<u>69</u>

8 CALLED UP SHARE CAPITAL

	2011 £'000	2010 £'000
Allotted, called up and fully paid share capital		
1 £1 A' Ordinary	-	-
1 £1 B' Ordinary	-	-
	<u>-</u>	<u>-</u>

9 RESERVES

	Other reserve £'000	Profit and loss account £'000
At 1 April 2010	69,190	94
Profit for the year	-	2,714
At 31 March 2011	<u>69,190</u>	<u>2,808</u>

On 23 March 2010, MITIE T S 2 Limited entered into a Forward Subscription Agreement with a fellow subsidiary for the rights to receive the cash flows from a loan principal in exchange for a future issue of shares

10 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £'000	2010 £'000
Profit for the financial year	2,714	94
Shares to be issued reserve	-	69,190
Net addition to shareholders' funds	<u>2,714</u>	<u>69,284</u>
Opening shareholders' funds	69,284	-
Closing shareholders' funds	<u>71,998</u>	<u>69,284</u>

11 DIRECTORS

The following directors are also directors 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 of other group companies.

Director
S C Baxter
R McGregor-Smith

Remunerated by
MITIE Group PLC
MITIE Group PLC

MITIE T S 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2011

12 RELATED PARTY TRANSACTIONS

The company has taken the exemption available under FRS8 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

13 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The directors regard MITIE Group PLC, a company registered in Scotland, as the company's immediate and ultimate parent undertaking 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.