Mi-space Property Services Limited

(formerly Midas Property Services (UK) Limited)

Report and Financial Statements

30 April 2019

Directors
S L Hindley
A E Hope
S G Poulter
D A Quinn
D F Rogerson

Secretary
D F Rogerson

Auditors
Ernst & Young LLP
The Paragon
Counterslip
Bristol BS1 6BX

Bankers
Lloyds Bank plc
Canons House
Canons Way
Bristol BS1 5LL

Solicitors
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Exeter EX2 5WR

Registered Office
Midas House
Pynes Hill
Exeter EX2 5WS

Strategic report

The directors present their strategic report and the financial statements for the year ended 30 April 2019.

Principal activity and review of the business

The loss for the year after taxation amounted to £16,000 (2018 – profit of £22,000).

The company is a wholly owned subsidiary of Midas Group Limited.

During the year, the company changed its name from Midas Property Services (UK) Limited to Mi-space Property Services Limited on 14 March 2019 and will in future form the vehicle for the trade of the Property Services division of its sister company, Mi-space (UK) Limited.

The company reported minimal activity in 2019 with a loss before tax of £19,000 (2018 – profit of £27,000).

The company does not have any external banking facilities and at the year-end its net indebtedness to other members of the group amounted to £6,000 receivable (2018 – £2,063,000 payable). The company's cash balance was £1,054,000 at year end as opposed to the £3,110,000 shown in the 2018 financial statements.

The company has achieved ISO9001 and ISO14001 accreditation, together with ISO45001 accreditation for Health & Safety.

Principal risks and uncertainties

The company refers to and uses key performance indicators (KPIs) in order to monitor business performance with reference to financial measures, Health & Safety, customer satisfaction, employee satisfaction and environmental scores. The company continues to capture and measure data at divisional and company levels with all the KPIs linking back to the group vision of industry leading performance and customer service. Risk management is also a priority and appropriate systems for the identification and control of risks are under continuous review.

The principal risks and uncertainties facing the company are broadly grouped as competitive, legislative and financial.

Competitive risks

Skilled labour in the construction industry is a finite resource and in order to continue to deliver quality projects to its customers, Midas needs to ensure that its workforce and those of its sub-contractors continue to be trained to the highest standard. In response to this, the Midas Academy was established during 2005, which not only services the training needs of its employees, but also delivers some training of the same high standard to its sub-contractors.

Labour market forces also place pressure on the company to retain its people which are seen as its major asset. In order to retain staff, the company aims to offer competitive remuneration packages and structured career development opportunities, but is continually at risk of competitors attracting staff away.

Legislative risks

Health and Safety is of paramount importance at Midas and the Accident Frequency Rate (AFR) is one of the principal KPIs which are focused on at board level. Any deterioration in AFR may cost time (through Health and Safety Executive (HSE) actions and management time) and money (through potential delays and/or HSE fines) on existing projects but also preclude the company from winning new work as customers continually look for excellent and improving Health and Safety records from their preferred contractors. The Group AFR is 0.25 which compares favourably with its peers, places it in the upper quartile for the industry and may help win new work from current or potential customers.

Strategic report (continued)

Principal risks and uncertainties (continued)

Financial risks

The traditional cash flow profile of a construction project is cash generative. The principal risk associated with cash flow is non-payment by clients. To that end, Midas maintains credit insurance on the majority of its private sector debtor book insuring up to 2 months' exposure on a project-by-project basis and to date has not had to enforce the policy.

As a construction company, the strength of the national and global economy has a direct impact on capital investment programmes within the private sector. Any downturn in the economy can restrict this type of investment and, consequently, activity levels. Increases in interest rates make the funding of capital investment more expensive and therefore may reduce private sector appetite for investing in capital projects. Conversely, availability of grant funding in assisted areas encourages inward investment and stimulates construction and wider general economic activity.

The commercial risks associated with construction contracts are many and varied, but a robust pre-tender bid/no-bid assessment together with strong procedures in the identification of both risk and opportunity at a project level, complimented by rigorous compliance and review seek to mitigate the effects.

Community

Midas has continued its commitment to have a positive impact upon the communities in which it operates with an aim to provide a top quality service and create employment opportunities in these communities. Midas will continue to make charitable donations, be creative and innovative in the way it interacts and engages with local communities and register all its sites in the 'Considerate Contractors' Scheme, of which it is now holds Partner status.

By order of the Board

A E Hope
Director
24 July 2019

Registered No. 3158847

Directors' report

The directors present their report for the year ended 30 April 2019.

Directors

The directors who served the company during the year were as follows:

S L Hindley (Chairman)
A E Hope
S G Poulter
D A Quinn
D F Rogerson

Dividends

The directors do not recommend the payment of a final dividend (2018 – £nil).

Going concern

Having completed their assessment the directors have concluded that there are no material uncertainties that cast significant doubt about the ability of the company to continue as a going concern.

The company's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Strategic Report. The company has considerable financial resources and as a consequence, the directors believe that the company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disabled employees

The Midas group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

The group received full accreditation under the Investors in People scheme in July 2000 and is committed to the principles underlying the Investors in People programme in furthering the skills and development of its employees. The group achieved re-accreditation in 2014 and was awarded a Silver Award in recognition of its commitment to continually develop and support its staff. During 2014, the group also achieved classification as a 'One to Watch Organisation' following a "Best Companies" employee survey.

The aims and objectives of the company continue to be communicated to employees through strategic seminars and company and divisional newsletters.

A growing number of employees are involved, through their participation in continuous improvement teams, in the development of effective management systems.

Directors' report (continued)

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as director(s) in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board

A E Hope

Director
24 July 2019

Statement of directors' responsibilities

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 judgments and 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 auditors' report

to the members of Mi-space Property Services Limited

Opinion

We have audited the financial statements of Mi-space Property Services Limited for the year ended 30 April 2019 which comprise the profit and loss account, the statement of other comprehensive income, the Company balance sheet, the Company statement of changes in equity, and the related notes 1 to 15, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30th April 2019 and of its loss 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 below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Independent auditors' report (continued)

to the members of Mi-space Property Services Limited

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 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 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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 https://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 Howarth (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol
24 July 2019

1. The maintenance and integrity of the Mi-space Property Services (UK) Limited web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Profit and loss account

for the year ended 30 April 2019

	Notes	2019 £000	2018 £000
Turnover	2	(51)	(4)
Cost of sales		32	31
Gross loss/profit		(19)	27
Administrative expenses		–	–
Operating loss/profit	3	(19)	27
Interest payable and similar charges		(1)	–
Loss/profit before taxation		(20)	27
Tax	6	4	(5)
Loss/profit for the financial year		(16)	22

All amounts relate to continuing activities. There is no other comprehensive income for the year (2018 – £nil). Loss for the year represents total comprehensive loss.

Balance sheet

at 30 April 2019

	Notes	2019 £000	2018 £000
Fixed assets			
Tangible assets	7	–	–
Current assets			
Debtors	8	5	163
Cash at bank and in hand		1,054	3,110
		1,059	3,273
Creditors: amounts falling due within one year	9	36	2,234
Net current assets		1,023	1,039
Total assets less current liabilities		1,023	1,039
Net assets		1,023	1,039
Capital and reserves			
Called up share capital	10	244	244
Profit and loss account		779	795
Shareholders' funds		1,023	1,039

The financial statements were approved and authorised for issue by the board on 24 July 2019 and signed on its behalf by

S L Hindley

Director

A E Hope

Director

Registered No. 3158847

Statement of changes in equity

at 30 April 2019

	Called up share capital	*Profit and loss account*	*Total Equity*
	£000	*£000*	*£000*
At 1 May 2017	244	773	1,017
Profit for the year	–	22	22
At 30 April 2018	**244**	**795**	**1,039**
Loss for the year	–	(16)	(16)
At 30 April 2019	**244**	**779**	**1,023**

Notes to the financial statements

at 30 April 2019

1. Accounting policies

Statement of compliance

Mi-space Property Services Limited is a private company limited by share capital incorporated in England and Wales. The registered office is Midas House, Pynes Hill, Exeter, EX2 5WS.

The company's financial statements have been prepared in compliance with FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, as it applies to the financial statements of the company for the year ended 30 April 2019.

Basis of preparation

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

The functional currency of Mi-space Property Services Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. The presentation currency is pounds sterling.

Statement of cash flows

The company has taken advantage of the exemption from preparing a statement of cash flows as permitted by FRS 102, on the grounds that it is a wholly owned subsidiary undertaking of a company preparing publicly available group financial statements.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the year. However the nature of estimation means the actual outcomes could differ from those involving estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- Amounts recoverable on contracts are recognised by reference to the proportion of work carried out and the profit included is calculated on a prudent basis which involves management judgement.

Tangible fixed assets

All tangible fixed assets are initially recorded at cost.

Tangible assets are depreciated by equal annual instalments over their estimated useful lives. The rates used are as follows:

Improvements to freehold land and buildings	–	20%
Fixtures, fittings and office equipment	–	20% to 33.3%

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the financial statements

at 30 April 2019

1. Accounting policies (continued)

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Long-term contracts

Revenue on long-term contracts is recognised by reference to the state of completion. Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs (labour, materials and other direct costs) as contract activity progresses. Turnover is calculated by independent valuation. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.
- Deferred tax is recognised when the tax allowances for the cost of a fixed asset are received before or after the depreciation of the fixed asset is recognised in profit and loss. If and when all conditions for retaining the tax allowances have been met, the deferred tax is reversed.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Provisions for liabilities

The company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Hire of plant and machinery

Hire of plant and machinery includes the cost of operators, when these are included with the hire rate.

Operating leases

Rentals paid under operating leases and vehicle hire contracts are charged to the profit and loss account on a straight-line basis over the term of the lease.

Notes to the financial statements

at 30 April 2019

1. Accounting policies (continued)

Pensions

Retirement benefits for employees are provided by two pension schemes. The Midas Group Pension and Life Assurance Scheme, which was closed on 30 June 2004, is operated by the group and funded by contributions from the parent undertaking and employees. It provides retirement and associated benefits based on a defined level of contributions, subject to a guaranteed minimum level of benefits. The ultimate parent undertaking of Mi-space Property Services Limited, Midas Group Limited, has adopted FRS 102 effective from 1 May 2014 and is legally responsible for the defined benefit plan. Mi-space Property Services Limited recognises a cost equal to its contribution payable for the period in its financial statements in accordance with the provisions of FRS 102.

Under the Midas Group Personal Pension Plan, a defined contribution scheme, contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Retirement benefits for certain directors of group companies are provided by a self-administered scheme which does not provide guaranteed benefits and which is funded by contributions from the group and employees. Contributions from the group are charged against profits of the year in which they are paid.

Basic financial instruments

Financial assets and liabilities are recognised/(derecognised) when the Group becomes/(ceases to be) party to the contractual provisions of the instrument. The Group holds the following financial assets and liabilities:

- *Cash*
- *Short-term trade and other debtors and creditors*

Cash in the balance sheet comprises cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account before operating profit.

2. Turnover

Turnover, excluding VAT, comprises the value of work done on property service contracts, the one continuing operation, in the South of England and Wales.

3. Operating loss

This is stated after charging:

	2019	*2018*
	£000	*£000*
Hire of plant and machinery	–	–

Auditor’s remuneration in the current and prior year has been borne by Midas Group Limited, the ultimate parent undertaking of Mi-space Property Services Limited.

Notes to the financial statements

at 30 April 2019

4. Directors' remuneration

No directors were remunerated by Mi-space Property Services Limited during 2018 and 2019. They were remunerated by other entities. The directors' services to the company do not occupy a significant amount of their time. As such, the directors do not consider that they have received any benefits for their incidental services to the company for the period.

5. Staff costs

No staff were employed by Mi-space Property Services Limited and no recharges were made from other group companies for staff costs during 2018 and 2019. All directors were paid though other group entities in 2018 and 2019,

6. Tax

(a) Tax on loss on ordinary activities

The tax credit is made up as follows:

	2019	*2018*
	£000	*£000*
Current tax:		
UK corporation tax on the loss for the year	(6)	5
Total current tax	(6)	5
Deferred tax:		
Depreciation in excess of capital allowances (note 6(c))	2	–
Tax on credit on ordinary activities (note 6(b))	(4)	5

(b) Factors affecting the total tax credit for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2018 – 19%). The differences are explained below:

	2019	*2018*
	£000	*£000*
Loss/Profit on ordinary activities before tax	(20)	27
Loss/Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 – 19%)	(4)	5
Effects of:		
Depreciation in excess of capital allowances	–	–
Tax credit/charge for the year (note 6(a))	(4)	5

Notes to the financial statements

at 30 April 2019

6. Tax (continued)

(c) Deferred tax

The deferred tax included in the balance sheet is as follows:

	2019	*2018*
	£000	*£000*
Included in debtors (note 8)	–	2
Deferred tax:		
Depreciation in excess of capital allowances	–	2

The movements in deferred taxation during the current year are as follows:

	£000
At 1 May 2018	2
Deferred tax credit in the profit and loss account (note 6(a))	(2)
At 30 April 2019 (note 8)	–

7. Tangible fixed assets

	Improvements to freehold property	*Fixtures, fittings and office equipment*	*Total*
	£000	*£000*	*£000*
Cost:			
At 1 May 2018	18	74	92
Disposals	(18)	(74)	(92)
At 30 April 2019	–	–	–
Depreciation:			
At 1 May 2018	18	74	92
Disposals	(18)	(74)	(92)
At 30 April 2019	–	–	–
Net book value:			
At 30 April 2019	–	–	–
At 1 May 2018	–	–	–

Notes to the financial statements

at 30 April 2019

8. Debtors

	2019	*2018*
	£000	*£000*
Amount due from parent undertaking	–	103
Amount due from fellow subsidiary undertakings	5	7
Deferred tax (note 6(c))	–	2
Amounts recoverable on contracts	–	51
	5	163

9. Creditors: amounts falling due within one year

	2019	*2018*
	£000	*£000*
Trade creditors	20	49
Amount due to fellow subsidiary undertakings	–	2,173
Current corporation tax	16	6
Accruals and deferred income	–	6
	36	2,234

Notes to the financial statements

at 30 April 2019

10. Issued share capital

		2019		2018
Allotted, called up and fully paid	*No.*	*£000*	*No.*	*£000*
Ordinary shares of £1 each	243,762	244	243,762	244
LTIP shares of 1p each (classified as a liability under FRS 102)	25,000	–	25,000	–
		244		244

Class rights

In the event that the employment of an LTIP shareholder ceases for any reason then the company is required to redeem the entire holding of the LTIP shares for an aggregate price of 1p.

In the event that the company (or parent undertaking) is disposed or sold, or in the event of a Listing of the company (or parent undertaking), then the company is required to acquire the LTIP shares by way of a purchase or redemption of own shares.

The respective rights and privileges of the shares are as follows:

As to voting

The LTIP shares do not carry any right to receive notice of, attend or vote at any general meeting of the company nor to vote on or participate in any written resolution of the company.

As to dividends

The company may declare and/or pay dividends separately to the holders of the LTIP shares as a class and/or the holders of the ordinary shares as a class.

The holders of the LTIP shares are entitled to participate in dividends declared and payable in respect of the LTIP shares as a class pro rata according to the number of LTIP shares held by them at the relevant record date. Dividends are payable to LTIP shareholders on the last day of the 24th month after the date on which they are declared on condition that the LTIP shareholder remains in the employment of the group at the date of payment.

With the exception of the above the holders of the LTIP shares have no right to participate in the dividends of the company.

As to capital

On a return of assets on liquidation, capital reduction or otherwise, the assets of the company remaining after paying all its liabilities shall be applied in the following order:

First, in paying to the holders of the ordinary shares the sum of £1 per share and in paying to the holders of the LTIP shares the sum of 1p per share (or pro rata according to their respective holdings in the event of any shortfall);

Second, in paying to the holders of the LTIP shares a sum equal to any relevant uplift in Net Asset Value over and above the Net Asset Value at the date of issue of the LTIP shares pro rata according to the number of shares held by each LTIP shareholder; and

Third, in paying to the holders of the ordinary shares any balance of such surplus pro rata according to the nominal value of ordinary shares held by each holder.

The relevant uplift in the Net Asset Value of the company shall mean the amount (if any) by which the net asset value of the company as at the date immediately prior to the return of assets exceeds that at the date of issue of the relevant shares, as determined by the company's auditors (acting as experts and not as arbitrators) as being shown in the last available audited balance sheet of the company or (in the absence of any audited balance sheet) in its last available management financial statements and the determination made by the company for this purpose shall be final and binding on all its shareholders.

Notes to the financial statements

at 30 April 2019

11. Capital commitments

At 30 April 2019 the company had committed to spend £nil (2018 – £nil) on fixed assets.

12. Pensions

As explained in the accounting policies the group operates two pension schemes:

Defined contribution scheme

Under the Midas Group Personal Pension Plan, a defined contribution scheme, assets are held separately from those of the company in an independently administered trust. The contributions outstanding at the year-end included in creditors (note 9) are £nil (2018 – £nil). The pension cost for the year was £nil (2018 – £nil).

Midas Group Pension and Life Assurance Scheme

The Midas Group Pension and Life Assurance Scheme was closed with effect from 30 June 2004. Preserved benefits will be funded by way of future special employer contributions. The contributions will be determined at each triennial actuarial valuation, however it is estimated that they will be approximately £356,000 per annum for the Midas group.

The scheme provides retirement and associated benefits based on a defined level of contributions, subject to a guaranteed minimum level of benefits. The ultimate parent undertaking of Mi-space Property Services Limited, Midas Group Limited, has adopted FRS 102 effective from 1 May 2014 and is legally responsible for the defined benefit plan. Mi-space Property Services Limited recognises a cost equal to its contribution payable for the period in its financial statement in accordance with the provisions of section 28 FRS 102.

Pension costs for the company charged in the year represent contributions payable in the year and amounted to £nil (2018 – £nil). At 30 April 2019, there was £nil (2018 – £nil) of outstanding contributions included in creditors.

The valuation of the Midas Group Pension and Life Assurance Scheme as at 30 April 2019 under the requirements of section 28 FRS 102 showed a deficit of £3,768,000 before deferred tax of £639,000 (2018 – deficit of £3,622,000 before deferred tax of £615,000) with assets of £9,575,000 (2018 – £8,850,000) and liabilities of £13,343,000 (2018 – £12,472,000).

The full disclosures required under FRS 102 relating to the Midas Group Pension and Life Assurance Scheme are included in the financial statements of Midas Group Limited, the ultimate parent undertaking of Mi-space Property Services Limited.

The last valuation of the scheme for funding purposes was carried out as at 5 April 2018 by a qualified independent actuary using the projected unit method. The assumptions which had the most significant effect on the results of the valuation were the low returns on long-term gilts which would extend liabilities beyond those previously estimated.

13. Contingent liabilities

The company enters into performance bonds in the normal course of business. The directors expect no liability to arise in respect of these transactions.

14. Related party transactions

The company has taken advantage of the exemption in section 33 FRS 102 for wholly-owned subsidiary undertakings from disclosing transactions with related parties that are wholly owned by the Midas group.

15. Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking is Midas Group Limited. It has included the company in its group financial statements, copies of which are available from its registered office: Midas House, Pynes Hill, and Exeter, EX2 5WS.