Midas Group Limited

Report and Financial Statements

30 April 2019

Directors

S L Hindley
M W Hocking
A E Hope
S G Poulter
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

Michelmores LLP
Woodwater House
Pynes Hill
Exeter EX2 5WR

Registered Office

Midas House
Pynes Hill
Exeter EX2 5WS

Strategic report

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

Review of the business

Midas Group Limited ('MGL') is the parent undertaking of the Midas group and its principal subsidiaries are Midas Construction Limited (incorporating trading under the Midas Interiors brand), Midas Retail Limited, Mi-space Property Services Limited, Mi-space (UK) Limited and Midas Commercial Developments Limited.

MGL operates through its five companies which provide a complete range of property related services to both private and public sector clients.

The headline financials for the year were as follows:

	2019	2018	Change
	£'000	£'000	%
Turnover	259,341	267,405	(3)
Profit before tax	751	689	9
Profit after tax	622	498	25
Net assets	9,454	8,878	6
Cash at bank and in hand	22,729	26,784	(15)

As the original date of 31 March 2019 for the UK's exit from the EU approached, market investment began to stall again and consequently turnover fell slightly on the prior year to £259m. The market continues to harden, suppressing margins resulting in a profit before tax, similar to but up on last year, of £751k. The continuing uncertainty about the shape and timing of 'Brexit' is still delaying some new project instructions.

After a tax charge for the year of £129k, profit after tax was £622k, a 25% increase on prior year. When taken with other movements on reserves set out in the notes to these accounts, net assets increased by 6% to £9,454k.

This year's cash balance closed at £22,729k, down slightly on last year, reflecting the general tightening of credit terms for tier 1 contractors in the industry.

The group enters the new financial year with a strong order book. With positions on 24 frameworks, this gives the board confidence that 2018/2019 and beyond will see the Midas group able to achieve steady profitable growth.

Midas Construction Limited continues to be a major force in its local markets and now operates through seven regional offices. Representing the largest part of the group, its turnover increased to £190m, but experienced the same market dynamics as mentioned above. The profit before tax for the year increased to £494k compared to £43k in 2018. The order book is good and the company has a positive outlook for the coming reporting period.

The turnover of Midas Retail Limited reduced by 72% compared to the previous year as a result of the strategic decision to conclude the delivery of projects on site at the beginning of the year in the company. All further Retail projects will be carried out within Midas Construction Limited. The company recorded a loss before tax in the year of £332k compared to a loss before tax in the previous year of £106k.

Midas Property Services (UK) Limited changed its name during the year to Mi-space Property Services Limited and will in future form the vehicle for delivery of the trade of the Property Services division of Mi-space (UK) Limited. Going forward the directors consider prospects to be positive with this business

Strategic report (continued)

Review of the business (continued)

stream now holding positions on 7 frameworks with visibility of workload up to 5 years in to the future

The turnover of Mi-space (UK) Limited decreased by 7% in the year as a result of the wider economic uncertainty mentioned above. This decrease in turnover coincided with the previously mentioned hardening of the market and significant downward pressure on margins producing a lower profit before tax in the year of £15k compared to a £147k profit in the prior year.

The group continues to develop its in-house capability in the energy sector with the ability to deliver effective renewable energy and energy conservation solutions to all of its clients across all of its businesses.

Midas Commercial Developments Limited is consolidating its position as a successful property developer in the region with a number of projects in the pipeline.

MGL is committed to investing in its people, which it sees as a key asset, with initiatives such as providing a comprehensive training programme to all its staff through its Academy, actively encouraging career development and future leaders through its Leadership programme and improving their working conditions. During the 2018/2019 year, the group provided an average of 2.36 training days per employee, which represented an increase of over 100 training days more than the prior year and significantly in excess of industry average. In addition to these long-standing initiatives, the group has embarked on a graduate programme to secure and develop young professionals at the very start of their careers. All the companies within the group work closely with their principal subcontractors in order to establish long term relationships.

In 2018/2019 the Midas group made further progress in improving its environmental performance. It worked with many of its partnership customers in driving forward innovation and best practice in the field of environmental management. It has worked with its customers in the development of eco-friendly construction and property solutions. Midas has significantly raised environmental awareness within its team by delivering company wide environmental training programmes and has introduced waste reduction and recycling initiatives at all its office locations and sites. Four of its principal operating subsidiary companies have achieved ISO14001 accreditation.

Management of Health and Safety throughout all of the Midas group's operations continues to be the top priority in the business. Its investment in and focus on its Health and Safety team has had a significant impact. Midas finished the 2018/2019 year with an Accident Frequency Rate (AFR) of 0.25, which compares favourably with its peers within the industry. It has again been awarded a 'Gold' standard by ROSPA, which is Midas's sixteenth consecutive 'Gold' award, resulting in an 'Order of Distinction' award, recognising its consistent high levels of Health and Safety performance. Midas was also one of the first construction companies in the UK to achieve ISO45001 accreditation.

In addition Midas maintained it's accreditation for Quality Management under ISO9001

Principal risks and uncertainties

The Midas group 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 group continues to capture and measure data at divisional, company and group consolidated levels with all the KPIs linking back to the 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 group are broadly grouped as competitive, legislative and financial.

Strategic report (continued)

Competitive risks

Midas is now on 26 frameworks in both the private and public sectors and continues to be successful in securing new orders in all areas of the economy, with 31% of future identified opportunities being in the public sector.

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 Midas employees, but also delivers some training of the same high standard to its sub-contractors.

Labour market forces also place pressure on the group to retain its people which are seen as its major asset. In order to retain staff, the group 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 may preclude the group from winning new work as customers continually look for excellent and improving Health and Safety records from their preferred contractors.

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 Midas has not had to enforce the policy.

As a construction group, 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.

The assets of the closed Midas Group final salary scheme are invested in a balanced portfolio designed to produce investment returns that match future movements in liabilities. The scheme is still in deficit, but with the possibility of improving rates of return on the assets there is potential that the scheme's position may improve in the future.

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, within which it now holds Partner status.

By order of the Board

A E Hope
Director
24 July 2019

Registered No. 3433188

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)
M W Hocking
A E Hope
S G Poulter (appointed 30 October 2018)
D F Rogerson

Dividends

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

No interim ordinary dividend was paid in the year (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 group to continue as a going concern.

The group'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 group has considerable financial resources together with long-term contracts with a number of customers and suppliers across different geographic areas and industries. As a consequence, the directors believe that the group is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the group 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 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 by 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.

The aims and objectives of the group 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 group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself 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 group and the company and of the profit or loss of the group 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 group and 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 Midas Group Limited

Opinion

We have audited the financial statements of Midas Group Limited for the year ended 30th April 2019 which comprise the Group profit and loss account, the Group statement of other comprehensive income, the Group and Company balance sheets, the Group and Company statement of changes in equity, the Group statement of cash flows, and the related notes 1 to 23, 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 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 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.

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 7, 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 Midas Group 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.

Group profit and loss account

for the year ended 30 April 2019

	Notes	2019 £000	2018 £000
Turnover	2	259,341	267,405
Cost of sales		(245,475)	(252,979)
Gross profit		13,866	14,426
Exceptional item	19	(350)	–
Administrative expenses		(12,916)	(13,769)
Operating profit	3	600	657
Interest receivable and similar income	6	253	134
Interest payable and similar charges	14	(1)	–
Net interest on pension scheme liability	19	(102)	(102)
Profit before taxation		751	689
Tax	7	(129)	(191)
Profit for the financial year		622	498

All amounts relate to continuing activities.

Group statement of other comprehensive income

for the year ended 30 April 2019

	Note	2019 £000	2018 £000
Profit for the financial year		622	498
Other comprehensive income			
Actuarial loss recognised on the pension scheme	19	(55)	81
Deferred tax on actuarial loss on the pension scheme		9	(14)
Revaluation adjustment in respect of freehold property		–	96
Other comprehensive income for the year		(46)	163
Total comprehensive income for the year		576	661

Group balance sheet

at 30 April 2019

	Notes	2019 £000	2018 £000
Fixed assets			
Tangible assets	10	3,138	3,238
Investments	11	252	252
		3,390	3,490
Current assets			
Stocks	12	34	85
Debtors	13	71,431	63,935
Cash at bank and in hand		22,729	26,784
		94,194	90,804
Creditors: amounts falling due within one year	14	(84,362)	(81,794)
Net current assets		9,832	9,010
Total assets less current liabilities		13,222	12,500
Creditors: amounts falling due after more than one year	15	–	–
Net assets excluding pensions		13,222	12,500
Net pensions	19	(3,768)	(3,622)
Net assets including pensions		9,454	8,878
Capital and reserves			
Called up share capital	16	439	439
Capital redemption reserve		719	719
Revaluation reserve		96	96
Profit and loss account		8,200	7,624
Shareholders' funds		9,454	8,878

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. 3433188

Company balance sheet

at 30 April 2019

	Notes	2019 £000	2018 £000
Fixed assets			
Tangible assets	10	3,111	3,185
Investments	11	2,043	2,043
		5,154	5,228
Current assets			
Debtors	13	2,672	5,334
Cash at bank and in hand		440	–
		3,112	5,334
Creditors: amounts falling due within one year	14	(2,774)	(5,580)
Net current assets		338	(246)
Total assets less current liabilities		5,492	4,982
Creditors: amounts falling due after more than one year	15	–	–
Net assets excluding pensions		5,492	4,982
Net pensions	19	(3,768)	(3,622)
Net assets including pensions		1,724	1,360
Capital and reserves			
Called up share capital	16	439	439
Capital redemption reserve		719	719
Revaluation reserve		96	96
Profit and loss account		470	106
Shareholders' funds		1,724	1,360

As permitted by Section 408 of the Companies Act 2006 no income statement or statement of comprehensive income is presented for the Company.

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. 3433188

Group statement of changes in equity

at 30 April 2019

	Called up share capital	*Capital redemption reserve*	*Revaluation reserve*	*Profit and loss account*	*Total Equity*
	£000	*£000*	*£000*	*£000*	*£000*
At 1 May 2017	439	719	–	7,059	8,217
Profit for the year	–	–	–	498	498
Other comprehensive income	–	–	96	67	163
At 1 May 2018	**439**	**719**	**96**	**7,624**	**8,878**
Profit for the year	–	–	–	622	622
Other comprehensive income	–	–	–	(46)	(46)
At 30 April 2019	**439**	**719**	**96**	**8,200**	**9,454**

Company statement of changes in equity

at 30 April 2019

	Called up share capital	*Capital redemption reserve*	*Revaluation reserve*	*Profit and loss account*	*Total Equity*
	£000	*£000*	*£000*	*£000*	*£000*
At 1 May 2017	439	719	–	(841)	317
Profit for the year	–	–	–	880	880
Other comprehensive income	–	–	96	67	163
At 30 April 2018	**439**	**719**	**96**	**106**	**1,360**
Profit for the year	–	–	–	410	410
Other comprehensive income	–	–	–	(46)	(46)
At 30 April 2019	**439**	**719**	**96**	**470**	**1,724**

Group statement of cash flows

for the year ended 30 April 2019

	Note	*2019* *£000*	*2018* *£000*
Net cash outflow from operating activities	17(a)	(4,155)	290
Investing activities			
Interest received		266	137
Receipts from sales of tangible fixed assets		–	2
Payments to acquire tangible fixed assets		(166)	(312)
Net cash inflow from investing activities		100	(173)
Financing activities			
Equity dividends paid		–	–
Net cash (outflow)/inflow from financing activities		–	–
Decrease in cash		(4,055)	117
Cash at 1 May		26,784	26,667
Cash at 30 April		22,729	26,784

Reconciliation of net cash flow to movement in net funds

	2019 *£000*	*2018* *£000*
Decrease in cash	(4,055)	117
Change in net funds in the year	(4,055)	117
Net funds at 1 May	26,784	26,667
Net funds at 30 April	22,729	26,784

Notes to the financial statements

at 30 April 2019

1. Accounting policies

Statement of compliance

Midas Group 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 group and company 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 group and company for the year ended 30 April 2019.

Basis of preparation

The financial statements are prepared under the historical cost convention, modified to include the revaluation of freehold land and buildings, and in accordance with applicable accounting standards.

The functional currency of Midas Group 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.

Group financial statements

The group financial statements consolidate the financial statements of Midas Group Limited and its subsidiary undertakings to 30 April 2019. Mi-space Property Services Limited, Midas Commercial Developments Limited, Midas Retail Limited, Mi-space (UK) Limited and Midas Construction Limited have been included in the group financial statements using the acquisition method of accounting.

The purchase consideration has been allocated to assets and liabilities on the basis of fair values at the date of acquisition. Prior to the date of acquisition, the results of Midas Property Services (UK) Limited and Midas Construction Limited were accounted for using merger accounting principles.

Entities in which the group holds an interest on a long-term basis and are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the gross equity method.

Entities, other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Certain of the group's activities are conducted through joint arrangements that do not create an entity carrying on a trade or business of its own. They are included in the group financial statements in proportion to the group's interest in the income, expenses, assets and liabilities of these joint arrangements.

No profit and loss account is presented for Midas Group Limited as permitted by section 408 of the Companies Act 2006.

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.

Notes to the financial statements

at 30 April 2019

1. Accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

- The pension cost and liabilities of the Midas group pension and life assurance scheme under FRS 102 are assessed in accordance with the directors' best estimates using the advice of an independent qualified actuary and assumptions in the latest actuarial valuation. Assumptions include the discount rate and mortality rates and changes in these assumptions will impact the carrying amount of pension obligations.

Goodwill

Positive goodwill, being the excess of consideration over the fair value of assets acquired, arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised on a straight-line basis over its useful economic life. It is reviewed for impairment at the end of the first financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Tangible fixed assets

All fixed assets are initially recorded at cost. Certain freehold and leasehold land and buildings were revalued as at 30 April 2013 with the revaluation deficit taken to the revaluation reserve.

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

Freehold property	–	4%
Short leasehold property	–	Over the period of the lease
Plant and equipment	–	33.3%
Computer equipment	–	33.3%
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.

Investments

In the financial statements of the company, investments held as fixed assets are stated at cost using acquisition accounting policies.

Revenue recognition

Revenue is recognised to the extent that the group 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.

Notes to the financial statements

at 30 April 2019

1. Accounting policies (continued)

Revenue recognition (continued)

Dividends

Revenue is recognised when the company's right to receive payment is established.

Stocks

Stock is measured at the lower of cost and estimated selling price less costs to complete and sell.

Provisions for liabilities

The group 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.

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.
- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.

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.

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

Pensions

Retirement benefits for employees of the group 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 all the group companies and employees. Midas Group Limited is the sponsoring employer of the United Kingdom defined benefit scheme as it has legal responsibility for the plan. There is no contractual agreement or stated policy for charging the defined benefit cost of the plan as a whole to individual group entities and therefore the company has recognised the entire net defined benefit cost and relevant net defined benefit liability of the United Kingdom scheme in its individual financial statements.

It provides retirement and associated benefits based on a defined level of contributions, subject to a guaranteed minimum level of benefits. These payments are made in accordance with periodic calculations by professionally qualified actuaries. The amounts charged to operating profit are the current service costs and gains or losses on settlements and curtailments. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are

Notes to the financial statements

at 30 April 2019

1. Accounting policies (continued)

Pensions (continued)

shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately on the face of the balance sheet.

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.

Classification of shares as debt or equity

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

i. there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and

ii. the instrument is a non-derivative that contains no contractual obligations to deliver a variable number of shares or is a derivative that will be settled only by the Group exchanging a fixed amount of cash or other assets for a fixed number of the Group’s own equity instruments.

When shares are issued, any component that creates a financial liability of the company or group is presented as a liability in the balance sheet; measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the income statement. The initial fair value of the liability component is determined using a market rate for an equivalent liability without a conversion feature.

Notes to the financial statements

at 30 April 2019

1. Accounting policies (continued)

Classification of shares as debt or equity (continued)

The remainder of the proceeds on issue is allocated to the equity components and included in shareholders' equity, net of transaction costs. The carrying amount of the equity instruments is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the shares based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

Liquid resources

Liquid resources represent amounts held on deposit maturing within twelve months.

2. Turnover

Turnover, excluding VAT, comprises the value of work done on construction contracts and commercial development projects in the United Kingdom, analysed as follows:

	2019	*2018*
	£000	*£000*
Construction	257,490	261,774
Commercial developments	1,851	5,631
	259,341	267,405

3. Operating profit

This is stated after charging/(crediting):

	2019	*2018*
	£000	*£000*
Audit of the financial statements	58	57
Other fees to auditor	–	–
Depreciation of owned fixed assets	266	228
Operating lease rentals	360	346
Hire of plant and machinery	4,588	4,760
Contract hire of vehicles	493	514

4. Directors' remuneration

	2019	*2018*
	£000	*£000*
Remuneration	1,450	1,344
Company contributions paid to defined contribution pension schemes	20	10

Notes to the financial statements

at 30 April 2019

4. Directors' remuneration (continued)

The remuneration for the year, excluding pension contributions, of the highest paid director amounted to £443,000 (2018 – £430,000).

The company paid contributions totalling £nil (2018 – £nil) to a money purchase scheme in respect of the highest paid director.

Retirement benefits are accruing to 2 directors under a money purchase scheme (2018 – 1).

5. Staff costs

	2019	*2018*
	£000	*£000*
Wages and salaries	25,874	23,727
Social security costs	2,919	2,723
Other pension costs	2,170	1,811
	30,963	28,261

The average monthly number of employees during the year was made up as follows:

	No.	*No.*
Construction and development	415	356
Administration	122	126
	537	482

6. Interest receivable and similar income

	2019	*2018*
	£000	*£000*
Bank interest	254	129
Other income	–	5
	254	134

Notes to the financial statements

at 30 April 2019

7. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2019	*2018*
	£000	*£000*
Current tax:		
UK corporation tax on the profit for the year	233	142
Adjustments in respect of prior years	(90)	–
Total current tax	143	142
Deferred tax:		
Depreciation in excess of capital allowances (note 7(c))	1	7
Adjustment in respect of pensions (note 19)	(15)	42
Tax on profit on ordinary activities (note 7(b))	129	191

(b) Factors affecting the total tax charge 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*
Profit on ordinary activities before tax	751	1,189
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 – 19%)	142	226
Effects of:		
Expenses not deductible for tax purposes and non-taxable income	95	(71)
Adjustments in respect of prior years	(90)	–
Effect of changes in tax rates	(18)	36
Deferred tax movement re prior year adjustment	–	–
Tax charge for the year (note 7(a))	129	191

Notes to the financial statements

at 30 April 2019

7. Tax (continued)

(c) Deferred tax

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

Group		*Provided*		*Unprovided*
	2019	*2018*	*2019*	*2018*
	£000	*£000*	*£000*	*£000*
Included in debtors/(note 13)	619	596	–	–
Deferred tax:				
Depreciation in excess of capital allowances	(54)	(49)	–	–
Short-term timing differences	34	30	–	–
Pension scheme related asset	639	615	–	–
	619	596	–	–

	£000
At 1 May 2018	596
Deferred tax charge in group profit and loss account (note 7(a))	(1)
Adjustments in respect of prior years	–
Effect of other change re pension scheme	24
At 30 April 2019 (note 13)	619

8. Profit attributable to members of parent undertaking

The profit dealt with in the financial statements of the parent undertaking was £410,000 (2018 – profit of £880,000).

9. Dividends

	2019	*2018*
	£000	*£000*
Paid during the year:		
Interim ordinary dividend for 2019 – £nil (2018 – £nil)	–	–

The dividends paid on LTIP shares of £1,000 (2018 – £nil).

Notes to the financial statements

at 30 April 2019

10. Tangible fixed assets

Group

	Land and buildings		*Fixtures, fittings and office*	
	Freehold	*Leasehold*	*equipment*	*Total*
	£000	*£000*	*£000*	*£000*
Cost or valuation:				
At 1 May 2018	2,786	506	2,214	5,506
Additions	-	-	166	166
Disposals	(101)	(79)	(1,709)	(1,889)
At 30 April 2019	2,685	427	671	3,783
Depreciation:				
At 1 May 2018	101	300	1,867	2,268
Charge for the year	61	29	176	266
Disposals	(101)	(79)	(1,709)	(1,889)
At 30 April 2019	61	250	334	645
Net book value:				
At 30 April 2019	2,624	177	337	3,138
At 1 May 2018	2,685	206	347	3,238

The freehold property was valued by Alder King, Commercial Property Consultants and Linnells Property Consultants as at 30 April 2018, on the basis of existing use value in accordance with the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors.

Included in cost or valuation at 30 April 2019 is an amount of £2,685,000 (2018 – £2,685,000) in respect of these valuations. The persons carrying out the valuations were external to the company.

Notes to the financial statements

at 30 April 2019

10. Tangible fixed assets (continued)

Company

	Freehold property	*Leasehold property*	*Fixtures, fittings and office equipment*	*Total*
	£000	*£000*	*£000*	*£000*
Cost:				
At 1 May 2018	2,685	386	1,880	4,951
Additions	-	-	164	164
Disposals	-	(31)	(1,409)	(1,440)
At 30 April 2019	2,685	355	635	3,675
Depreciation:				
At 1 May 2018	–	208	1,558	1,766
Charge for the year	61	14	163	238
Disposals	-	(31)	(1,409)	(1,440)
At 30 April 2019	61	191	312	564
Net book value:				
At 30 April 2019	2,624	164	323	3,111
At 1 May 2018	2,685	178	322	3,185

The freehold property was valued by Alder King, Commercial Property Consultants and Linnells Property Consultants as at 30 April 2018 on the basis of existing use value in accordance with the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors.

Included in cost or valuation at 30 April 2019 is an amount of £2,685,000 (2018 – £2,685,000) in respect of these valuations. The persons carrying out the valuations were external to the company.

On the historical cost basis the revalued land and buildings would have been included as follows:

		Group		*Company*
	2019	*2018*	*2019*	*2018*
	£000	*£000*	*£000*	*£000*
Cost	1,425	1,425	1,425	1,425
Cumulative depreciation based on cost	617	560	617	560

Notes to the financial statements

at 30 April 2019

11. Investments

Group	*Trade investments*
	£000
At 1 May 2018 and at 30 April 2019	252

Company	*Trade investments*	*Subsidiary undertakings*	*Total*
	£000	*£000*	*£000*
At 1 May 2018	252	1,791	2,043
Additions	–	–	–
At 30 April 2019	252	1,791	2,043

Trade investments are split between equity and loan with the equity investment representing £250 of the total trade investment.

As at the 30 April 2019 details of the investments in which the company directly holds 20% or more of the nominal value of any class of share capital are as follows:

Name of company	*Holding*	*Proportion of voting rights and shares held*	*Nature of business*
Midas Construction Limited	Ordinary shares	100%	Construction
Midas Commercial Developments Limited	Ordinary shares	100%	Commercial Development
Midas Retail Limited	Ordinary shares	100%	Construction
Midas Property Services (UK) Limited	Ordinary shares	100%	Property Services
Mi-space (UK) Limited	Ordinary shares	100%	Social Housing
Midas Pension Trustee Company Limited	Ordinary Shares	100%	Corporate Pension Trustee

All of the above undertakings are registered in England and Wales. All 100% subsidiaries have the same registered office as Midas Group Limited which is shown on page 1.

12. Stocks

		Group
	2019	*2018*
	£000	*£000*
Raw materials and components	34	85
	34	85

Notes to the financial statements

at 30 April 2019

13. Debtors

		Group		Company
	2019	*2018*	*2019*	*2018*
	£000	*£000*	*£000*	*£000*
Trade debtors	19,418	21,913	198	93
Amount due from subsidiary undertakings	–	–	1,405	3,084
Other debtors	14	1,177	120	959
Prepayments and accrued income	639	800	335	506
Deferred tax (note 7(c))	619	596	588	568
Amounts recoverable on contracts	50,741	39,280	–	–
Corporation tax	-	169	26	124
	71,431	63,935	2,672	5,334

14. Creditors: amounts falling due within one year

		Group		Company
	2019	*2018*	*2019*	*2018*
	£000	*£000*	*£000*	*£000*
Bank loans and overdrafts	–	–	–	2,593
Trade creditors	16,941	14,237	836	817
Amount due to subsidiary undertakings	–	–	–	787
Corporation tax	44	–	–	–
Other taxes and social security costs	1,475	1,083	175	141
Accruals and deferred income	65,901	66,473	1,763	1,242
LTIP shares	1	1	–	–
	84,362	81,794	2,774	5,580

LTIP shares

LTIP shares are issued in subsidiary companies and their respective rights and privileges are detailed in those subsidiary financial statements. A LTIP shares dividend of £1,000 was paid during the year.

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

15. Creditors: amounts falling due after more than one year

		Group		Company
	2019	*2018*	*2019*	*2018*
	£000	*£000*	*£000*	*£000*
Dividends on LTIP shares	–	–	–	–

The dividend declared on the LTIP shares is payable on the last day of the 24th month after it is declared and its payment is contingent on the holder of the relevant LTIP share remaining an employee of the issuing company until the dividend has been paid.

Notes to the financial statements

at 30 April 2019

16. Share capital and reserves

Issued Share capital		*2019*		*2018*
Allotted, called up and fully paid	*No.*	*£000*	*No.*	*£000*
Ordinary shares of £1 each	439,011	439	439,011	439

Capital redemption reserve

The capital redemption reserve records the nominal value of shares repurchased by the company

Revaluation reserve

This reserve records revaluation gains and deficits on certain freehold property.

17. Notes to the statement of cash flows

(a) Reconciliation of operating profit to net cash flow from operating activities

	2019	*2018*
	£000	*£000*
Operating profit	600	657
Depreciation	266	228
Profit/loss on sale of tangible fixed assets	–	–
Decrease in stocks	51	797
Increase in debtors	(7,654)	(6,825)
Increase in creditors	2,524	5,971
Tax (paid)/received	69	(188)
Defined benefit cost less contribution paid	(11)	(350)
Net cash flow from operating activities	(4,155)	290

(b) Analysis of net funds

	At 1 May 2018	*Cash flow*	*At 30 April 2019*
	£000	*£000*	*£000*
Cash at bank and in hand	26,784	(4,055)	22,729

18. Capital commitments

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

19. Pensions

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

Defined contribution scheme

The group operates a defined contribution scheme, the Midas Group Personal Pension Plan, where assets are held separately from those of the group in an independently administered fund. The contributions outstanding at the year-end included in creditors (note 14) are £201,000 (2018 – £178,000). The pension cost for the year was £2,170,000 (2018 – £1,811,000).

Notes to the financial statements

at 30 April 2019

19. Pensions (continued)

Midas group pension and life assurance scheme

The Midas Group Pension and Life Assurance Scheme was closed with effect from 30 June 2004. The scheme provides retirement and associated benefits based on a defined level of contributions, subject to a guaranteed minimum level of benefits. The contributions are determined by a qualified independent actuary on the basis of triennial valuations using the projected unit method. 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.

The expected rate of return on assets is the weighted average of the smoothed long term rate expected for the assets underlying the deposit administration managed funds, and the rate expected on cash being a long term gilt yield less 0.5% at the relevant balance sheet date.

The assets and liabilities of the scheme at 30 April are:

	2019	*2018*
	£000	*£000*
Scheme assets at fair value:		
Equities	800	2,521
Corporate bonds	1,333	1,781
Diversified growth fund	3,390	1,653
Property	155	132
Liability driven investment	3,030	1,989
Cash	557	505
Other	310	269
Fair value of scheme assets	9,575	8,850
Present value of scheme liabilities	13,343	12,472
Defined benefit pension scheme liability	(3,768)	(3,622)

The pension scheme has not invested in any of the group's own financial instruments nor in properties or other assets used by the group.

The amounts recognised in the group profit and loss account and in the group statement of other comprehensive income for the year are analysed as follows:

	2019	*2018*
	£000	*£000*
Recognised in the profit and loss account:		
Expected return on pension scheme assets	234	233
Expenses		
Interest on obligation	(336)	(335)
Other finance cost	(102)	(102)
Total recognised in the profit and loss account	(102)	(102)

Notes to the financial statements

at 30 April 2019

19. Pensions (continued)

Taken to the statement of other comprehensive income:

	2019	*2018*
	£000	*£000*
Actual return on scheme assets	798	(68)
Less: expected return on scheme assets	(234)	(233)
	564	(301)
Other actuarial gains and losses	(619)	382
Actuarial gains and losses recognised in the statement of other comprehensive income	(55)	81

		2019	*2018*
		%	*%*
Rate of inflation in pensions in payment (RPI)		3.3	3.2
Deferred pension revaluation		2.3	2.2
Discount rate		2.5	2.7
Expected rates of return on scheme assets:			
Cash		0.0	0.0
Equities		6.9	6.9
Corporate bonds		3.7	3.7
Gilts		2.9	2.9
Property		N/A	N/A
Inflation assumption	– CPI	2.3	2.2
Post-retirement mortality at age 60	– male	28.2years	28.1years
	– female	30.3years	30.2years

Changes in the present value of the defined benefit obligations are analysed as follows:

	£000
At 1 May 2017	13,211
Interest cost	335
Benefits paid	(692)
Actuarial gains and losses	(382)
At 1 May 2018	12,472
Interest cost	336
Benefits paid	(434)
Past service costs	350
Actuarial gains and losses	619
At 30 April 2019	13,343

Past service costs relate to a one off, non-recurring GMP equalisation cost that has been charged to the profit and loss account as an exceptional item during the year.

Notes to the financial statements

at 30 April 2019

19. Pensions (continued)

The defined benefit obligation arises from plans that are wholly or partly funded.

Changes in the fair value of plan assets are analysed as follows:

	£000
At 1 May 2017	9,260
Expected return on plan assets	233
Employer contributions	350
Benefits paid	(692)
Actuarial gains and losses	(301)
At 1 May 2018	8,850
Expected return on plan assets	234
Employer contributions	361
Benefits paid	(434)
Actuarial gains and losses	564
At 30 April 2019	9,575

	2019	*2018*	*2017*	*2016*	*2015*
	£000	*£000*	*£000*	*£000*	*£000*
Fair value of scheme assets	9,575	8,850	9,260	7,381	7,153
Present value of defined benefit obligation	13,343	12,472	(13,211)	(9,499)	(9,458)
Deficit in the scheme	(3,768)	(3,622)	(3,951)	(2,118)	(2,305)
Experience adjustments arising on plan liabilities	(64)	(54)	188	152	73
Experience adjustments arising on plan assets	564	(301)	1,379	(289)	618

The value of assets for prior periods has not been restated because for all years the invested assets are taken as the fair value of the insured assets held in the deposit administration type fund.

The cumulative amount of actuarial gains and losses recognised since 1 May 2003 in the statement of other comprehensive income is a net loss of £6,478,000 (2018 – loss of £6,533,000).

20. Other financial commitments

At 30 April 2019 the group had the following future minimum commitments under non-cancellable operating leases as set out below:

	Land and buildings	
	2019	*2018*
	£000	*£000*
Operating leases payments due:		
Within one year	317	360
In two to five years	971	1,142
Over five years	591	737
	1,879	2,239

Notes to the financial statements

at 30 April 2019

20. Other financial commitments (continued)

At 30 April 2019 the company had the following future minimum commitments under non-cancellable operating leases of £1,601,000 (2018 – £1,830,000).

21. Contingent liabilities

i. The group enters into performance bonds in the normal course of business. The directors do not expect any liability to arise in respect of these transactions.

ii. The company has guaranteed performance bonds entered into by subsidiary and associate undertakings.

22. Related party transactions

During this and the prior year the group leased and occupied premises at Pynes Hill, Exeter from S L Hindley, M W Hocking and the Trustees of the IPS Pension Builder. The annual rental payable is £99,000 (2018 – £99,000). At the balance sheet date the amount due to S L Hindley, M W Hocking and Trustees of the IPS Pension Builder was £nil (2018 – £nil).

D F Rogerson is a director of Midas Group Limited and is also a director and shareholder of Falmouth Developments Limited. During the year Midas Group Limited provided a loan to Falmouth Developments Limited that reached £4,373,000. and charged interest of £141,000. At the balance sheet date there is £nil (2018 -£764,000) loan amount outstanding with £nil accrued loan interest payable. At the 30 April 2019 Falmouth Developments Limited had a loan outstanding to Midas Group of £600,000. Interest is accruing on this loan at a rate of 8% . The loan and interest were repaid to Falmouth Developments on 7th May.

During the year Midas Construction Limited (subsidiary company) traded with Falmouth Developments Limited. The turnover recognised in Midas Construction Limited during the year was £5,300,000.

23. Ultimate parent undertaking and controlling party

The company and group are controlled by S L Hindley.

As at 30 April 2019 S L Hindley had a majority shareholding in the Ordinary shares of Midas Group Limited.