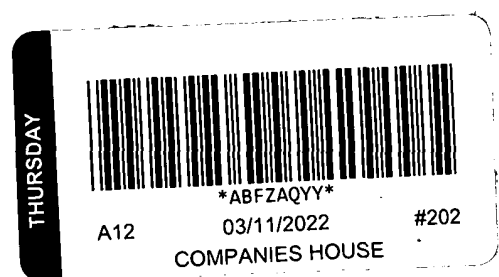


M Group Services Plant & Fleet Solutions Limited  
Annual report and financial statements  
for the year ended 31 March 2022

Registered number 12291050



# **M Group Services Plant & Fleet Solutions Limited**

## **Annual report and financial statements for the year ended 31 March 2022**

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# **M Group Services Plant & Fleet Solutions Limited**

## **Company Information**

<b>Directors</b>	J M Arnold A R Findlay M S Hamilton C Keen A Loosveld M D Shields J R Winnicott
<b>Company secretary</b>	I Evans
<b>Registered office</b>	Abel Smith House Gunnels Wood Road Stevenage Hertfordshire SG1 2ST
<b>Registered number</b>	12291050
<b>Independent auditor</b>	Deloitte LLP 1 New Street Square London EC4A 3HQ

# **M Group Services Plant & Fleet Solutions Limited**

## **Strategic report**

### **for the year ended 31 March 2022 (continued)**

The directors present their strategic report together with the audited financial statements of the Company for the year ended 31 March 2022.

#### **Principal activities**

The principal activity of the Company is that of managing the plant and fleet for the Group of companies that make up M Group Services Limited.

#### **Business review**

Company turnover for the year ended 31 March 2022 was £85.2m (2021: £83.9m) and operating profit was £2.5m (2021: £1.6m).

The net assets of the Company as at 31 March 2022 were £4.3m (2021: £2.2m).

The directors are satisfied with the Company's performance for the year, with the Company maintaining a high level of safety performance throughout the year and budgeted targets met despite delays to the supply chain from the Coronavirus pandemic and the computer chip shortage impacting fleet replacements.

It is critical to the Group's reputation that the Company's operations are safe and fit for purpose. Similarly, it is efficient and effective to procure this centrally in order to gain the benefits of operating economies of scale and to maximise procurement savings. For this reason, the Group manages and procures (hire and purchase) all items of plant and fleet for use in the business through the Company, who provide these, along with a host of other related support services such as fleet insurance at market rates which are benchmarked and based on Group volumes.

Through innovation and creative solutions, we will minimise the impact of our vehicles, plant and equipment on the environment, improve safety wherever possible and deliver efficiency, thus aiming to be a leading provider of plant & fleet asset management solutions.

#### **Future developments**

The core business is planned to continue to grow providing more fleet vehicles to the Group and supporting the wider provision of more specialist plant. As part of the wider ESG strategy more hybrid and electric vehicles are being offered to, and chosen by, our customers reducing the carbon impact of our customers' fleet. The Company continues to improve internal IT infrastructure supporting future growth in the business, including the embedding of a new specialist fleet hire system. This new fleet system provides greater control and management information to us and our customers.

#### **Stakeholder engagement**

Effective engagement of stakeholder groups supports the principles of Section 172 of the Companies Act which sets out that directors should have regard to stakeholder interests when discharging their duty to promote the success of the Company.

Our success depends on forging positive relationships with the people, communities and organisations that have an interest in our business and may be impacted by the decisions we make. We actively engage with our stakeholders to understand their views. The views of our stakeholder's assist in shaping our strategy and business model. We set out below how we engage with our main stakeholders and our impact.

##### *People*

We endeavour to listen to our people, to provide feedback and keep them engaged and informed. Successful performance can be delivered through a high level of engagement ensuring our people share the Company's core values and feel supported by our culture. We are committed to creating an environment in which our people feel valued, supported and fulfilled.

It is key that we continue to engage and listen to all feedback to harness the talent that we already have within the Company and also ensure there exists a working environment that allows people to flourish. A Company wide People Opinion Survey takes place annually enabling us to address areas for improvement to make the Company a better place to work.

# M Group Services Plant & Fleet Solutions Limited

## Strategic report

### for the year ended 31 March 2022 (continued)

#### Stakeholder engagement (continued)

##### *Customers*

We understand our customers' needs through focused key account management led by our Executive Directors and their management teams.

We have long-term relationships with our clients across multiple contracts. We are able to meet the specific needs of each of our clients to deliver best in class solutions.

##### *Suppliers*

Dialogue with suppliers is important to mitigate supply chain risk and to ensure we have access to the most cost effective products and services. We work closely with our suppliers to ensure we can meet our business requirements in a cost effective sustainable way.

Our code of conduct sets out clear standards regarding our ways of working with suppliers. Having key account support and face-to-face meetings with suppliers helps to build trust and long term relationships which is beneficial to both parties.

##### *Communities*

The Company is signed up to the Armed Forces Covenant, demonstrating our support for the Armed Forces Community. Our participation demonstrates that we recognise the values serving personnel (including reservists), Veterans and military families can bring to our business. This commitment also encourages us to work with partners such as the Career Transition Partnership (the official Ministry of Defence provider of Armed Forces resettlement support) who provide employment opportunities for those leaving the Services.

##### *Shareholders*

The Company is a wholly-owned subsidiary of Minerva Equity Limited, a United Kingdom incorporated company which is owned by management and Blueprint Investments Sarl (Luxembourg). Blueprint Investments Sarl (Luxembourg) is indirectly controlled by PAI Europe VI, a private equity fund which is ultimately controlled by PAI Partners. Monthly reporting of performance is discussed by management and PAI.

PAI aim to increase the profitability and long-term strategic value for the businesses they own in partnership with the management teams. We target long term profitable growth and deliver reliable and stable revenue streams, margins and cash flow.

#### **Key performance indicators (KPIs)**

The Board monitors progress on the overall Company strategy and trading performance by reference to KPIs, the principal measures being turnover, EBITDA (earnings before interest, tax, depreciation and amortisation), operating profit, Group order book, cash flow and accident frequency rate. Group performance against these can be found in the consolidated financial statements of M Group Services Limited.

#### **Principal risks and uncertainties**

##### *Economic conditions*

The majority of our business is with Group companies or joint ventures related to the Group. Economic conditions impact the ultimate clients of these companies. In addition, these clients rely on borrowing in the financial markets to finance their operations. There is a risk that clients will seek to reduce expenditure or extend payment terms in order to manage their cash resources. Our Group companies, engage in regular dialogue with our clients to continually assess these risks and inform us of any risks around the level of our supply.

##### *Business interruption*

Extraneous events such as pandemic, significant IT failure or cyber-attack, could result in a significant degree of business interruption. There is a risk that the Company may not be able to adapt to a changed environment and suffers significant and prolonged disruption to its activities. The Company has developed crisis management plans to mitigate the impact of such events.

# **M Group Services Plant & Fleet Solutions Limited**

## **Strategic report**

### **for the year ended 31 March 2022 (continued)**

#### **Principal risks and uncertainties (continued)**

##### *Health and safety*

There is a risk that a significant health and safety failure would impact our ability to conduct our existing business and win new business. Health and safety is a primary business focus, this is a whole life cycle approach and is a key consideration from specification to ordering, servicing, maintaining, operations and disposal.

The Company is accredited to ISO9001:2015, Achilles UVDB, RISQS, Logistics UK Van Excellence standard, FORS and ALLMI.

We operate to best practice, look for efficiency and innovation at all stages and continually analyse our approach to ensure that we keep evolving but also ensuring that standards remain high.

We are mindful that our business not only impacts our internal customers but also the general public, therefore every effort is made to ensure that our vision of 'all group businesses have the safe, compliant and fit for purpose tools needed to deliver successful results for their clients and the clients' customers, keeping sites safe, roads in good condition and transport links active' is delivered

##### *Environment*

The Company recognises the importance of its environmental responsibilities and designs and implements policies to monitor and reduce damage caused by the Company's activities.

##### *Legislative risks*

Changes in the regulatory environment are typically dealt with at a contractual level and the effects and obligations upon the Company are documented and measurable. Other industry specific recognised bodies provide good practice/standards to follow.

#### **Financial risks**

##### *Credit risk*


Details of the Company's debtors are shown in note 13 to the financial statements. The Company limits individual trade debtor exposures and these limits are reviewed on a continual basis.

##### *Liquidity risk*

The Company aims to mitigate liquidity risk by managing cash generation and utilisation by its operations and applying best practice within the credit control function. Whilst most debts are with Group companies, we ensure that accounts are reconciled regularly to ensure issues are resolved quickly and payments made promptly. The Company also manages liquidity risk via agreed credit facilities that the directors review for sufficiency on a periodic basis.

The strategic report was approved and authorised for issue by the board of directors.

On behalf of the board,



M S Hamilton

**Director**

31 October 2022

Registered Number: 12291050

Abel Smith House  
Gunnels Wood Road  
Stevenage  
Hertfordshire  
SG1 2ST

# **M Group Services Plant & Fleet Solutions Limited**

## **Directors' report**

### **for the year ended 31 March 2022**

The directors present their Annual report together with the audited financial statements of the Company for year ended 31 March 2022.

#### **Business review and future developments**

In accordance with section 414c (11) of the Companies Act 2006, the Directors have chosen to include the principal activity of the Company; the principal risks and uncertainties; the financial risks; the business review; and future developments in the Strategic Report.

#### **Dividends**

No dividends were paid in the year (2021: £nil). The directors do not recommend the payment of a final dividend (2021: £nil).

#### **Directors**

The directors who served during the year and up to the date of signing were as follows:

J M Arnold	
M G Beesley	(resigned 22 October 2021)
W J Cooper	(resigned 15 September 2022)
A R Findlay	(appointed 18 August 2021)
M S Hamilton	(appointed 14 July 2021)
J Harrison	(resigned 30 September 2021)
C Keen	(appointed 15 September 2022)
A Loosveld	(appointed 15 September 2022)
M D Shields	(appointed 20 October 2021)
J R Winnicott	

#### **Third party indemnity**

The Company maintains qualifying third party indemnity insurance for all directors as allowed by section 234 of the Companies Act 2006. These insurances were in force throughout the year ending 31 March 2022 and continue to the date of approval of the financial statements.

#### **Going concern**

The directors have taken into account uncertainties in preparing financial projections and assessing the future prospects of the Company. These included the risk of a significant economic shock impacting the UK essential infrastructure market. However, this is considered a low risk as there were no adverse impacts from the economic environment and challenges created in this COVID-19 environment and the Company was able to generate positive operating cash flows demonstrating the Company's ability to withstand significant external economic shocks. They also considered the impact of the high inflationary environment, however this is also considered low risk given the nature of the Company's framework agreements, the majority of which have indexation mechanisms. Cash flow has been and continues to be robust, in line with management's expectations. Demand in our resilient markets remains strong and the Company has significant levels of liquidity available.

Accordingly, based on the Company's financial projections and the current expectations of the directors about the prospects of the Company, the financial statements have been prepared on the going concern basis. The Company has net current liabilities of £11,800,000 but has access if needed to funding from its parent company M Group Services Limited, which has confirmed its intention to support the business for a period of at least twelve months from the date of approval of the financial statements.

The directors consider that the Company can meet its obligations as they fall due for a period of at least twelve months from the date of the directors' approval of these financial statements.

#### **Post balance sheet events**

Following a strategic review of the legal structure of the Minerva Equity Limited group, on 20 May 2022 100% of the Company's share capital was sold by Morrison Water Services Limited to fellow subsidiary M Group Services Limited.

# **M Group Services Plant & Fleet Solutions Limited**

## **Directors' report**

### **for the year ended 31 March 2022 (continued)**

#### **Employee engagement**

Our statement describing how the Board has had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing its duty under section 172 is set out on pages 2 & 3.

Employees are kept informed on matters affecting them. The Company communicates through regular briefings, presentations, electronic mailings and the wide circulation of magazines, to achieve a common awareness among all employees in relation to the financial and economic factors that affect the performance of the Company. Recognition and reward schemes are in place to encourage participation in the Company's performance, highlight the achievements and successes of our people and to thank them for their hard work and dedication.

The Company is an equal opportunities employer and applications from disabled persons are fully and fairly considered, having regard to the aptitudes and abilities of the applicant. In the event of disability, every effort is made to ensure that employment continues and appropriate training is given. Career development and promotion of disabled people is, as far as possible, identical to that of other employees.

#### **Stakeholders engagement – Other stakeholders**

Based on our engagement with and feedback from stakeholders, we factor their views into the decision making of the Board. Our statement describing how the Board has had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing its duty under section 172 is set out on pages 2 & 3.

#### **Greenhouse gas emissions and energy use**

In accordance with the requirements of Streamlined Energy and Carbon Reporting (SECR), the Company's greenhouse gas emissions and energy use data has been disclosed in the consolidated financial statements of the parent company M Group Services Limited.

#### **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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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



# **M Group Services Plant & Fleet Solutions Limited**

## **Directors' report**

### **for the year ended 31 March 2022 (continued)**

#### **Statement of disclosure of information to auditor**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Auditor**

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

The directors' report was approved and authorised for issue by the board of directors.

On behalf of the board,



M D Shields

**Director**

31 October 2022

Registered Number: 12291050

Abel Smith House  
Gunnels Wood Road  
Stevenage  
Hertfordshire  
SG1 2ST

# **M Group Services Plant & Fleet Solutions Limited**

## **Independent auditor's report to the members of M Group Services Plant & Fleet Solutions Limited**

### **Opinion**

In our opinion the financial statements of M Group Services Plant & Fleet Solutions Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 25.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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

## **M Group Services Plant & Fleet Solutions Limited**

### **Independent auditor's report to the members of M Group Services Plant & Fleet Solutions Limited (continued)**

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation, pension legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included Bribery Act, Criminal Finances Act, Data Protection Act, Health and Safety Act.

## **M Group Services Plant & Fleet Solutions Limited**

### **Independent auditor's report to the members of M Group Services Plant & Fleet Solutions Limited (continued)**

We discussed among the audit engagement team including relevant internal specialists such as tax, pensions and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in valuation and completeness of insurance claims provision. Our specific procedures performed to address them are described below:

- we obtained and documented an understanding of relevant controls in the recognition of insurance claims process;
- obtain support for the key assumptions and inputs for the calculations of the provision;
- reviewed third party evidence and the correspondence with the independent valuers of the provision;
- tested the amount of the provision utilised during the year are in line with the estimate and also tested the subsequent settlement of claims;
- we confirmed the arithmetic accuracy of claims recognised as at the balance sheet date; and
- we concluded whether insurance claims were recognised based on an appropriate information available as at 31 March 2022.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

#### **Report on other legal and regulatory requirements**

##### **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 period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

## **M Group Services Plant & Fleet Solutions Limited**

### **Independent auditor's report to the members of M Group Services Plant & Fleet Solutions Limited (continued)**

#### **Matters on which we are required to report by exception**

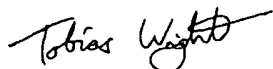
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

#### **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.



Tobias Wright, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, UK

31 October 2022

## M Group Services Plant & Fleet Solutions Limited

### Statement of comprehensive income for the year ended 31 March 2022

		Year ended 31 March 2022 £'000	Period ended 31 March 2021 £'000
	Note		
Turnover	5	85,202	83,938
Cost of sales		(82,031)	(80,720)
<b>Gross profit</b>		<b>3,171</b>	<b>3,218</b>
Administrative expenses		(2,729)	(2,401)
Other operating income	6	2,096	779
EBITDA		9,237	7,383
Depreciation	7, 11	(6,699)	(5,787)
<b>Operating profit</b>	7	<b>2,538</b>	<b>1,596</b>
Interest payable and similar expenses	9	(105)	(65)
<b>Profit before taxation</b>		<b>2,433</b>	<b>1,531</b>
Tax on profit	10	(366)	(346)
<b>Profit for the financial year / period</b>		<b>2,067</b>	<b>1,185</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the financial year / period</b>		<b>2,067</b>	<b>1,185</b>

The accompanying notes on pages 15 to 30 form part of these financial statements.

The above results relate to continuing operations for the financial year / period.


# M Group Services Plant & Fleet Solutions Limited

## Balance sheet as at 31 March 2022

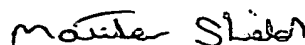
	Note	At 31 March 2022 £'000	At 31 March 2021 £'000
<b>Fixed assets</b>			
Tangible assets	11	24,932	17,726
<b>Current assets</b>			
Stocks	12	252	139
Debtors	13	17,807	18,551
Cash		2,072	86
		20,131	18,776
<b>Creditors: amounts falling due within one year</b>	14	(31,965)	(28,887)
<b>Net current liabilities</b>		(11,834)	(10,111)
<b>Total assets less current liabilities</b>		13,098	7,615
<b>Creditors: amounts falling due after more than one year</b>	15	(7,022)	(3,049)
<b>Provisions for liabilities</b>	17	(1,824)	(2,381)
<b>Net assets</b>		4,252	2,185
<b>Capital and reserves</b>			
Called up share capital	20	100	100
Share premium account	20	900	900
Retained earnings		3,252	1,185
<b>Total equity</b>		4,252	2,185

The notes on pages 15 to 30 are an integral part of these financial statements.

The financial statements on pages 12 to 30 were approved and authorised for issue by the board of directors on 31 October 2022 and were signed on its behalf by:



M S Hamilton  
Director



M D Shields  
Director

Registered Number: 12291050

## M Group Services Plant & Fleet Solutions Limited

### Statement of changes in equity for the year ended 31 March 2022

	Note	Called up share capital	Share premium account	Retained earnings	Total equity
		£'000	£'000	£'000	£'000
<b>Balance as at 31 October 2019</b>		-	-	-	-
Shares issued in the period	20	100	900	-	1,000
Total comprehensive income for the period		-	-	1,185	1,185
<b>Balance as at 31 March 2021</b>		<b>100</b>	<b>900</b>	<b>1,185</b>	<b>2,185</b>
Total comprehensive income for the year		-	-	2,067	2,067
<b>Balance as at 31 March 2022</b>		<b>100</b>	<b>900</b>	<b>3,252</b>	<b>4,252</b>

The notes on pages 15 to 30 are an integral part of these financial statements.



# **M Group Services Plant & Fleet Solutions Limited**

## **Notes to the financial statements for the year ended 31 March 2022**

### **1 General information**

M Group Services Plant & Fleet Solutions Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England. The address of its registered office is Abel Smith House, Gunnels Wood Road, Stevenage, Hertfordshire, SG1 2ST.

### **2 Statement of compliance**

The individual financial statements of M Group Services Plant & Fleet Solutions Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### **3 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

#### **Basis of preparation**

The financial statements are prepared on a going concern basis under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest thousand.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

#### **Going concern**

The directors have taken into account uncertainties in preparing financial projections and assessing the future prospects of the Company. These included the risk of a significant economic shock impacting the UK essential infrastructure market. However, this is considered a low risk as there were no adverse impacts from the economic environment and challenges created in this COVID-19 environment and the Company was able to generate positive operating cash flows demonstrating the Company's ability to withstand significant external economic shocks. They also considered the impact of the high inflationary environment, however this is also considered low risk given the nature of the Company's framework agreements, the majority of which have indexation mechanisms. Cash flow has been and continues to be robust, in line with management's expectations. Demand in our resilient markets remains strong and the Company has significant levels of liquidity available.

Accordingly, based on the Company's financial projections and the current expectations of the directors about the prospects of the Company, the financial statements have been prepared on the going concern basis. The Company has net current liabilities of £11,800,000 but has access if needed to funding from its parent company M Group Services Limited, which has confirmed its intention to support the business for a period of at least twelve months from the date of approval of the financial statements.

The directors consider that the Company can meet its obligations as they fall due for a period of at least twelve months from the date of the directors' approval of these financial statements.

#### **Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with. The Company is a qualifying entity as its results are consolidated into the financial statements of Minerva Equity Limited which are publicly available.

## **M Group Services Plant & Fleet Solutions Limited**

### **Notes to the financial statements for the year ended 31 March 2022 (continued)**

#### **3 Summary of significant accounting policies (continued)**

##### **Exemptions for qualifying entities under FRS 102 (continued)**

As a qualifying entity the Company has taken advantage of the following exemptions

- from preparing a statement of cash flows, as allowed by FRS 102 paragraph 1.12(b)
- from disclosing a table of financial instruments as allowed by FRS 102 paragraph 1.12(c)
- from disclosing transactions with entities that are part of the Minerva Equity Limited Group where 100% of the voting rights of these entities are controlled within the Group as required by FRS 102 paragraph 33.1A.

##### **Revenue recognition**

The company hires fleet and plant to customers at rates agreed before the hire period and recognises revenue evenly according to the period and rates.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and that these benefits can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable for goods and services provided and net of discounts and value added taxes.

##### **Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### *Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### *Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions.

Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

##### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value where there is reasonable assurance that the grant will be received. Amounts received are recognised over the period in which the related costs are recognised. In the previous period, grant accounting has only been applied to the Job Retention Scheme launched as part of HM Governments response to the COVID-19 pandemic.

# M Group Services Plant & Fleet Solutions Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 3 Summary of significant accounting policies (continued)

#### **Tangible assets**

Tangible assets are included at historic purchase cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset and the costs directly attributable to bringing the asset into its working condition for its intended use.

#### *Depreciation and residual values*

Depreciation of assets is calculated at rates expected to write off cost less the estimated residual value of the relevant assets over their estimated useful lives. The estimated useful lives of the assets to the business are reassessed periodically in light of experience. The estimated useful lives used are principally as follows:

Land & buildings	Over the remaining life of the lease
Plant & machinery	2 - 6 years straight line
Motor vehicles	1 - 6 years straight line
Computer equipment	2 - 4 years straight line

#### *Derecognition*

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss account.

#### **Stocks**

Stocks are stated at the lower of historical cost and estimated selling price less costs to complete and sell. Stocks are recognised as an expense in the period in which the related revenue is recognised. Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the stock to its present location and condition.

#### **Provisions and contingencies**

##### *Provisions*

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised as a finance cost.

##### *Contingencies*

Contingent liabilities arising as a result of past events are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

#### **Financial instruments**

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### *Financial assets*

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

# **M Group Services Plant & Fleet Solutions Limited**

## **Notes to the financial statements for the year ended 31 March 2022 (continued)**

### **3 Summary of significant accounting policies (continued)**

#### **Financial instruments (continued)**

##### *Financial assets (continued)*

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the profit and loss account.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### *Financial liabilities*

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow Group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised at transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### *Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

##### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### **Employee benefits**

###### *Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

# **M Group Services Plant & Fleet Solutions Limited**

## **Notes to the financial statements for the year ended 31 March 2022 (continued)**

### **3 Summary of significant accounting policies (continued)**

#### **Employee benefits (continued)**

##### *Defined contribution pension plans*

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

#### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **Related party transactions**

The Company discloses transactions with related parties which are not wholly owned by the Minerva Equity Group. It does not disclose transactions with members of the Minerva Equity Group that are wholly owned.

#### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

### **4 Critical accounting judgements and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Critical judgements in applying the entity's accounting policies**

There are no specific judgements that have been made that would result in a material change to the statutory financial statements.

#### **Key sources of estimation uncertainty**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investment, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property, plant and equipment, and note 3 for the useful economic lives for each class of assets.

##### *Insurance claims accrual*

Since 2019, M Group has operated third party insurance across its motor fleet with a £100k excess for third party liabilities. Payments are made upfront into an Escrow account and the insurance company employ reserving actuaries to advise on the size of retentions that need to be maintained. The estimation uncertainty is low as the calculated balance required is provided by external actuaries.

## M Group Services Plant & Fleet Solutions Limited

### Notes to the financial statements for the year ended 31 March 2022 (continued)

#### 5 Turnover

The Company had one class of business managing the plant and fleet for the Group of companies that make up M Group Services Limited. All turnover relates to activities in the United Kingdom.

#### 6 Other operating income

	Year to 31 March 2022	Period to 31 March 2021
	£'000	£'000
Grants received under Coronavirus Job Retention Scheme	-	149
Profit on sale of fixed assets	2,096	630
<b>Total other operating income</b>	<b>2,096</b>	<b>779</b>

#### 7 Operating profit

	Year to 31 March 2022	Period to 31 March 2021
	£'000	£'000
Operating profit is stated after charging:		
Wages and salaries	6,935	6,070
Social security costs	436	343
Other pension costs	193	191
<b>Staff costs</b>	<b>7,564</b>	<b>6,604</b>
Depreciation – owned assets (note 11)	6,215	5,431
Depreciation – leased assets (note 11)	484	356
<b>Total Depreciation</b>	<b>6,699</b>	<b>5,787</b>
Operating lease rentals – plant and machinery	30,919	21,344
Operating lease rentals – other	549	600
Profit on sale of fixed assets	(2,096)	(630)
<b>Services provided by the Company's auditor</b>		
Fees payable to the Company's auditor for the audit of the financial statements	21	18

In accordance with SI 2008/489 the Company has not disclosed the fees payable to the Company's auditor for 'Other services' as this information is included in the consolidated financial statements of Minerva Equity Limited.

# M Group Services Plant & Fleet Solutions Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 8 Employees and directors

	Year to 31 March 2022 Number	Period to 31 March 2021 Number
Average monthly number of full time equivalent management and supervisory staff employed (including executive directors)	120	107
Average monthly number of full time equivalent operational staff employed (including executive directors)	65	67
	185	174

Directors' remuneration	Year to 31 March 2022 £'000	Period to 31 March 2021 £'000
Emoluments	334	206
Pension contributions	35	32
	369	238
<b>Highest paid director</b>		
Emoluments	159	206
Pension contributions	18	32
	177	238

Retirement benefits are accruing to one director under a defined contribution scheme. None are accruing under a defined benefit scheme.

#### Key management compensation

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	Year to 31 March 2022 £'000	Period to 31 March 2021 £'000
Aggregate emoluments	423	431
Pension contributions	68	79
	491	510

# M Group Services Plant & Fleet Solutions Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 9 Interest payable and similar expenses

	Year to 31 March 2022 £'000	Period to 31 March 2021 £'000
<b>Interest payable and similar expenses</b>		
Finance lease and hire purchase contract interest	91	58
Interest payable to group undertakings	14	7
<b>Total interest payable and similar expenses</b>	<b>105</b>	<b>65</b>

### 10 Tax on profit

Tax expense included in profit or loss	Year to 31 March 2022 £'000	Period to 31 March 2021 £'000
<b>Current tax:</b>		
UK corporation tax on profits for the current year	383	501
Adjustments in respect of previous period	(25)	-
<b>Total current tax charge</b>	<b>358</b>	<b>501</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	160	(155)
Adjustments in respect of previous period	(21)	-
Impact of change in tax rate	(131)	-
<b>Total deferred tax charge / (credit)</b>	<b>8</b>	<b>(155)</b>
<b>Tax on profit</b>	<b>366</b>	<b>346</b>



## M Group Services Plant & Fleet Solutions Limited

### Notes to the financial statements for the year 31 March 2022 (continued)

#### 10 Tax on profit (continued)

##### Reconciliation of tax charge

The tax assessed for the period is lower (2021: higher) than the standard rate of corporation tax in the UK 19%. The differences are explained below:

	Year to 31 March 2021 £'000	Period to 31 March 2021 £'000
Profit before tax	2,433	1,531
Profit multiplied by the standard UK rate of tax 19%	462	291
Effects of:		
Expenses not deductible for tax purposes	81	55
Adjustments in respect of previous period	(46)	-
Impact of change in tax rate	(131)	-
<b>Tax expense for the year</b>	<b>366</b>	<b>346</b>

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

## M Group Services Plant & Fleet Solutions Limited

### Notes to the financial statements for the year 31 March 2022 (continued)

#### 11 Tangible assets

	Land & buildi ngs	Plant & machinery	Motor vehicles	Computer equipment	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost at 1 April 2021</b>	<b>961</b>	<b>18,158</b>	<b>2,272</b>	<b>2,010</b>	<b>23,401</b>
Additions	102	7,995	4,809	2,319	15,225
Disposals	-	(1,664)	(685)	(33)	(2,382)
<b>Cost at 31 March 2022</b>	<b>1,063</b>	<b>24,489</b>	<b>6,396</b>	<b>4,296</b>	<b>36,244</b>
<b>Depreciation at 1 April 2021</b>	<b>(156)</b>	<b>(4,347)</b>	<b>(603)</b>	<b>(569)</b>	<b>(5,675)</b>
Charge for the period	(179)	(4,927)	(634)	(959)	(6,699)
Depreciation on disposal	-	767	267	28	1,062
<b>Accumulated depreciation at 31 March 2022</b>	<b>(335)</b>	<b>(8,507)</b>	<b>(970)</b>	<b>(1,500)</b>	<b>(11,312)</b>
<b>Net book value at 31 March 2022</b>	<b>728</b>	<b>15,982</b>	<b>5,426</b>	<b>2,796</b>	<b>24,932</b>
Net book value at 31 March 2021	805	13,811	1,669	1,441	17,726

The net book value of the Company's tangible assets held under finance lease at 31 March 2022 included in plant and machinery was £260,000 (2021: £1,110,000) and in motor vehicles was £4,754,000 (2021: £545,000). Depreciation charged on assets held under financial leases during the year ended 31 March 2022 was £484,000 (2021: £356,000).

# M Group Services Plant & Fleet Solutions Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 12 Stocks

	At 31 March 2022 £'000	At 31 March 2021 £'000
Raw materials	252	139

There is no material difference between the balance sheet value of stock and the replacement cost.

### 13 Debtors

	At 31 March 2022 £'000	At 31 March 2021 £'000
<b>Amounts falling due within one year</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	215	161
Deferred tax (note 18)	128	136
Amounts owed by group undertakings	5,563	9,550
VAT debtor	2,289	2,526
Other debtors	34	4
Prepayments and accrued income	9,578	6,174
	<b>17,807</b>	<b>18,551</b>

Accrued income includes an amount of £1,300,000 due from group undertakings.

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

## M Group Services Plant & Fleet Solutions Limited

### Notes to the financial statements for the year ended 31 March 2022 (continued)

#### 14 Creditors: amounts falling due within one year

	At 31 March 2022	At 31 March 2021
	£'000	£'000
Trade creditors	2,764	2,148
Amounts owed to group undertakings	9,052	8,790
Corporation tax	543	-
Other taxation and social security	190	179
Insurance claim provision	5,358	4,609
Other creditors	572	570
Obligations under finance leases (note 16)	1,523	930
Accruals and deferred income	11,963	11,661
	<b>31,965</b>	<b>28,887</b>

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand.

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

	At 31 March 2022	At 31 March 2021
	£'000	£'000
Obligations under finance leases (note 16)	3,292	523
Accruals and deferred income	3,730	2,526
	<b>7,022</b>	<b>3,049</b>

## M Group Services Plant & Fleet Solutions Limited

### Notes to the financial statements for the year ended 31 March 2022 (continued)

#### 16 Loans and other borrowings

	At 31 March 2022 £'000	At 31 March 2021 £'000
Obligations under finance leases	4,815	1,453
<b>Finance leases</b>		
The future minimum finance lease payments are as follows:	At 31 March 2022 £'000	At 31 March 2021 £'000
Less than one year	1,675	984
Between one and two years	1,488	350
Between two and five years	1,983	185
	5,146	1,519
Less: finance charges	(331)	(66)
Carrying amount of liability	4,815	1,453

The finance leases relate to plant and machinery and includes items such as excavators, compressors and trailers. They are secured by fixed charges on the assets concerned.

#### 17 Provisions for liabilities

	At 31 March 2022 £'000	At 31 March 2021 £'000
Brought forward at 1 April / 31 October	2,381	-
Movement arising from the acquisition of business	-	2,381
Utilisation of provision	(1,059)	-
Charge for the year	502	-
Carrying forward at 31 March	1,824	2,381

Provisions include £1,809,000 in respect of third party insurance claims and £15,000 in respect of damage or loss of plant on hire.

## M Group Services Plant & Fleet Solutions Limited

### Notes to the financial statements for the year ended 31 March 2022 (continued)

#### 18 Deferred tax asset

The deferred tax asset consists of the following:

	At 31 March 2022 £'000	At 31 March 2021 £'000
Fixed asset timing differences	118	136
Short term timing differences	10	-
<b>Total deferred tax provision</b>	<b>128</b>	<b>136</b>

	At 31 March 2022 £'000	At 31 March 2021 £'000
Brought forward at 1 April / 31 October	136	-
Movement arising from the acquisition of business	-	(19)
Adjustments in respect of previous period	21	-
(Charge)/credit for the year / period	(29)	155
<b>Carried forward at 31 March (Note 13)</b>	<b>128</b>	<b>136</b>

The amount of deferred tax expected to be reversed in the next 12 months is £nil (2021: £nil).

#### 19 Pensions and similar obligations

The amount recognised as an expense for the defined contribution scheme was:

	Year to 31 March 2022 £'000	Period to 31 March 2021 £'000
Current year contributions	193	191

Contributions amounting to £38,000 (2021: £34,000) were outstanding at the year end.

## M Group Services Plant & Fleet Solutions Limited

### Notes to the financial statements for the year ended 31 March 2022 (continued)

#### 20 Called up share capital and other reserves

	At 31 March 2022	At 31 March 2021
	£'000	£'000
Allotted and fully paid share capital		
100,001 ordinary shares of £1 each	100	100
	100	100

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

The share premium account represents the price paid for the shares in excess of the nominal value of the shares.

#### 21 Contingent liabilities

There exist cross guarantees under a Group banking arrangement whereby Group companies have guaranteed the liabilities of other Group companies to their clearing banks. Net indebtedness recognised by the Company under this arrangement at 31 March 2022 was £nil (2021: £nil). Group bank debt is disclosed in the financial statements of Minerva Equity Limited.

#### 22 Capital commitments

As at 31 March 2022, the Company had placed contracts for the purchase of assets to the value of £884,000 (2021: £2,116,000), which were not provided for in the financial statements.

Total future minimum lease payments under non-cancellable operating leases are as follows:

	At 31 March 2022 £'000	At 31 March 2021 £'000
Payments due		
Within one year	19,094	15,211
Between one and five years	28,117	24,551
More than five years	1,594	2,031
	48,805	41,793

## **M Group Services Plant & Fleet Solutions Limited**

### **Notes to the financial statements for the year ended 31 March 2022 (continued)**

#### **23 Related party transactions**

The Company has taken advantage of the exemption under FRS 102.33.1A, and has not disclosed transactions with entities that are part of the Minerva Equity Limited Group, where 100% of the voting rights of these entities are controlled within the Group.

#### **24 Controlling parties**

At 31 March 2022, the Company's immediate parent undertaking was Morrison Water Services Limited, a company registered in England and Wales.

The ultimate parent undertaking is Minerva Equity Limited, a company registered in England and Wales, whose ultimate controlling party is PAI Partners a private equity firm registered in France.

M Group Services Limited is the parent undertaking of the smallest group to consolidate these financial statements. Minerva Equity Limited is the parent undertaking of the largest group to consolidate these financial statements.

Copies of the M Group Services Limited and Minerva Equity Limited consolidated financial statements can be obtained from the Company Secretary at the registered office: Abel Smith House, Gunnels Wood Road, Stevenage, Hertfordshire, SG1 2ST.

#### **25 Post balance sheet events**

Following a strategic review of the legal structure of the Minerva Equity Limited group, on 20 May 2022 100% of the Company's share capital was sold by Morrison Water Services Limited to fellow subsidiary M Group Services Limited.