

MITIE NI Limited

Reports and Financial Statements
for the financial year ended
31 March 2019

Registered number: NI57012



MITIE NI LIMITED

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

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MITIE NI LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Leslie Sheridan
Richard Blumberger (Resigned 18/01/2019)
Peter Dickinson
Matthew Idle (Appointed 18/01/2019)

SECRETARY

MITIE Company Secretarial Services Ltd

REGISTERED OFFICE

Clara House
Dunmurray Office Park
37A Upper Dunmurray Lane
BT17 0AA
Northern Ireland

AUDITOR

BDO
Statutory Audit Firm
Beaux Lane House
Mercer Street Lower
Dublin 2

BANKERS

Bank of Ireland
Belfast City
BT1 2BA
Northern Ireland

SOLICITORS

John Ross & Son Solicitors
734 Upper Newtownards Road
Dundonald
Belfast
BT16 1RJ

MITIE NI LIMITED
STRATEGIC REPORT

The directors, in preparing this strategic report, have complied with S414C of the Companies Act 2006.

REVIEW OF THE BUSINESS

Mitie NI Limited ("the company"), a subsidiary of Mitie Group plc ("the Group") provides a comprehensive suite of outsourced integrated or single service facilities management services to banking, industrial and commercial ventures. There has been no significant changes in the company's principal activities in the year under review.

As shown in the company's statement of comprehensive income on page 13, the total comprehensive profit for the year has increased by £27,332 from the prior year. The statement of financial position on page 14 of the financial statements shows the company's financial position has improved at the year-end in net asset terms by 26%.

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. The report is publicly available at www.mitie.com.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have an established risk management and corporate governance framework for identifying, evaluating and managing significant risks faced by Mitie NI Limited. The directors recognise that risks and uncertainties offer the potential for both upside and downside changes to our business. The directors employ internal and external specialists to manage our risk profile and regularly review our system of internal control to ensure that risks are appropriately identified and addressed.

The company's principal risks and uncertainties are set out below:

Contract bidding mobilisation and delivery

Complex integrated facilities management contracts are materially important to the achievement of our strategic objectives. The company's ability to successfully bid, mobilise, operate and manage such contracts is critical for the maintenance of our financial position. As the service offering becomes increasingly complex as a business differentiator, the company becomes increasingly reliant on the delivery of sophisticated technological solutions to the clients. These solutions necessarily carry increased risk around design, delivery and successful implementation when compared to our more traditional business activities.

Financial strength and access to sources of funding

The company's financial strength makes the company an attractive partner to our clients and stakeholders. Should the company's financial performance deteriorate, the company's ability to access funding on competitive terms could be impacted. As a people business, the company's most significant area of expenditure is staff costs which have to be paid regularly and at specific times. The company's ability to do this is reliant upon the continued availability of funding, the company's ability to manage our cash flow and working capital.

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Significant health, safety or environmental incident

Many of the company's diverse operations, if not effectively managed, have the potential to result in significant harm to the employees, business partners, members of the public, or to damage the environment. As a major employer, the company's focus on and commitment to, safeguarding the people and protecting the environment remains unwavering. Failure to do so could result in a significant incident, affecting an employee, their family, friends and colleagues, or lead to a regulatory action, financial impact or damage to the company's reputation.

System, process or control failure may impact the company's operational performance

The company's operational efficiency and future business performance is increasingly reliant on the use of sophisticated, interdependent business systems, which provide the basis for contract management and business support activities. These systems in addition to our governance framework of policies and procedures will remain critical for the control and success of the business as they help to drive innovative solutions to customer requirements, improve operational efficiency via the use of targeted management information and underpin the effectiveness of our business support functions. The business critical nature of these systems means that operational failure may result in a significant impact on operational delivery, contract management and client expectations.

Retention and attraction of skilled people

The company acknowledges the importance of attracting and retaining the best skilled people at all levels of the business to achieve the strategic objectives and helping to deliver the company's long term growth aspirations. This is particularly the case where the company requires specialist technical expertise or management and where the market may be highly competitive. Challenges in attracting new talent, or developing and retaining our existing employees could impact the company's ability to achieve our strategic growth objectives.

Continuing uncertainty in the economic environment

The company's principle macro-economic exposure remains the UK. The directors are closely monitoring the ongoing Brexit negotiations, and potential resulting policy changes, in particular relating to the Northern Ireland/ Republic of Ireland border to determine the impact on future contract opportunities. Regulatory wage inflation and other labour costs provides further challenge. The directors' ability to recognise and respond to variations in the volume, value and range of services required may impact the company's ability to win or retain significant business opportunities.


The directors have implemented procedures and controls to mitigate against these risks, insofar as is possible.

FUTURE DEVELOPMENTS

In the coming period the company will continue to look at growth opportunities in the Northern Ireland market that are within its principal activities. Our strategy is to deliver sustainable, profitable growth, and is supported by a focus on six key elements:

- | | |
|--------------------------|--|
| People | - Develop the best talent at every level of our business. |
| Clients | - Provide world-class services to attract new clients and retain and expand contracts with existing clients. |
| Operational excellence | - Deliver market-leading, innovative services with maximum efficiency. |
| New Markets and Services | - Develop our service capability in our current markets and in markets that offer attractive growth opportunities. |
| Risk | - Manage risk and protect our business and brand. |
| Responsibility | - Take a long term view by acting responsibly. |

By order of the Board



Leslie Sheridan
Director

Date: 18 December 2019

MITIE NI LIMITED

DIRECTORS' REPORT

The directors submit their annual report and audited financial statements of MITIE NI Limited ("the company") for the financial year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The company is a subsidiary of MITIE Group PLC ("the Group").

On 27 January 2012 the immediate parent undertaking of MITIE NI Limited changed from MITIE Group PLC, a UK registered undertaking, to MITIE Facilities Management Limited, an Irish registered undertaking.

The company's principal activities during the year continued to be the provision of a comprehensive suite of outsourced integrated or single service facilities management services to banking, industrial and commercial ventures.

In the coming periods, the company will continue to look at growth opportunities in the Northern Ireland market that are within its principal activities.

REVIEW OF THE YEAR

Revenue for the year was £5,123,563 (2018: £6,278,143). Total comprehensive income for the year was £186,657 (2018: £159,325). There was no dividend declared or paid in the current and prior financial year.

GOING CONCERN

The company made a profit in the year. At 31 March 2019, it had net current assets of £978,692 (2018: £774,221) including cash and cash equivalents of £1,459,317 (2018: £1,058,654). This, along with forecasts which show profitability going forward, means that the directors believe that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern assumption.

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.

MITIE NI LIMITED

DIRECTORS' REPORT (CONTINUED)

SUBSEQUENT EVENTS

There have been no reportable events since financial year end.

DIRECTORS AND SECRETARY

The directors and secretary who served throughout the year and to the date of this report, except as noted were as follows:

Directors:

Leslie Sheridan

Richard Blumberger (Resigned 18/01/2019)

Peter Dickinson

Matthew Idle (Appointed 18/01/2019)

Secretary:

MITIE Company Secretarial Services Ltd

CREDITOR PAYMENT POLICY

The company's policy is to source goods and services from a wide range of suppliers in accordance with commercial practices based on fairness and transparency. The company works to ensure that payments are made to them in accordance with agreed contractual terms.

ENVIRONMENT

MITIE NI Limited endeavours 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 MITIE Group policies, which are described in the Group's annual report which does not form part of this report but is publicly available.

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 the aptitudes 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 group 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 purposes of the business and the commercial realities of success.

MITIE NI LIMITED

DIRECTORS' REPORT (CONTINUED)

STATEMENT ON RELEVANT AUDIT INFORMATION

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

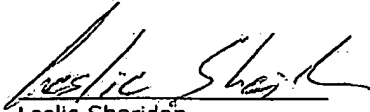
- So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The directors have taken all the necessary steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

AUDITOR

BDO have expressed their willingness to continue in office as auditors, in accordance with the provisions of Section 485 of the Companies Act 2006. A resolution to reappoint BDO, Chartered Accountants and Registered Auditors, will be proposed at the forthcoming Annual General Meeting.

By order of the Board


Leslie Sheridan
Director

Date: 18 December 2019

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), including FRS 101 "Reduced Disclosure Framework". 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 the company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MITIE NI LIMITED

Opinion

We have audited the financial statements of MITIE NI LIMITED (the 'Company') for the financial year ended 31 March 2019, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MITIE NI LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MITIE NI LIMITED (CONTINUED)

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

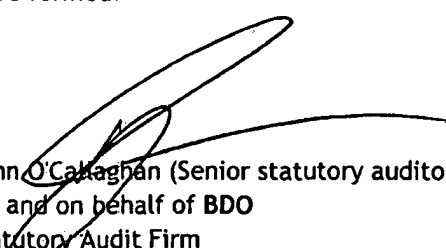
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

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.



John O'Callaghan (Senior statutory auditor)
for and on behalf of BDO
Statutory Audit Firm
AI223876
Mercer Street Lower
Dublin 2

Date: 18 December 2017

MITIE NI LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	<i>Notes</i>	2019 £	2018¹ £
Revenue	3	5,123,563	6,278,143
Cost of sales		(4,646,016)	(5,749,546)
GROSS PROFIT		477,547	528,597
Operating expenses		(229,219)	(333,442)
OPERATING PROFIT	4	248,328	195,155
Finance income	7	2,514	1,055
PROFIT BEFORE TAXATION		250,842	196,210
Taxation	8	(64,185)	(36,885)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		186,657	159,325

All recognised gains and losses for both the current year and the previous year are included in the statement of comprehensive income and arise from continuing operations.

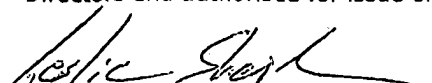
¹ The Company has applied IFRS 9 starting 1 April 2018 using the transition option available in the standard by disclosing the impact as an adjustment to retained earnings at the date of initial application. Under this option, the comparative information is not restated. The Company has determined that the transition to IFRS 9 has not resulted in any material impact on the financial statements.

MITIE NI LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019**

	Notes	2019	2018 ¹
		£	£
NON-CURRENT ASSETS			
Property, plant and equipment	9	13,913	26,548
Deferred tax asset	10	-	5,179
TOTAL NON-CURRENT ASSETS		13,913	31,727
CURRENT ASSETS			
Inventory	11	51,586	56,559
Trade and other receivables	12	896,436	1,182,055
Cash and cash equivalents		1,459,317	1,058,654
TOTAL CURRENT ASSETS		2,407,339	2,297,268
TOTAL ASSETS		2,421,252	2,328,995
CURRENT LIABILITIES			
Trade and other payables	13	1,426,496	1,523,047
Deferred tax liability	10	2,151	-
TOTAL CURRENT LIABILITIES		1,428,647	1,523,047
EQUITY			
Called up share capital	14	10	10
Capital contribution	15	485	485
Profit and loss account	16	992,110	805,453
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS		992,605	805,948
TOTAL EQUITY AND LIABILITIES		2,421,252	2,328,955

The financial statements of MITIE NI Limited, registered number: NI57012, were approved by the Board of Directors and authorised for issue on 18 December 2019 and signed on its behalf by:


Leslie Sheridan
Director

¹ The Company has applied IFRS 9 starting 1 April 2018 using the transition option available in the standard by disclosing the impact as an adjustment to retained earnings at the date of initial application. Under this option, the comparative information is not restated. The Company has determined that the transition to IFRS 9 has not resulted in any material impact on the financial statements.

MITIE NI LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Called-up Share Capital	Capital Contribution	Profit and Loss Account	Total
	£	£	£	£
Balance at 1 April 2017	10	485	646,128	646,623
Total comprehensive income for the financial year	-	-	159,325	159,325
Balance at 1 April 2018 ¹	10	485	805,453	805,948
Total comprehensive income for the financial year	-	-	186,657	186,657
At 31 March 2019	10	485	992,110	992,605

¹ The Company has applied IFRS 9 starting 1 April 2018 using the transition option available in the standard by disclosing the impact as an adjustment to retained earnings at the date of initial application. Under this option, the comparative information is not restated. The Company has determined that the transition to IFRS 9 has not resulted in any material impact on the financial statements.

1. ACCOUNTING POLICIES

The company is a private company limited by shares and is registered in Northern Ireland. The address of the company's registered office is shown on page 2. The nature of the company's operations and its principal activities are set out in the Strategic Report on pages 3-5. The financial statements are presented in pounds sterling as this is the currency of the primary economic environment in which the company operates. The financial statements of the company are included in the group accounts of Mitie Group Plc. The financial statements are available as set out on page 3. The company has applied financial reporting standard 101 'Reduced Disclosure Framework' (FRS101) issued by the Financial Reporting Council.

Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and comply with Companies Act 2006. The financial statements have been approved on the historical cost basis except for certain financial instruments which are required to be measured at fair value.

Going Concern

The Company made a profit in the year. At 31 March 2019, it had net current assets of £978,692 (2018: £774,221) including cash and cash equivalents of £1,459,317 (2018: £1,058,654). This, along with forecasts which show profitability going forward, means that the directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern assumption.

FRS101 Reduced disclosure exemptions

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.
- Disclosure in respect of related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

As the consolidated financial statements of Mitie Group plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of Group settled share based payments;
- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (continued)

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the Directors, in the application of these accounting policies, that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

Revenue recognition policy

The Company operates contracts with a varying degree of complexity across its service lines so accordingly, a range of methods are used for the recognition of revenue based on the principles set out in IFRS 15. Revenue representing income recognised in respect of services provided during the period is based on the delivery of performance obligations and an assessment of when control is transferred to the customer.

Step 1 - Identify the contract(s) with a customer

For all contracts with customers, the Company determines if the arrangement creates enforceable rights and obligations. This assessment results in certain Framework arrangements or Master Service Agreements (MSAs) not meeting the definition of a contract under IFRS 15 unless it specifies the minimum quantities to be ordered. Usually the work order and any change orders together with the Framework or MSA will constitute the IFRS 15 contract.

Duration of contract

The Company frequently enters into contracts with customers which contain extension periods at the end of the initial term, automatic annual renewals, and/or termination for convenience and break clauses that could impact the actual duration of the contract. As the term of the contract impacts the period over which amortisation of contract assets and revenue from performance obligations may be recognised, the Company applies judgement to assess the impact that such clauses have in determining the relevant contract term. In forming this judgement, management considers certain influencing factors including the amount of discount provided, the presence of significant termination penalties in the contract, and the relationship, experience and performance of contract delivery with the customer and/or the wider industry, in understanding the likelihood of extension or termination of the contract.

Contract modifications

A contract modification takes place when the amendment creates new enforceable rights and obligations or changes the existing price or scope (or both) of the contract, and the modification has been approved. Contract modifications can be approved in writing, by oral agreement, or implied by customary business practices.

If the parties to the contract have not approved a contract modification, revenue is recognised in accordance with the existing contractual terms. If a change in scope has been approved but the corresponding change in price is still being negotiated, the Company estimates the change to the total transaction price.

Contract modifications are accounted for as a separate contract if the contract scope changes due to the addition of distinct goods or services and the change in contract prices reflects the standalone selling price of the distinct good or service. The facts and circumstances of any modification are considered in isolation as these are specific to each contract and may result in different accounting outcomes.

Step 2 - Identify the performance obligations in the contract

Performance obligations are the contractual promises by the Company to transfer distinct goods or services to a customer. For arrangements with multiple components to be delivered to customers such as in the Company's integrated facilities management contracts, the Company applies judgement to consider whether those promised goods and services are:

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES (continued)

Revenue recognition policy (continued)

- i. Distinct and accounted for as separate performance obligations;
- ii. Combined with other promised goods or services until a bundle is identified that is distinct or;
- iii. Part of a series of distinct goods and services that are substantially the same and have the same pattern of transfer over time i.e. where the customer is deemed to have simultaneously received and consumed the benefits of the goods or services over the life of the contract, the Company treats the series as a single performance obligation.

Step 3 - Determine the transaction price

At contract inception, the total transaction price is determined, being the amount to which the Company expects to be entitled and has rights under the current contract. This includes the fixed price stated in the contract and an assessment of any variable consideration, up or down, resulting from e.g. discounts, rebates, service penalties. Variable consideration is typically estimated based on the expected value method and is only recognised to the extent it is highly probable that a subsequent change in its estimate would not result in a significant revenue reversal.

Step 4 - Allocate the transaction price to the performance obligations in the contract

The Company allocates the total transaction price to the identified performance obligations based on their relative stand-alone selling prices. This is predominantly based on an observable price or a cost plus margin arrangement.

Step 5 - Recognise revenue when or as the entity satisfies its performance obligations

For each performance obligation, the Company determines if revenue will be recognised over time or at a point in time. Where revenue is recognised over time, the Company applies the relevant output or input revenue recognition method for measuring progress that faithfully depicts the Company's performance in transferring control of the goods and services to the customer.

Certain contracts use output methods based upon surveys of performance completed, appraisals of results achieved, or milestones reached which allow the Company to recognise revenue on the basis of direct measurements of the value to the customer of the goods and services transferred to date relative to the remaining goods and services under the contract.

Under the input method, measured progress and revenue are recognised in direct proportion to costs incurred where the transfer of control is most closely aligned to the Company's efforts in delivering the service.

Where deemed appropriate, the Company will utilise the practical expedient within IFRS15, allowing revenue to be recognised at the amount which the Company has the right to invoice, where that amount corresponds directly with the value to the customer of the Company's performance completed to date.

If performance obligations do not meet the criteria to recognise revenue over time, revenue is recognised at the point in time when control of the good or service passes to the customer. This may be at the point of physical delivery of goods and acceptance by a customer or when the customer obtains control of an asset or service in a contract with customer-specified acceptance criteria.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (CONTINUED))

Revenue recognition policy *(continued)*

Long-term complex contracts

The Company has a number of long-term complex contracts which are predominantly integrated facilities management arrangements. Typically, these contracts involve the provision of multiple service lines, with a single management team providing an integrated service. Such contracts tend to be transformational in nature where the business works with the client to identify and implement cost saving initiatives across the life of the contract. The Company considers the majority of services provided within integrated facilities management contracts meet the definition of a series of distinct goods and services that are substantially the same and have the same pattern of transfer over time. The series constitutes services provided in distinct time increments (e.g. monthly or quarterly) and therefore the Company treats the series of such services as one performance obligation. The Company also delivers major project-based services under long-term complex contracts that include performance obligations under which revenue is recognised over time as value from the service is transferred to the customer. This may be where the Company has a legally enforceable right to remuneration for the work completed to date, or at milestone periods, and therefore revenue will be recognised in line with the associated transfer of control or milestone dates.

Repeat service-based contracts (single and bundled contracts)

The Company operates a number of single or joint-service line arrangements where repeat services meet the definition of a series of distinct services that are substantially the same. They have the same pattern of transfer of value to the customer as the series constitutes core services provided in distinct time increments (e.g. monthly or quarterly). The Company therefore treats the series of such services as one performance obligation.

Short-term service-based arrangements

The Company delivers a range of other short-term service based performance obligations and professional services work across certain reporting segments for which revenue is recognised at the point in time when control of the service has transferred to the customer. This may be at the point when the customer obtains control of the service in a contract with customer-specified acceptance criteria e.g. the delivery of a strategic operating model or report.

Sales of goods are recognised when goods are delivered and control has passed to the customer.

Other revenue

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Contract assets

Pre-contract costs

The Company incurs pre-contract expenses (e.g. legal costs) when it is expected to enter into a new contract. The incremental costs to obtain a contract with a customer are recognised within contract assets if it is expected that those costs will be recoverable. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained are recognised as an expense in the period.

Contract fulfilment costs

Costs incurred to ensure that the project or programme has appropriate organisational, operational and technical infrastructures, and mechanisms in place to enable the delivery of full services under the contract target operating model, are defined as contract fulfilment costs. Only costs which meet all three of the criteria below are included within contract assets on the balance sheet:

- i. the costs directly relate to the contract (e.g. direct labour, materials, sub-contractors);
- ii. the Company is building an asset that belongs to the customer that will subsequently be used to deliver contract outcomes;
- iii. the costs are expected to be recoverable i.e. the contract is expected to be profitable after amortising the capitalised costs.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES (CONTINUED)

Revenue recognition policy *(continued)*

Contract fulfilment costs covered within the scope of another accounting standard, such as inventories, intangible assets, or property, plant and equipment are not capitalised as contract fulfilment assets but are treated according to the other standard.

Amortisation and impairment of contract assets

The Company amortises contract assets (pre-contract costs and contract fulfilment costs) on a systematic basis that is consistent with the Company's transfer of the related goods or services to the customer. The expense is recognised in profit or loss in the period.

A capitalised pre-contract cost or contract fulfilment cost is derecognised either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

The Company is required to determine the recoverability of contract related assets at each reporting date. An impairment exists if the carrying amount of any asset exceeds the amount of consideration the entity expects to receive in exchange for providing the associated goods and services, less the remaining costs that relate directly to providing those goods and services under the relevant contract. In determining the estimated amount of consideration, the Company uses the same principles as it does to determine the contract transaction price which includes estimates around variable consideration. An impairment is recognised immediately where such losses are forecast.

Accrued income and deferred income

The Company's customer contracts include a diverse range of payment schedules which are often agreed at the inception of long-term contracts under which it receives payments throughout the term of the arrangement. Payments for goods and services transferred at a point in time may be at the delivery date, in arrears or part payment in advance.

Where revenue recognised at the period end date is more than amounts invoiced, the Company records accrued income for the difference. Where revenue recognised at the period end date is less than amounts invoiced, the Company recognises deferred income for the difference.

Certain arrangements with customers include a contractual obligation to make redundancies for which the Company is reimbursed for the costs incurred. Revenue is not recognised on these transactions.

Instead, the Company expenses all redundancy costs in the period they are incurred and any reimbursement credit is matched against the associated cost included in the income statement up to the value of the redundancy cost incurred. Any cash payments received from the customer in excess of the reimbursement cost of redundancy are deferred over the contract term and unwound in line with the other services being delivered.

Where price step-downs are required in a contract and output is not decreasing, revenue is deferred from initial years to subsequent years in order for revenue to be recognised on a consistent basis.

Providing the option for a customer to obtain extension periods or other services at a significant discount may lead to a separate performance obligation where a material right exists.

Where this is the case, the Company allocates part of the transaction price from the original contract to deferred income which is then amortised over the discounted extension period or recognised immediately when the extension right expires.

1. ACCOUNTING POLICIES (CONTINUED)

Amendments to IFRSs that are mandatorily effective for the current year

There are no new and mandatorily effective standards in the year that would have a material impact on the financial statements.

IFRS 9 'Financial instruments' became effective for the Company starting 1 April 2018 and replaces the requirements of IAS 39 'Financial instruments: recognition and measurement'. The main changes introduced by the new standard are new classification and measurement requirements for certain financial assets, a new Expected Credit Loss (ECL) model for the impairment of financial assets, revisions to the hedge accounting model, and amendments to disclosures.

With respect to loss allowances for trade receivables, IFRS 9 replaces the 'incurred loss' model in IAS39 with an ECL model. The Company, from 1 April 2018, measures loss allowances for trade receivables and accrued income at an amount equal to lifetime expected credit losses using both quantitative and qualitative information and analysis based on the Company's historical experiences and forward-looking information. The Company has determined that the transition to IFRS 9 has not resulted in any material impact on the financial statements.

New standards not yet adopted

The Company has taken the exemption available under FRS 101 in respect of not disclosing the impact of new standards that are not yet in effect.

Property, Plant and Equipment

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

- Leasehold improvements: period of the lease
- Plant and vehicles: 3 - 10 years

Operating Leases

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

Accrued Income

Accrued income comprises income relating to the current year, which will not be invoiced until after the year end. Accrued Income is recognised to the extent that it is recoverable.

1. ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of finished goods represents finished products. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and estimated selling costs.

Foreign Currencies

The financial statements are presented in the currency of the primary economic environment in which the Company operates (its functional currency), which is Pounds Sterling.

In preparing the financial statements, transactions in currencies other than the Company's financial currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the statement of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in the statement of comprehensive income in the period in which they arise.

Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred Taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets or 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 the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable 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 on tax laws and rates that have been enacted or substantively enacted at the statement of financial position date. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited in 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.

MITIE NI LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES (CONTINUED)

Share Capital

Ordinary shares

Ordinary shares are classified as equity.

Non-Derivative Financial Instruments

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to insignificant risk of change in value.

Trade and other receivables

Trade and other receivables do not carry any interest and are recognised and carried at the lower of their original invoiced value and recoverable amount. A provision is made when there is objective evidence that the asset is impaired. The assessment of impairment of trade receivables and accrued income from 1 April 2018 is in accordance with IFRS9. Under IFRS9, the company will now recognise a loss allowance for expected credit losses (ECL) on all receivable balances from customers subsequently measured at amortised cost, using the 'simplified approach'.

Trade and other payables

Trade and other payables are non-interest bearing and measured at amortised cost using the effective interest method.

Other

Other non-derivative financial instruments are measured at amortised cost using effective interest method, less any impairment losses.

Impairment

The carrying amount of the Company's assets is reviewed at each statement of financial position date to determine whether there is any indication of impairment, or more frequently if indicators of impairment arise.

Financial Risk Management

Exposure to credit and currency risk arises in the normal course of the Company's business.

Credit risk

Management has a credit risk policy in place. The Company's exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all new customers requiring credit over a set amount. The Company does not require collateral in respect of financial assets.

Maximum exposure to credit risk is represented by the carrying value of trade receivables.

MITIE NI LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES (CONTINUED)

Financial Risk Management (Continued)

Liquidity risk

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flow. This is generally carried out at the Group level in accordance with the practice and limits set by MITIE Group PLC. In addition, the Group's liability management policy involves monitoring key balance sheet ratios against set internal measures.

The maximum exposure to liquidity risk is represented by the carrying value of trade payables which have a contractual maturity within 6 months.

Retirement Benefits

The Company operates a defined contribution pension plan for its staff. Obligations for contributions for the period are recognised as an expense in the statement of comprehensive income as incurred.

Share Based Payments

Where the Company's parent Company has granted rights to its equity instruments to employees of the Company, such arrangements are accounted for as equity-settled share-based payment arrangements. In such instances a capital contribution is recognised to the extent that the Company is not recharged by its parent.

Where the Company grants to its employees rights to equity instruments of its parent, the Company accounts for such arrangements as cash-settled share-based payment arrangements.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each balance sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

SAYE share options granted to employees are treated as cancelled when employees cease to contribute to the scheme. This results in accelerated recognition of the expenses that would have arisen over the remainder of the original vesting period.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimating uncertainty at the statement of financial position 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.

Accrued Revenue

Revenue includes estimates in respect of amounts to be invoiced after the financial year end for goods and services provided. Particular judgement is required in evaluating the recoverability of costs incurred in the provision of goods and services disputed by clients.

Key sources of estimation uncertainty

There are no 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 in the next financial year.

3. REVENUE	2019	2018
	£	£
Cleaning	1,956,852	1,996,518
Security	-	35,214
Other	3,166,711	4,246,411
	<hr/>	<hr/>
Total	5,123,563	6,278,143
	<hr/>	<hr/>

Other includes management services, mechanical & electrical maintenance and project works, reception, mailroom, pest, waste, etc. All revenue arises in Northern Ireland and the United Kingdom.

MITIE NI LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

4. OPERATING PROFIT	2019	2018
	£	£
This is stated after charging/(crediting) the following:		
Auditor's remuneration for the audit of the financial statements	8,561	18,121
Operating lease rentals:		
- Motor vehicles	10,271	37,602
Depreciation	14,209	16,000
Amortisation	-	69
Foreign exchange loss/(gain)	8,789	1,251
	<u></u>	<u></u>

5. STAFF NUMBERS AND COSTS

The average monthly number of employees (including Executive Directors) during the year, analysed by function, were:

	2019	2018
	Number	Number
Management	8	8
Administration	5	7
Operations	230	232
	<u>243</u>	<u>247</u>
	£	£
Wages and salaries	1,936,979	2,074,409
Social security costs	94,478	107,729
Pension	23,649	14,141
	<u>2,055,107</u>	<u>2,196,279</u>

6. DIRECTORS' REMUNERATION

The following directors were also directors of another group company during the year. They are remunerated by the company shown below. 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	Disclosed by
Leslie Sheridan	Mitie Facilities Management Limited	Mite Facilities Management Limited
Peter Dickinson	Mitie Limited	Mitie Limited
Richard Blumberger	Mitie Limited	Mitie Limited
Matthew Idle	Mitie Limited	Mitie Limited

MITIE NI LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

7. FINANCE INCOME	2019	2018
	£	£
Interest income	2,514	1,055
	<hr/>	<hr/>
8. TAXATION	2019	2018
	£	£
Recognised in the income statement		
<i>Current tax:</i>		
Current tax on income for the period	53,152	35,637
Adjustments in respect of prior periods	3,703	-
Deferred tax charge (Note 10)	7,330	1,248
	<hr/>	<hr/>
	64,185	36,885
Reconciliation of total charge		
Profit before tax	250,842	196,210
	<hr/>	<hr/>
Profit before tax multiplied by the UK standard rate of corporation tax of 19% (2018: 19%)	47,660	37,280
<i>Effects of:</i>		
Expenses not deductible for tax purposes	2,857	52
Relief in respect of employee share options	56	(51)
Adjustments to tax charge in respect of prior periods	3,703	(378)
Adjustments to tax charge in respect of deferred tax	9,637	-
Reduction in statutory rate on deferred tax balances	272	(18)
	<hr/>	<hr/>
Tax charge for the year	64,185	36,885
	<hr/>	<hr/>

The main rate of corporation tax will remain at 19% until 1 April 2020 when it will reduce to 17%.

These rates have been used to calculate the deferred tax balance as they were substantively enacted at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

9. PROPERTY, PLANT AND EQUIPMENT

	Plant and Equipment £	Office Equipment £	Vehicles £	Total £
Cost:				
At 1 April 2018	119,855	15,270	24,539	159,664
Additions	-	1,575	-	1,575
At 31 March 2019	119,855	16,845	24,539	161,239
Accumulated depreciation:				
At 1 April 2018	99,028	9,549	24,539	133,116
Charge for the year	12,691	1,518	-	14,209
At 31 March 2019	111,719	11,067	24,539	147,325
Carrying Amount: At 31 March 2019	8,136	5,778	-	13,914
Carrying Amount: At 31 March 2018	20,827	5,721	-	26,548

MITIE NI LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

10. DEFERRED TAX ASSETS AND LIABILITIES

DEFERRED TAX ASSET	2019 £	2018 £
Opening balance	5,179	6,427
Utilised during the year	(5,179)	(1,248)
Closing balance	-	5,179

The deferred tax asset comprises short term temporary differences arising on fixed assets and share based payments.

DEFERRED TAX LIABILITY	2019 £	2018 £
Opening balance	-	-
Provided during the year	2,151	-
Closing balance	2,151	-

11. INVENTORY	2019 £	2018 £
Finished goods	51,586	56,559

12. TRADE AND OTHER RECEIVABLES	2019 £	2018¹ £
Trade receivables	474,494	459,016
Prepayments and accrued income	215,251	223,971
Amounts due from fellow group undertakings	201,696	488,607
Other debtors	4,995	10,461
	896,436	1,182,055

All debtors are due within one year. All trade debtors are due within the company's normal terms, which is no more than thirty days. Trade debtors and accrued income are shown net of impairment in respect of doubtful debts.

Amounts owed by other debtors and group undertakings are unsecured, interest free and repayable on demand.

¹ The Group has applied IFRS 9 using the cumulative effect method. Under this method, the comparative information is not restated.

MITIE NI LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

13. TRADE AND OTHER PAYABLES	2019	2018
	£	£
Trade payables	286,972	368,697
Accruals	353,575	338,069
VAT	149,848	79,427
PAYE/NIC	17,609	23,404
Amounts due to fellow group undertakings	489,867	666,167
Deferred income	34,657	11,117
Corporation tax payable	93,968	36,166
	1,426,496	1,523,047

The repayment terms of trade creditors vary between on demand and ninety days. Trade creditors are unsecured and interest free.

Amounts owed to group undertakings are unsecured with no interest charged.

Corporation tax, PAYE and VAT are subject to the terms of the relevant legislation.

Other amounts included in creditors not covered by specific note disclosure are unsecured, interest free and repayable on demand.

14. SHARE CAPITAL	2019	2018
	£	£
Allotted, called-up and fully paid:		
10 ordinary shares of STG£1 each	10	10

Ordinary shares have no right to fixed income

15. CAPITAL CONTRIBUTION AND SHARE BASED PAYMENT

During the year the company did not receive any capital contributions (2018: NIL) in relation to share options granted by the ultimate parent company.

There was no expense recognised in the year arising from share-based payment transactions (2018: NIL). The detailed disclosures are not included on the basis that they are not material to the accounts.

16. RESERVES**Profit and loss account**

The profit and loss account represents cumulative gains and losses recognised in the profit and loss account, net transfers to/from other reserves and dividends paid.

MITIE NI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

17. ULTIMATE PARENT UNDERTAKING

MITIE NI Limited is a limited Company incorporated in Northern Ireland.

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 consolidated financial statements are prepared. Copies of the Group financial statements can be obtained from the Company secretary at the registered office.

The immediate parent undertaking of MITIE NI Limited is MITIE Facilities Management Limited, an Irish registered undertaking.

18. OPERATING LEASES

Non-cancellable operating lease rentals are payable as set out below. These amounts represent the minimum future lease payments, in aggregate, that the Company is required to make under existing lease agreements.

	Motor Vehicles 2019 £	Motor Vehicles 2018 £
Less than one year	10,984	19,494
Between two and five years	10,910	30,239
	<u>21,794</u>	<u>49,733</u>

19. RETIREMENT BENEFITS

The Company operates a defined contribution retirement benefit scheme for qualifying employees. The assets of the scheme are held separately from those of the Company in funds controlled by the scheme providers. The Company paid employer contributions of £23,659 (2018: £13,443) during the year. As at 31 March 2019, contributions of £1,912 (2018: £2,052) due in respect of the current reporting year had not been paid over to the scheme.

20. SUBSEQUENT EVENTS

There have been no reportable events since year end.