

Trifast Overseas Holdings Limited

Annual report and financial statements

Registered number 02997039

31 March 2019

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Strategic report

Results, dividends and activities

The company acts as a holding company for certain subsidiaries of Trifast plc. The company's profit for the year was £11.4m (2018: £10.4m). Due to the Company being non-trading management do not set KPI targets to be reviewed periodically.

The principal risks and uncertainties affecting the company are its investment holdings. The principal risks and uncertainties of the group are described in the Trifast plc annual report.

The company will remain a holding company for the foreseeable future.

The directors declared and paid a final ordinary dividend of £10.8m (2018: £9.5m).

By order of the board



L Case
Company Secretary

13th November 2019
Trifast House
Bellbrook Park
Uckfield
East Sussex
TN22 1QW

Directors' report

The directors present the annual report together with the audited financial statements for the year ended 31 March 2019.

Principal activity

The company acts as a holding company for certain subsidiaries of Trifast plc. The company's profit for the year was £11.4m (2018: £10.4m).

Going Concern

After making enquiries, the directors have reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. Further information is given in note 1. For this reason, they have continued to adopt the going concern basis in preparing the financial statements.

Directors

The directors who held office during the year is as follows:

M Belton
C Foster

Disclosure of information to the auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and the directors have taken all the steps that they ought to have taken as a directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



L Case
Company Secretary

13th November 2019
Trifast House
Bellbrook Park
Uckfield
East Sussex
TN22 1QW

Registered number 02997039

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Directors' 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of Trifast Overseas Holdings Limited

Opinion

We have audited the financial statements of Trifast Overseas Holdings Limited ("the company") for the year ended 31 March 2019 which comprise the Profit and Loss account, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Independent Auditor's Report to the Members of Trifast Overseas Holdings Limited *(continued)*

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent Auditor's Report to the Members of Trifast Overseas Holdings Limited *(continued)*

The purpose of our audit work and to whom we owe our responsibilities

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.

Mark Sheppard (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

1 Forest Gate
Brighton Road,
Crawley
RH11 9PT

14 November 2019



Profit and Loss Account
for year ended 31 March 2019

	<i>Note</i>	2019 £000	2018 £000
Income from shares in group undertakings	4	10,837	10,562
Interest payable and similar expenses	5	548	(673)
		<hr/>	<hr/>
Profit before taxation		11,385	9,889
Tax on profit	6	-	495
		<hr/>	<hr/>
Profit for the financial year		11,385	10,384
		<hr/> <hr/>	<hr/> <hr/>

The company has no other comprehensive income or expenses for 2018 and 2019 other than the profit shown above for those years, all of which was derived from continuing operations.

The notes on pages 10 to 16 form part of these financial statements.

Balance Sheet
at 31 March 2019

	<i>Note</i>	2019 £000	£000	2018 £000	£000
Fixed assets					
Investments	7		63,789		54,409
Current assets					
Cash at bank and in hand		12		12	
		<u>12</u>		<u>12</u>	
Creditors: amounts falling due within one year	8	(36,934)		(28,102)	
Net current liabilities			(36,922)		(28,090)
Total assets less current liabilities			26,867		26,319
Net assets			26,867		26,319
Capital and reserves					
Called up share capital	9	-		-	
Share premium account		23,863		23,863	
Capital reserves		1,149		1,149	
Profit and loss account		1,855		1,307	
Shareholders' funds			26,867		26,319

The notes on pages 10 to 16 form part of these financial statements.

These financial statements were approved by the board of directors on 13th November 2019 and were signed on its behalf by:



C Foster
Director

Company registered number: 2997039

Statement of Changes in Equity

	Called up Share capital £000	Share Premium account £000	Capital reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 April 2017	-	23,863	1,149	417	25,429
Total comprehensive income for the period					
Profit or loss	-	-	-	10,384	10,384
Total comprehensive income for the period	-	-	-	10,384	10,384
Transactions with owners, recorded directly in equity					
Issue of share capital	-	-	-	-	-
Dividends	-	-	-	(9,494)	(9,494)
Total contributions by and distributions to owners	-	-	-	(9,494)	(9,494)
Balance at 31 March 2018	-	23,863	1,149	1,307	26,319
Total comprehensive income for the period					
Profit or loss	-	-	-	11,385	11,385
Total comprehensive income for the period	-	-	-	11,385	11,385
Transactions with owners, recorded directly in equity					
Issue of share capital	-	-	-	-	-
Dividends	-	-	-	(10,837)	(10,837)
Total contributions by and distributions to owners	-	-	-	(10,837)	(10,837)
Balance at 31 March 2019	-	23,863	1,149	1,855	26,867

The notes on pages 10 to 16 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Trifast Overseas Holdings Limited (the “Company”) is a private company limited by shares incorporated, domiciled and registered in England.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company’s parent undertaking, Trifast plc includes the Company in its consolidated financial statements. The consolidated financial statements of Trifast plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Trifast plc, Trifast House, Bellbrook Park, Uckfield, East Sussex, TN22 1QW.

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

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following transition to FRS 101; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the Company in the current and prior periods including the comparative period reconciliation for goodwill; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at 1 April 2014 for the purposes of the transition to FRS 101.

In these financial statements the Group has changed its accounting policies in the following areas:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers

Notes (continued)

1 Accounting policies (continued)

The effect of the changes in accounting policies by the two standards above are not material and therefore no transition adjustments are required. The accounting policies (notes 1.4 and 1.5) have been updated to reflect the new requirements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 12.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the company's ultimate parent company, Trifast Plc, not seeking repayment of the amounts currently due to the group, which at 31 March 2019 amounted to £36.4m. Trifast Plc has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Notes (continued)

1 Accounting policies (continued)

1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, cash and cash equivalents and trade and other creditors.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments

Investments in subsidiaries are carried at cost less any provisions for impairment.

1.6 Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

1.7 Impairment

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

1.8 Expenses

Interest receivable and Interest payable

Interest receivable and payable relates to net foreign exchange gains/losses that are recognised in the profit and loss account (see foreign currency accounting policy).

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Notes (continued)

1 Accounting policies (continued)

1.9 Taxation (continued)

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

2 Expenses and auditor's remuneration

The audit fee of £2,355 (2018: £2,307) has been paid by the parent company, Trifast plc

3 Directors' remuneration

No director received emoluments in respect of qualifying services to the company (2018: £nil).

4 Income from shares in Group undertakings

	2019 £000	2018 £000
Dividend income	10,837	10,562

5 Interest payable and similar charges

	2019 £000	2018 £000
Net foreign exchange (gain)/loss	(462)	673
Movement in contingent consideration	(86)	-
	(548)	673

Notes (continued)

6 Taxation

Recognised in the profit and loss account	2019 £000	2018 £000
<i>UK corporation tax</i>		
Tax on profit on ordinary activities	-	-
Adjustments in respect of prior years	-	495
	<hr/>	<hr/>
Reconciliation of effective tax rate		
	2019 £000	2018 £000
Profit for the year	11,385	10,384
Total tax expense	-	(495)
	<hr/>	<hr/>
Profit excluding taxation	11,385	9,889
Tax using the UK corporation tax rate of 19% (2018: 19%)	2,163	1,879
Non-taxable dividend income	(2,058)	(2,006)
Non-taxable foreign exchange (gain)/loss	(87)	127
Adjustments in respect of prior years	-	(495)
Non-taxable receipts	(18)	-
	<hr/>	<hr/>
Total tax expense	-	(495)
	<hr/>	<hr/>

A reduction in the UK tax rate from 19% to 18% (effective from 1 April 2020) was substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 October 2016. This will reduce the company's future current tax charge accordingly.

In FY2018 a historic tax position relating to EU loss relief claims and EU dividend relief claims was finalised. This resulted in a release of the £0.5m of the provision on the balance sheet at 31 March 2018.

7 Fixed asset investments

	Shares in group undertakings £000
<i>Cost</i>	
At beginning of year	55,887
Additions	9,380
	<hr/>
At end of year	65,267
	<hr/>
<i>Provisions</i>	
At beginning and end of the year	1,478
	<hr/>
<i>Net book value</i>	
At 31 March 2019	63,789
	<hr/>
At 31 March 2018	54,409
	<hr/>

Notes (continued)

7 Fixed asset investments (continued)

The Company has the following investments in subsidiaries:

	Address	Class of shares held	Ownership	
			2019	2018
TR Fastenings Ltd	Trifast House, Bellbrook Park, Uckfield, East Sussex, TN22 1QW, UK	£1.00 ORD	100%	100%
TR Miller Holding B.V.	Kelvinstraat 5, 7575 AS, OLDENZAAL, Netherlands	€1.00	100%	100%
Lancaster Fastener Company Ltd	Stevant Way, Northgate, White Lund Industrial Estate, Morecambe, England, LA3 3PU, UK	£1.00 ORD	100%	100%
TR Fastenings AB	BOX 4133, Smedjegatan 6, 7tr, SE-131 04 NACKA, Sweden	SEK	100%	100%
TR Hungary Kft	Szigetszentmiklós, Leshegy út 8, 2310 Hungary	HUF	100%	100%
Viterie Italia Centrale SPA	Via Industriale, 19, 06022 Fossato Di Vico (PG), Italy	€1.00	100%	100%
Trifast Holdings BV	Prins Bernhardplein 200, 1097 JB Amsterdam, Netherlands	€1.00	100%	100%
TR Kuhlmann GmbH	Lerchenweg 99, 33415 Verl, Germany	€1.00	100%	100%
TR Fastenings Espana – Ingenieria Industrial, S.L.	Calle de la Ciencia 43, Viladecans, Barcelona, CP 08840, Spain	€3,085	100%	100%
TR Fastenings Inc	11255 Windfern Road, Houston, TX. 77064, USA	\$1,168,063	100%	100%
Precision Technology Supplies Ltd	The Birches Industrial Estate, Imberhome Lane, East Grinstead, West Sussex, RH19 1XZ, UK	£1.00 ORD	100%	-

The Company has the following indirect investments:

	Country of Incorporation	Ownership	
		2019	2018
TR Southern Fasteners Ltd	Mallow Business & Technology Park, Mallow, Co. Cork, P51 HV12, Republic of Ireland	100%	100%
TR Norge AS	Masteveien 8, NO-1481 Hagan, Norway	100%	100%
VIC Sp. Z.o.o.	Wroclaw, ul Wiosenna 14/2, Poland	100%	100%
TR Asia Investment Holdings Pte Ltd	57 Senoko Road, Singapore 758121	100%	100%
TR Formac Pte Ltd	57 Senoko Road, Singapore 758121	100%	100%
TR Formac (Malaysia) SDN Bhd	1 & 3 Lorong lks Juru 11, Taman Industri Ringan Juru, 14100 Simpang Ampat, Seberang Perai (S), Pulau Pinang, Malaysia	100%	100%
TR Formac (Shanghai) Pte Ltd	No. 1222, JinHu Road, Pudong, Shanghai, PR China. 201206	100%	100%
Special Fasteners Engineering Co Ltd	9F.-3 No. 366, Bo Ai 2nd Rd., Kaohsiung 81358, Taiwan, R.O.C	100%	100%
TR Formac Fastenings Private Ltd	Plot No:180, Door No:2, 10th Cross Street, Mangala Nagar, Porur, Chennai-600 116, India	100%	100%
Power Steel & Electro-Plating Works SDN Bhd	Jalan Pengapit 15/19, Section 15, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia	100%	100%
TR Formac Co Ltd	29/1, Piya Place Langsuan, 6th Floor, Unit no.6H, Soi Langsuan, Ploenchit Rd., Lumpini, Patumwan, Bangkok 10330 Thailand.	100%	100%

8 Creditors: amounts falling due within one year

	2019 £000	2018 £000
Amounts owed to group undertakings	(36,422)	(28,102)
Contingent consideration	(512)	-
	<u>(36,934)</u>	<u>(28,102)</u>

The amounts owed to group undertakings are repayable on demand

Notes (continued)

9 Capital

Share capital

	2019	Ordinary shares 2018
On issue at 1 April 2017 and 31 March 2018 (fully paid)	112	112
	<hr/>	<hr/>
	2019 £	2018 £
<i>Allotted, called up and fully paid</i>		
112 Ordinary shares of £1 each	112	112
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Dividends

The following dividends were recognised during the period:

	2019 £000	2018 £000
£96,759 (2018: £84,769) per qualifying ordinary share	10,837	9,494
	<hr/>	<hr/>

10 Contingencies

The company cross guarantees the overdrafts of certain members of the Trifast plc UK group. The amount outstanding at the year end was £0.06m (2018: £nil). The company is contingently liable to its bankers in respect of guarantees given to HM Revenue & Customs of £0.12m (2018: £0.12m).

11 Ultimate parent company and parent company of larger group

The ultimate parent company, which is also the parent undertaking of the only group of undertakings for which group accounts are drawn up is Trifast plc, registered in England and Wales.

The consolidated accounts of this company are available to the public and may be obtained from Trifast plc, Trifast House, Bellbrook Park, Uckfield, East Sussex TN22 1QW.

12 Accounting estimates and judgements

Given the nature of the entity, that of a holding company, management have not identified any significant accounting estimates and judgements.

13 Acquisition of Precision Technology Supplies Limited ('PTS')

On 4 April 2018, the Group acquired PTS for an initial consideration of £8.5m, subject to adjustment based on the net cash in the business at completion. The initial amount was paid on completion in cash. Contingent consideration of up to £2.5m in cash is based on the achievement of significant earn out targets, and will be deferred for 12 months. The targets require PTS to achieve a minimum adjusted PAT for FY2019 to receive a further £0.5m consideration. Then for every £1 of adjusted PAT in excess of the minimum an extra £3.77 will be payable subject to a maximum of £2.0m. This contingent consideration will also serve as a retention against which any potential warranty and indemnity claims can be offset at the end of the earn out period.

For further information on the acquisition, please refer to the Trifast plc Annual Report.