

REGISTERED NUMBER: 01089958 (England and Wales)

Financial Statements
for the Year Ended 31 March 2019
for
Tritech Precision Products (Barnstaple)
Limited

**Tritech Precision Products (Barnstaple)
Limited (Registered number: 01089958)**

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for the Year Ended 31 March 2019**

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**Tritech Precision Products (Barnstaple)
Limited**

**Company Information
for the Year Ended 31 March 2019**

DIRECTORS:	I J Walker S J Goodier A R White S Goodfellow F D Neterwala A F Neterwala S S Docherty M Langford
SECRETARY:	M Langford
REGISTERED OFFICE:	Bridge Road North Wrexham Industrial Estate Wrexham Clwyd LL13 9PS
REGISTERED NUMBER:	01089958 (England and Wales)
SENIOR STATUTORY AUDITOR:	Ashley Conway
AUDITORS:	Mitten Clarke Audit Limited Statutory Auditors The Glades Festival Way Stoke on Trent Staffordshire ST1 5SQ

**Tritech Precision Products (Barnstaple)
Limited (Registered number: 01089958)**

**Statement of Financial Position
31 March 2019**

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Intangible assets	4		24,067		31,111
Tangible assets	5		<u>950,971</u>		<u>933,070</u>
			975,038		964,181
CURRENT ASSETS					
Stocks		1,812,572		1,654,120	
Debtors	6	1,340,521		1,501,954	
Cash at bank		<u>1,395</u>		<u>46,722</u>	
		3,154,488		3,202,796	
CREDITORS					
Amounts falling due within one year	7	<u>1,575,516</u>		<u>1,594,028</u>	
NET CURRENT ASSETS			<u>1,578,972</u>		<u>1,608,768</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,554,010		2,572,949
CREDITORS					
Amounts falling due after more than one year	8		(63,151)		(48,729)
PROVISIONS FOR LIABILITIES			<u>(105,838)</u>		<u>(141,443)</u>
NET ASSETS			<u>2,385,021</u>		<u>2,382,777</u>
CAPITAL AND RESERVES					
Called up share capital			50,000		50,000
Retained earnings - unrealised	11		169,319		231,283
Retained earnings	11		<u>2,165,702</u>		<u>2,101,494</u>
SHAREHOLDERS' FUNDS			<u>2,385,021</u>		<u>2,382,777</u>

The notes form part of these financial statements

**Tritech Precision Products (Barnstaple)
Limited (Registered number: 01089958)**

**Statement of Financial Position - continued
31 March 2019**

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 17 December 2019 and were signed on its behalf by:

I J Walker - Director

M Langford - Director

The notes form part of these financial statements

**Tritech Precision Products (Barnstaple)
Limited (Registered number: 01089958)**

**Notes to the Financial Statements
for the Year Ended 31 March 2019**

1. STATUTORY INFORMATION

Tritech Precision Products (Barnstaple) Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in pound sterling and rounded to thousands unless otherwise stated.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

In the directors' opinion there are no critical judgements, apart from those involving estimations (dealt with separately below), that they have made in applying company's accounting policies and that have had a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The directors consider that the key estimates and assumptions used in preparing the financial statements are as follows:

- The estimation of the cost of individual stock items from their selling price

The company has adopted the retail method for valuing work in progress and finished goods. This requires the directors to estimate the gross margin percentage that is used to reduce the selling price to the estimated cost. The estimated gross margin is based on a rolling 5 year gross margin less an estimated portion of production overheads attributed to direct costs.

- The estimate of the provision necessary for slow moving stocks

The directors have estimated the provision required for stocks that have been manufactured but currently have no orders allocated against them. This is based on finished goods that have no orders against them and have not moved in the last 12 months.

- The economic useful life of tangible fixed assets.

Management review the useful economic lives of depreciable assets at each reporting date as to allocate the cost of assets, less their residual value, over their estimated useful lives. Uncertainties in these estimates relate to the actual life of the tangible fixed assets.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

2. ACCOUNTING POLICIES - continued

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2012, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tritech Precision Products (Barnstaple)
Limited (Registered number: 01089958)**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided in equal annual instalments in order to write off the cost, less estimated residual value, of each tangible fixed asset over its useful life.

Improvements to leasehold premises	-	10 and 25 years
Plant and machinery	-	3 - 10 years
Computer equipment	-	3 years

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.

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Stocks

Stocks include items purchased and exclude items sold, subject to reservation of title.

Stocks are stated at the lower of cost or net realisable value as follows:

Raw materials	-	Cost on a first in, first out basis
Work in progress	-	Measured using percentage complete and then selling price reduced by gross margin percentage.
Finished goods	-	Measured using the retail method which is selling price reduced by gross margin percentage.

Cost includes expenditure incurred in bringing stocks to their present location and condition.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

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

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.

Research and development

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can be reasonably regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the profit and loss account.

Hire purchase and leasing commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the Company, and hire purchase contracts are capitalised in the balance sheet and depreciated over their useful lives. The capital elements of future obligations under leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals under operating leases are charged in the profit and loss account on a straight line basis over the life of the lease.

Pension costs

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged in the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

**Tritech Precision Products (Barnstaple)
Limited (Registered number: 01089958)**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 79 (2018 - 69) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2018 and 31 March 2019	<u>70,479</u>
AMORTISATION	
At 1 April 2018	39,368
Amortisation for year	<u>7,044</u>
At 31 March 2019	<u>46,412</u>
NET BOOK VALUE	
At 31 March 2019	<u>24,067</u>
At 31 March 2018	<u>31,111</u>

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Motor vehicles £	Computer & office equipment £	Totals £
COST					
At 1 April 2018	95,904	1,641,294	17,086	76,310	1,830,594
Additions	<u>8,850</u>	<u>201,785</u>	<u>-</u>	<u>1,697</u>	<u>212,332</u>
At 31 March 2019	<u>104,754</u>	<u>1,843,079</u>	<u>17,086</u>	<u>78,007</u>	<u>2,042,926</u>
DEPRECIATION					
At 1 April 2018	91,047	716,179	14,938	75,360	897,524
Charge for year	<u>2,861</u>	<u>188,734</u>	<u>2,148</u>	<u>688</u>	<u>194,431</u>
At 31 March 2019	<u>93,908</u>	<u>904,913</u>	<u>17,086</u>	<u>76,048</u>	<u>1,091,955</u>
NET BOOK VALUE					
At 31 March 2019	<u>10,846</u>	<u>938,166</u>	<u>-</u>	<u>1,959</u>	<u>950,971</u>
At 31 March 2018	<u>4,857</u>	<u>925,115</u>	<u>2,148</u>	<u>950</u>	<u>933,070</u>

The NBV of assets held under finance lease is £298,000 (2018 £315,000).

**Tritech Precision Products (Barnstaple)
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**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	920,086	918,182
Amounts owed by group undertakings	337,678	542,073
Other debtors	5,205	-
Prepayments	77,552	41,699
	<u>1,340,521</u>	<u>1,501,954</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Invoice discounting	646,081	691,276
Finance leases (see note 9)	54,159	80,638
Trade creditors	654,505	635,795
Amounts owed to group undertakings	50,000	42,000
Tax	-	25,450
Social security and other taxes	46,383	40,237
VAT	64,256	3,020
Accrued expenses	60,132	75,612
	<u>1,575,516</u>	<u>1,594,028</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Finance leases (see note 9)	<u>63,151</u>	<u>48,729</u>

**Tritech Precision Products (Barnstaple)
Limited (Registered number: 01089958)**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	2019	2018
	£	£
Gross obligations repayable:		
Within one year	59,400	85,674
Between one and five years	74,494	52,611
	<u>133,894</u>	<u>138,285</u>
Finance charges repayable:		
Within one year	5,241	5,036
Between one and five years	11,343	3,882
	<u>16,584</u>	<u>8,918</u>
Net obligations repayable:		
Within one year	54,159	80,638
Between one and five years	63,151	48,729
	<u>117,310</u>	<u>129,367</u>
	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	139,123	139,123
Between one and five years	639,840	658,963
In more than five years	930,000	1,050,000
	<u>1,708,963</u>	<u>1,848,086</u>

**Tritech Precision Products (Barnstaple)
Limited (Registered number: 01089958)**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

10. SECURED DEBTS

The following secured debts are included within creditors:

	2019 £	2018 £
Finance leases	117,310	129,367
Invoice discounting	<u>646,081</u>	<u>691,276</u>
	<u>763,391</u>	<u>820,643</u>

The invoice discounting balance is secured by fixed and floating charges on the company's assets and those of its parent company and ultimate parent company.

The finance leases are secured against the asset to which they relates.

11. RESERVES

	Retained earnings £	Retained earnings - unrealised £	Totals £
At 1 April 2018	2,101,494	231,283	2,332,777
Profit for the year	2,244		2,244
Transfer of realised reserves	<u>61,964</u>	<u>(61,964)</u>	-
At 31 March 2019	<u>2,165,702</u>	<u>169,319</u>	<u>2,335,021</u>

Retained earnings - unrealised is the increase on revaluation of plant & machinery performed under the transition to FRS 102. The transfer to the retained earnings - realised is the excess depreciation charge on the revalued assets.

12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Ashley Conway (Senior Statutory Auditor)
for and on behalf of Mitten Clarke Audit Limited

13. CONTINGENT LIABILITIES

The company has charges over its assets, in the form of an all assets debenture, as security for the borrowings of fellow group undertakings. At 31 March 2019 these borrowings amounted to £10,677,000 (2018 - £11,089,000). As at the date of approval of these financial statements the directors do not anticipate that the charges will be called upon.

14. RELATED PARTY DISCLOSURES

At the year end the company owed £50,000 (2018 - £NIL) to a fellow group company not 100% owned within the group.

**Tritech Precision Products (Barnstaple)
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**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is F.D.Neterwala due to his controlling interest in the company's ultimate holding company, Chemical & Ferro Alloys Private Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.