

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

FINANCIAL STATEMENTS

for the year ended

31 March 2019



Company Registration No. 01756863

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

COMPANY INFORMATION

DIRECTORS	C D Allen J H Allen D J Crowley J F McCabe JR
SECRETARY	J H Allen
COMPANY NUMBER	01756863
REGISTERED OFFICE	Meteor Business Park Cheltenham Road East Gloucester GL2 9QL
AUDITOR	Ernst & Young LLP The Paragon Counterslip Bristol Avon BS1 6BX

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

DIRECTORS' REPORT
for the year ended 31 March 2019

The directors present their report and financial statements of Triumph Actuation Systems - UK, Ltd. (Company Registration No. 01756863) for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The principal activity of the company until 31 March 2017 was the manufacture and supply of semi-intelligent closed-loop motion-control actuation products for defence and flight control applications.

On the 31 March 2017, the company transferred all of its trading activities together with all related employees and net assets to its fellow group undertaking, Triumph Aerospace Operations UK, Ltd.

Following this disposal, the company has ceased to have any trading activities.

DIRECTORS

The following directors have held office since 1 April 2018 and up to the date of approval of this report:

C D Allen	(appointed 1 August 2019)
J H Allen	(appointed 31 December 2018)
D J Crowley	
P A Fowler	(resigned 5 July 2019)
J F McCabe JR	
J B Wright II	(resigned 31 December 2018)

GOING CONCERN

On the 31 March 2017, the company transferred all of its trading activities together with all related employees and net assets to its fellow group undertaking, Triumph Aerospace Operations UK, Ltd. Following this disposal, the company has ceased to have any trading activities.

The disposal agreement was completed via an Intercompany loan, and Triumph Aerospace Operations UK, Ltd. has provided a letter of support to the company for any future liabilities that arise. In turn, Triumph Aerospace Operations UK, Ltd. has received a written undertaking from its ultimate parent, Triumph Group Inc. to provide further funding as necessary to enable it to meet all of its liabilities as they fall due. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

STATEMENT OF DISCLOSURE TO AUDITOR

The directors who are in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

DIRECTORS' REPORT (Continued)
for the year ended 31 March 2019

REAPPOINTMENT OF AUDITORS

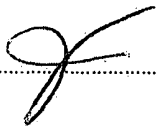
Ernst & Young LLP have expressed their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies subject to section 415A of the small companies' regime of the Companies Act 2006.

This report was approved by the board of directors on 20 DEC 2019

Signed on behalf of the board

JAMES F. MCCABE JR.

 DIRECTOR

Dated: 20 DEC 2019

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for preparing 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, 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements.
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRIUMPH ACTUATION SYSTEMS – UK, LTD

Opinion

We have audited the financial statements of Triumph Actuation Systems – UK, Ltd for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 13 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRIUMPH ACTUATION SYSTEMS – UK, LTD
(continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small company's exemption from the requirement to prepare a Strategic Report and take advantage of the small company's exemption in preparing the Directors' Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRIUMPH ACTUATION SYSTEMS – UK, LTD
(continued)**

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Jane Barwell (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

Date: *23 December 2019*

TRIUMPH ACTUATION SYSTEMS - UK, LTD.**STATEMENT OF COMPREHENSIVE INCOME**
for the year ended 31 March 2019

	Notes	2019 £'000	2018 £'000
OPERATING PROFIT		-	-
Interest receivable and similar income	4	2,354	2,354
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	<u>2,354</u>	<u>2,354</u>
Taxation	7	(447)	(447)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,907</u> =====	<u>1,907</u> =====

The notes on pages 11 to 16 form part of these financial statements. All operations of the company relate to discontinued activities.

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

STATEMENT OF FINANCIAL POSITION
as at 31 March 2019

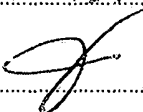
Company Registration No. 01756863

	Notes	2019 £'000	2018 £'000
CURRENT ASSETS			
Debtors	8	43,934	41,580
Cash at bank and in hand		-	-
		<u>43,934</u>	<u>41,580</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(894)	(447)
NET CURRENT ASSETS		<u>43,040</u>	<u>41,133</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS		<u>43,040</u> =====	<u>41,133</u> =====
CAPITAL AND RESERVES			
Called up share capital	10	25	25
Share premium account	11	30,432	30,432
Profit and loss account	11	12,583	10,676
SHAREHOLDERS' FUNDS		<u>43,040</u> =====	<u>41,133</u> =====

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

The notes on pages 11 to 16 form part of these financial statements. The financial statements on pages 8 to 16 were approved by the board of directors and authorised for issue on 20 DEC 2019 and are signed on its behalf by:

JAMES F. McABETA

 DIRECTOR

Dated: 20 DEC 2019

TRIUMPH ACTUATION SYSTEMS - UK, LTD.**STATEMENT OF CHANGES IN EQUITY**
as at 31 March 2019

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total £'000
Balance at 1 April 2017	25	30,432	8,769	39,226
Profit and total comprehensive income for the year	-	-	1,907	1,907
Balance at 31 March 2018	25	30,432	10,676	41,133
Profit and total comprehensive income for the year	-	-	1,907	1,907
Balance at 31 March 2019	25	30,432	12,583	43,040
	=====	=====	=====	=====

The notes on pages 11 to 16 form part of these financial statements.

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2019**

1 GENERAL INFORMATION

Triumph Actuation Systems - UK, Ltd. (the company) no longer has any trading activity.

The company (Company Registration No. 01756863) is a private company limited by shares and it is incorporated and domiciled in England and Wales. The address of its registered office is Meteor Business Park, Cheltenham Road East, Gloucester GL2 9QL.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

BASIS OF PREPARATION

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirements of the Companies Act 2006, and under historical cost convention.

The financial statements are prepared in pounds Sterling, which is the functional currency of the company.

Monetary amounts in these financial statements are rounded to the nearest £'000, except where otherwise indicated.

REDUCED DISCLOSURES

The company has taken advantage of the exemption from disclosing the following information, as permitted by the reduced disclosure regime within FRS 102:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts for financial instruments measured at amortised cost or cost less impairment, interest income/expense and net gains/losses for financial instruments measured at amortised cost, loan defaults or breaches, and descriptions of hedging relationships.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

The financial statements of the company are consolidated in the financial statements of Triumph Group, Inc., a company registered in the United States of America. These consolidated financial statements may be obtained from the directors at 899 Cassatt Road, Suite 210, Berwyn, PA 19312.

TRIUMPH ACTUATION SYSTEMS - UK, LTD.**NOTES TO THE FINANCIAL STATEMENTS (Continued)**
for the year ended 31 March 2019**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****GOING CONCERN**

On the 31 March 2017, the company transferred all of its trading activities together with all related employees and net assets to its fellow group undertaking, Triumph Aerospace Operations UK, Ltd. Following this disposal, the company has ceased to have any trading activities.

The disposal agreement was completed via an intercompany loan, and Triumph Aerospace Operations UK, Ltd. has provided a letter of support to the company for any future liabilities that arise. In turn, Triumph Aerospace Operations UK, Ltd. has received a written undertaking from its ultimate parent, Triumph Group Inc. to provide further funding as necessary to enable it to meet all of its liabilities as they fall due. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

INTEREST RECEIVABLE AND SIMILAR INCOME

Interest receivable and similar income is recognised using the effective interest method. When a loan or receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as finance income. Finance income on an impaired loan and receivable is recognised using the original effective interest rate.

FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets***Trade, group and other debtors***

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the statement of comprehensive income for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the statement of comprehensive income.

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2019

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Trade, group and other creditors

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2019

3 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

The preparation of the financial statements requires management to make judgements, estimates and assumptions concerning the future which impact the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The accounting estimates resulting from these judgements and assumptions seldom equal the actual results but are based on historical experiences and future expectations.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no accounting policies that are considered to be critical, because they either require a significant amount of management judgement or the results are material to the company financial statements.

4	INTEREST RECEIVABLE AND SIMILAR INCOME	2019 £'000	2018 £'000
	Interest arising on:		
	Group borrowings	2,354 =====	2,354 =====

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Audit fees for the current and previous year have been borne by another group undertaking. No payments were made to auditors for non-audit services in the current or previous year.

6	EMPLOYEES	2019 No.	2018 No.
	The average monthly number of employees (including directors) during the year was:		
	Administration and support	4 ===	3 ===

The company did not incur any staff costs during the current or previous year.

The company's four (2018: three) directors are also directors for other group undertakings and they are remunerated for their services to the group by other group undertakings. The amount allocated to this company in respect of charges for their services was £Nil (2018: £Nil), because they did not provide any material qualifying services to this company during the current or previous year.

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2019

7	TAXATION	2019 £'000	2018 £'000
	CURRENT TAX CHARGE		
	UK corporation tax	447	447
	TOTAL TAX ON PROFIT ON ORDINARY ACTIVITIES	447	447
		=====	=====
	FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
	The tax assessed for the year is the same as (2018: the same as)		
	the standard rate of corporation tax 19% (2018: 19%)		
	as explained below:		
	Profit on ordinary activities before taxation	2,354	2,354
		=====	=====
	Profit on ordinary activities before taxation multiplied		
	by standard rate of UK corporation tax of 19%		
	(2018: 19%)	447	447
		=====	=====
	TOTAL TAX ON PROFIT ON ORDINARY ACTIVITIES	447	447
		=====	=====
8	DEBTORS	2019 £'000	2018 £'000
	Amounts owed by group undertakings	43,934	41,580
		=====	=====
9	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2019 £'000	2018 £'000
	Corporation tax	894	447
		=====	=====
10	SHARE CAPITAL	2019 £'000	2018 £'000
	Allotted, issued and fully paid		
	25,001 Ordinary shares of £1 each	25	25
		=====	=====

Ordinary share rights

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

TRIUMPH ACTUATION SYSTEMS - UK, LTD.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2019

11 RESERVES

Reserves of the company represent the following:

Share premium account

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss account

Cumulative profit and loss, inclusive of amounts released from the revaluation reserve and net of distributions to owners.

12 CONTROL

The immediate parent undertaking is Triumph Group Holdings – UK, Ltd., a company incorporated in England and Wales. The ultimate parent undertaking and controlling party is Triumph Group, Inc., a company registered in the United States of America that is a worldwide, diversified manufacturer of complex metal components and products.

The consolidated financial statements drawn up for Triumph Group, Inc. are those for both the smallest and the largest group of which the company is a member, and for which consolidated financial statements are prepared. Copies of the consolidated financial statements of Triumph Group, Inc. may be obtained from the directors at 899 Cassatt Road, Suite 210, Berwyn, PA 19312.

13 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption given in Section 33 of FRS 102 from the requirement to disclose transactions entered into between two or more members of a group provided that any party to the transaction is wholly owned within that group.

There were no other related party transactions during the year.