

# **Trillium Flow Technologies Holdings Limited**

## **Annual Report and Financial Statements**

**Company Registered number SC602583**

**For the Year Ended 31 December 2021**



## **Contents**

Company Information	1
Strategic report	2
Directors' report	4
Statement of Directors' responsibilities	5
Income Statement	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9

# **Company Information**

## **Directors**

Webster Madole	(USA Citizen - Appointed 12 October 2021)
Luke Roddick	(Appointed 12 October 2021)
David Paradis	(USA Citizen - Resigned 12 October 2021)
Kerem Yilmaz	(Resigned 12 October 2021)

## **Company Secretary**

Christopher J Riordan

## **Registered office**

West Point House  
5 Redwood Place  
East Kilbride  
Glasgow  
G74 5PB

## **Country of incorporation**

Scotland

# Strategic report

The directors present the Strategic report on Trillium Flow Technologies Holdings Limited ('the Company') for the year ended 31 December 2021.

## Principal activities

The principal activity of Trillium Flow Technologies Holdings Limited ('the Company') is to act as a holding company. The Company's subsidiaries engineer and manufacture a range of pumps, valves, actuators, aftermarket products and services for key markets including nuclear power generation, refining and petrochemical, water and wastewater, general industrial and mining.

## Business review

The Company did not generate any trading income or dividend income in the period (2020: £24,000) from its subsidiaries.

In August 2021, the investment in Trillium Flow Technologies India Private Limited was divested removing a subscale, non-core, lower margin and high net working capital part of the Group. The disposal of this business generated a loss on disposal of £12,905,000 (2020 £nil).

In August 2021, the business acquired Trillium Flow Services India Private Limited which was created as a carve out from the sale of Trillium Flow Technologies India Private Limited. This trading entity is 100% owned and provides engineering services to the Trillium Group.

In July 2021, the Australian entity Skye Holdco Australia (Pty) Limited was deregistered. The activity of the entity had been transferred to Trillium Flow Technologies UK Limited during 2020 therefore it was no longer required.

In November 2021, the Board of Directors approved a reduction in share premium of £96,050,000 to facilitate future dividend pay-outs.

During the year a number of UK dormant entities with no investment value were dissolved to remove compliance burden as follows:

- Autotork Controls Limited (100% ownership, dissolved 21 September 2021)
- Hopkinsons Limited (100% ownership, dissolved 21 September 2021)
- The Batley Valve Company Limited (100% ownership, dissolved 21 September 2021)
- Blakeborough Valves Limited (100% ownership, dissolved 21 September 2021)

## Key performance indicators

The Company acts solely as a holding company. As such it is not considered necessary to consider key performance indicators and principal risks and uncertainties further on a Company standalone basis. Rather, these topics are discussed in depth in the Strategic Report included within the FR Flow Control Midco Limited Annual Report and Financial Statements for the year ended 31 December 2021 which are available separately.

**Principal risks and uncertainties**

The Company's risk and uncertainties are reviewed as part of the overall group and the Company is therefore affected by the same principal risks and uncertainties that affect the rest of the Trillium Group (which consists of FR Flow Control Midco Limited and its consolidated subsidiaries).

The principal risks of the Company are as follows:

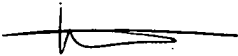
- Potential for impairment of the investments held in subsidiaries;
- Ability of the subsidiaries to pay a dividend to the Company.

The Directors monitor the performance of the subsidiaries on a regular basis in order to manage these specific risks.

**Future developments**

The Directors expect the Company to continue acting as a holding company in the forthcoming year.

Approved on behalf of the Board of Directors



**Luke Roddick**  
Director

27 June 2022

## Directors' report

The directors present their report and the unaudited financial statements of Trillium Flow Technologies Holdings Limited ('the Company') for the year ended 31 December 2021.

### Results and dividend

The results for the period ended 31 December 2021 and the financial position of the Company are shown in the income statement and balance sheet.

### Principal activities and review of the business

The Strategic report presents a summary of the Company's principal activities and future developments.

### Directors

The directors of the company during the period and up to the date of this report were:

Webster Madole (USA Citizen - Appointed 12 October 2021)

Luke Roddick (Appointed 12 October 2021)

David Paradis (USA Citizen - Resigned 12 October 2021)

Kerem Yilmaz (Resigned 12 October 2021)

### Going concern

The directors have adopted the going concern assumption and the accompanying financial statements have been prepared in accordance with that assumption. Refer to Note 2, Accounting policies for a discussion of the process the directors used to assess and conclude that the Company is a going concern.

### Directors' liabilities

The Company's Articles of Association contain a provision that every director or other officer shall be indemnified against all losses and liabilities which they may incur in the course of acting as directors (or officers as the case may be) permitted by the Companies Act 2006 (as amended). These indemnities are uncapped in amount. The Company's ultimate parent company maintained directors and officers liability insurance throughout 2021 and up to the date of approval of the financial statements in respect of the Company's directors and officers.

Approved on behalf of the Board of Directors



**Luke Roddick**  
Director

27 June 2022

## Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report, and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, 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.

# Trillium Flow Technologies Holdings Limited

## Company Statement of Income For the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Administrative expenses	3	(22)	-
<b>Operating loss</b>		<b>(22)</b>	<b>-</b>
Income from investments	3	-	24
Loss on disposal of investment	3	(12,905)	-
<b>Profit/(loss) before taxation</b>		<b>(12,927)</b>	<b>24</b>
Tax on profit/(loss)	4	-	-
<b>Profit/(loss) for the financial period</b>		<b>(12,927)</b>	<b>24</b>

The result reported above includes all income and expenses for the year and therefore no statement of comprehensive income has been presented.



# Trillium Flow Technologies Holdings Limited

## Company Statement of Financial Position As at 31 December 2021

		December 2021	December 2020
	Notes	£'000	£'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	5	51,534	69,100
<b>Total non-current assets</b>		<b>51,534</b>	<b>69,100</b>
<b>Current assets</b>			
Trade & other receivables	6	-	24
Cash and short-term deposits		4,663	-
<b>Total current assets</b>		<b>4,663</b>	<b>24</b>
<b>Total assets</b>		<b>56,197</b>	<b>69,124</b>
<b>Current assets</b>			
Share Capital	7	1	1
Share premium	8	-	96,050
Retained Earnings		56,196	(26,927)
<b>Total shareholders' funds</b>		<b>56,197</b>	<b>69,124</b>

### Audit Exemption Statement


For the period ending 31 December 2021, the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

### Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The notes numbered 1 to 11 are an integral part of these financial statements.

The financial statements on pages 6 to 13 were authorised for issue by the Board of Directors on 27 June 2022 and signed on its behalf by



**Luke Roddick**  
Director

# Trillium Flow Technologies Holdco Limited

## Company Statement of Changes in Equity For the year ended 31 December 2021

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
At 31 December 2020	1	96,050	(26,927)	69,124
Share premium reduction	-	(96,050)	96,050	-
Profit for the financial year	-	-	(12,927)	(12,927)
At 31 December 2021	<u>1</u>	<u>-</u>	<u>56,196</u>	<u>56,197</u>

# Trillium Flow Technologies Holdings Limited

## Notes Forming Part of the Financial Statements For the year ended 31 December 2021

### 1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Trillium Flow Technologies Holdings Limited for the year ended 31 December 2021 were authorised for issue by the Board of Directors on 27 June 2022 and the balance sheet was signed on the Board's behalf by Luke Roddick.

Trillium Flow Technologies Holdings Limited is a private limited company registered in Scotland.

The financial statements were prepared in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

The Company was exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare Group financial statements. The results of the Company are included in the consolidated financial statements of FR Flow Control Midco Limited, which is company registered in England and Wales. These consolidated financial statements are publicly available from Companies House, Crown Way, Cardiff.

The principal accounting policies adopted by the Company are set out in note 2.

### 2 Accounting policies

#### Basis of preparation

The financial statements have been prepared on the going concern basis and the historic cost convention and in accordance with the Companies Act 2006. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2021.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group financial statements as it is a wholly owned subsidiary of FR Flow Control Midco Limited ("Midco" or "Group"). The results of the Company are included in the consolidated financial statements of FR Flow Control Midco Limited which are publicly available from Companies House.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7 Financial Instruments: Disclosures, provided that equivalent disclosures are included in the consolidated financial statements of FR Flow Control Midco Limited;
- paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- IAS 7 Statement of Cash Flows;
- paragraph 38 of IAS 1 Presentation of financial statements comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1; paragraph 73(e) of IAS 16 Property, Plant & Equipment; and paragraph 118(e) of IAS 38 Intangible Assets;
- paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements of IAS 24 Related Party Disclosures to disclose related party transactions with a fellow wholly owned subsidiary;
- paragraphs 10(d), 16, 38A, 38B, 38C, 38D, 111, 134-136 of IAS 1 Presentation of financial statements; and
- paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).

#### Going concern

The Directors made a combined assessment on going concern with respect to the Group and the Company as the forecasts and range of possible scenarios on the financial position have been assessed as such, with considerations to the principal risks and uncertainties as set out in the Midco Strategic Report.

# Trillium Flow Technologies Holdings Limited

## Notes Forming Part of the Financial Statements (continued) For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### Going concern (continued)

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Midco Strategic Report. The Midco Strategic Report describes the financial position of the Group; its cash flows, liquidity position and borrowing facilities; the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The Group ended the year to December 2021 in a strong liquidity position with \$66.2m cash and cash equivalents, which increased from \$59.6 million as at December 2020. Additionally, as of December 2021, the Group had an undrawn \$40.0 million revolving credit facility, if required.

After review of the forecasts along with mitigating factors available to them, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence and to satisfy any upcoming covenant conditions in the foreseeable future. Accordingly, the Directors have adopted the going concern basis in preparing the annual report and financial statements.

#### Investments

Investments are recorded at cost, less provision for impairment as appropriate. The Company assesses at each reporting date whether there is an indication that an investment may be impaired. If any such indication exists, the Company makes an estimate of the investment's recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. A previously recognised impairment loss is reversed only if there was an event not foreseen in the original impairment calculations, such as a change in use of the investment or a change in economic conditions. On reversal, the asset's carrying amount is increased, but not above the amount that it would have been without the prior impairment loss.

#### Taxation

Current tax is the amount of tax payable or recoverable in respect of the taxable profit or loss for the year.

Deferred tax is recognised on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base with the following exceptions:

- Deferred tax arising from the initial recognition of goodwill, or of an asset or liability in a transaction that is not a business combination, that, at the time of the transaction, affects neither accounting nor taxable profit or loss, is not recognised;
- Deferred tax is provided on temporary differences arising on investments in subsidiaries and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future; and
- A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax liabilities represent tax payable in future years in respect of taxable temporary differences. Deferred tax assets represent tax recoverable in future years in respect of deductible temporary differences, the carry forward of unutilised tax losses and the carry forward of unused tax credits. Deferred tax is measured on an undiscounted basis using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Current and deferred tax is recognised in the income statement except if it relates to an item recognised directly in equity, in which case it is recognised directly in equity.

# Trillium Flow Technologies Holdings Limited

## Notes Forming Part of the Financial Statements (continued) For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### Dividends

Dividend income is recognised when the right to receive payment is established.

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders.

### 3. Profit before taxation

The Company has not traded during the financial period and has only incurred Group administrative charges £20,000 (2020 £nil) and foreign exchange movement of £2,000 (2020 £nil).

There was no investment income received in the year (2020: £24,000) however a loss on disposal of £12,905,000 (2020 £nil) was recognised.

No staff costs were incurred during the year as the Company does not have any employees. The directors were also not paid any form of remuneration from the Company.

### 4. Tax on profit/(loss)

The tax charge on the profit/(loss) before taxation was as follows:

	2021 £'000	2020 £'000
<b>Factors affecting current tax charge for each period</b>		
Profit/(loss) before taxation	(12,927)	24
Profit/(loss) before taxation at standard rate of UK corporation tax rate (19.00%)	2,456	(5)
Effects of:		
Items not taxable for tax purposes	(2,456)	5
<b>Total tax charge</b>	<b>-</b>	<b>-</b>

### 5. Investments

	£'000
<b>Cost</b>	
At 31 December 2020	69,100
Additions	634
Disposals	(18,200)
<b>At 31 December 2020</b>	<b>51,534</b>
<b>Impairment</b>	
At beginning and end of the year	-
Net book value at 31 December 2020	69,100
<b>Net book value at 31 December 2021</b>	<b>51,534</b>

# Trillium Flow Technologies Holdings Limited

## Notes Forming Part of the Financial Statements (continued) For the year ended 31 December 2021

### 5. Investments (continued)

The principal undertakings of the Company in which it had a direct and indirect interest as at 31 December 2021 are as follows.:

Legal name	Country of incorporation	Registered address	Class of shares	Percentage of shares held	Nature of business	Ownership
Trillium Flow Technologies UK Ltd	England and Wales	Britannia House Huddersfield Road Elland, West Yorkshire HX5 9JR	Ordinary	100%	Trading	Direct
Trillium Flow Services UK Ltd	England and Wales	Britannia House Huddersfield Road Elland, West Yorkshire HX5 9JR	Ordinary	100%	Trading	Direct
Trillium Flow Technologies Suzhou Ltd	China	No 1. Changxi Road, Xinzhuang, Changshu, Suzhou, 215555, Jiangsu Province, China	Ordinary	100%	Trading	Direct
Trillium Flow Technologies India Private Limited	India	Brigade International Airport Road, Kodigehalli Gate, Hebbel, Bengaluru Karnataka India	Ordinary	100%	Trading	Direct
Trillium Flow Control (Hong Kong) Ltd	Hong Kong	Level 54 Hopewell center 183 Queen's road east HK	Ordinary	75%	Trading	Direct
Trillium Control Valves (Suzhou) Co. Ltd	China	Chun Wang Road, East Bridge, Xiangcheng District, Suzhou, 215152, Jiangsu Province, China	Ordinary	75%	Trading	Indirect

# Trillium Flow Technologies Holdings Limited

## Notes Forming Part of the Financial Statements (continued) For the year ended 31 December 2021

### 6. Trade and other receivables

	2021 £'000	2020 £'000
Amounts receivable from group undertakings.	-	24
	<u>-</u>	<u>24</u>

### 7. Share capital

	2021 £'000	2020 £'000
802 (2020: 802) ordinary shares at £1 each	1	1
	<u>1</u>	<u>1</u>

### 8. Share Premium

During the year the Directors approved a share premium reduction of £96,050,000 which can be seen in the Statement of changes in equity.

### 9. Capital commitments

The Company had no capital commitments at the beginning or end of the period.

### 10. Related party disclosures

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

### 11. Ultimate group undertaking

The immediate parent company is FR Flow Control Valves Bidco Limited, a company incorporated and registered in the United Kingdom.

The ultimate controlling company is FR Flow Control Topco Limited, a company incorporated and registered in Jersey. The consolidated Group financial statements are filed with the financial statements of FR Flow Control Midco Limited, which are available to the public from Companies House, Crown Way, Cardiff.