

**Tritech International Limited**

**Annual Report and Financial Statements**

**For the 52 week period ended 2 October 2021**



# **TRITECH INTERNATIONAL LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE 52 week period ended 2 October 2021**

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# **TRITECH INTERNATIONAL LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE 52 week period ended 2 October 2021**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

D Bradley  
J McCloy  
P Parker-White  
A Mitchell  
C Bowers

#### **COMPANY SECRETARY**

J McCloy  
C Head

#### **REGISTERED OFFICE**

Peregrine Road  
Westhill Business Park  
Aberdeen  
AB32 6JL

#### **AUDITOR**

Azets Audit Services  
Fleet House  
New Road  
Lancaster  
LA1 1EZ

#### **SOLICITORS**

Stronachs Secretaries Limited  
34 Albyn Place  
Aberdeen  
AB10 1FW

#### **BANKERS**

HSBC Bank plc  
3 Rivergate, Temple Quay  
Bristol  
BS1 6ER

## **TRITECH INTERNATIONAL LIMITED**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 2 October 2021**

The directors present their annual report and the audited financial statements for the 52 week period ended 2 October 2021.

The company's principal activities, business review, key performance indicators and principal risks and uncertainties are presented in the strategic report on page 4.

#### **RESULTS AND DIVIDENDS**

The profit for the 52 week period ended 2 October 2021, after taxation, amounted to £1,019,186 (3 October 2020 : £271,704).

No dividend was paid during the period (3 October 2020: £nil). The directors do not recommend payment of a dividend for the period.

#### **DIRECTORS**

The directors who served during the period under review and to the date of this report were:

D Bradley  
J McCloy  
P Parker-White  
A Mitchell  
S McLay                      Resigned 27 October 2020  
C Bowers

#### **ENVIRONMENTAL MATTERS**

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by its activities. Initiatives designed to minimise the company's impact on the environment include safe disposal of manufacturing waste, recycling and reducing energy consumption.

#### **DISABLED EMPLOYEES**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitude of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

#### **GOING CONCERN**

Current economic conditions continue to create uncertainty over the level of demand for the company's products. The company has net assets and a positive cash balance as set out in the balance sheet. The directors have a reasonable expectation that, despite current economic uncertainty, including that brought on by the COVID-19 pandemic, the company has adequate resources to continue in operational existence for the foreseeable future. The ultimate parent company, Moog Inc., continues to provide support to the company. Thus, the directors continue to adopt the going concern basis in preparing the annual report and financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

#### **RISKS AND UNCERTAINTIES AND FUTURE DEVELOPMENT**

Details of risks and uncertainties, subsequent events and likely future developments are discussed in the strategic report.

#### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company's key performance indicators and financial risk management policies are described in the strategic report.

#### **RESEARCH AND DEVELOPMENT**

The company continues to invest in research and development both to bring new products to market using existing technology and to develop new technologies for new markets and new applications.

**TRITECH INTERNATIONAL LIMITED**  
**DIRECTORS' REPORT FOR THE PERIOD ENDED 2 October 2021**

**OVERSEAS OPERATIONS**

The company has a branch operating out of Moog Inc, Christiansberg VA. The branch results are included in these financial statements.

**APPROVAL OF REDUCED DISCLOSURES**

The company, as a qualifying entity, has taken advantage of the disclosure exemption on FRS102 paragraph 1.12.

**DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who is a director at the date of approval of this report confirms that:

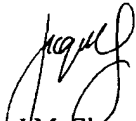
- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

**APPOINTMENT OF AUDITOR**

Azets Audit Services will be proposed for reappointment in accordance with section 483 Companies Act 2006.

This report was approved by the board on 7 January 2022 and signed on its behalf.

  
J McCloy  
Director

# TRITECH INTERNATIONAL LIMITED

## STRATEGIC REPORT for the period ended 2 October 2021

The directors present their annual strategic report for the 52 week period ended 2 October 2021. In preparing this strategic report, the directors have complied with S414c of the Companies Act 2006.

### PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company is a high-technology business dedicated to providing the reference equipment to the industries it serves. The company designs and manufactures imaging and ancillary equipment for use in underwater applications including defence, energy, engineering, survey and underwater vehicles.

The company's products are distributed and sold around the world.

The results for the period and financial position of the company are as shown in the financial statements.

The balance sheet of the financial statements shows that the company's financial position at the period end has strengthened in net assets and has increased 8.95% compared with the prior period. Turnover has increased 5% over the prior period. Profit before tax is £1,327,266 compared to the prior period of £360,122. The subsea oil & gas market, which is a major part of the company's customer base, has recovered somewhat from the effects of the COVID-19 pandemic. The company's diversification strategy of introducing new products into existing markets and entering new markets continues to deliver positive results.

### KEY PERFORMANCE INDICATORS

The company's key performance indicators during the period were:

	52 week period ended 2 October 2021 £000	53 week period ended 3 October 2020 £000	Movement during the period %
Turnover	8,569,330	8,145,844	5%
Profit/(loss) before taxation (£)	1,326,599	360,122	268%
Profit/(loss) after taxation (£)	1,019,186	271,704	275%
Average number of employees (No.)	61	70	-13%

### PRINCIPAL RISKS AND UNCERTAINTIES

#### Global pandemic – COVID-19

The health and well-being of the company's employees is of paramount importance. The company has been able to continue in operation throughout the pandemic by adoption of and adherence to all UK Government guidance in keeping its workforce safe. The company has adapted its rules and activities to ensure continuity of operations during the pandemic.

Furlough grant of £41,575 (3 October 2020 £138,945) in relation to the UK Government Coronavirus Job Retention Scheme was claimed by the company during the year. All staff had returned to work by May 2021.

**TRITECH INTERNATIONAL LIMITED**  
**STRATEGIC REPORT for the period ended 2 October 2021 (continued)**

**Price of oil**

Activity in the subsea oil and gas market has recovered somewhat from the impact of COVID-19 last year. The price of Brent Crude oil per barrel during the period has increased from a low of circa \$35 to circa \$81 at period end.

The company continues to pursue a diversification strategy in order to manage the risk arising from volatility in the demand for oil.

**Competitive pressure**

Competitive pressure in all the company's markets is a continuing risk for the company. The company manages this risk by maintaining leading-edge technology in its product ranges; ensuring products employ technologies and features that are both current and relevant, by setting the highest quality standards of production, and by providing the highest standards of customer support and service.

**Brexit**

Brexit has had little direct effect on the company's activities. This is because the majority of the company's products attract nil duty and the company is well versed in import and export procedures.

**Global economic climate**

The global economic climate continues to present a risk for the company. The company continues to pursue a diversification strategy in order to manage the risk of any one market downturn.

**Foreign exchange**

Foreign exchange risk is managed at a corporate level by Moog Inc.

**Interest rates**

The company is financed as required by Moog Inc. International Financial Service Centre, Luxembourg. The interest rate applied is 1% over LIBOR.

**Group risks**

Group risks are discussed in Moog Inc.'s Quarterly and Annual Reports which do not form a part of this report.

**FUTURE DEVELOPMENTS**

The company continues to seek opportunities by the introduction of new products into existing markets and by diversification into new markets. Turnover is expected to increase nominally over the rate it has achieved this year. The company remains profitable.

This report was approved by the board on 7 January 2022 and signed on its behalf.

  
J McCloy  
Director

## **TRITECH INTERNATIONAL LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRITECH INTERNATIONAL LIMITED

## Opinion

We have audited the financial statements of Trittech Holdings Ltd (the 'company') for the year ended 31 August 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 state of the company's affairs as at 31 August 2021 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. 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

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

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

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

## Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRITECH INTERNATIONAL LIMITED**

## **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 and the directors' report .

We have nothing to report in respect of the following matters where 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.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements , the directors are responsible for assessing the company ' s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.fc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRITECH INTERNATIONAL LIMITED**

compliance with applicable laws and regulations;

- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of noncompliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **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.

**Susanna Cassey (Senior Statutory Auditor)**  
For and on behalf of Azets Audit Services

Date: 10 January 2022

Chartered Accountants  
Statutory Auditor

*Azets Audit Services*

Fleet House  
New Road  
Lancaster  
United Kingdom  
LA1 1EZ

# TRITECH INTERNATIONAL LIMITED

## PROFIT AND LOSS ACCOUNT For the 52 week period ended 2 October 2021

	Note	52 week period ended 2 October 2021 £	53 week period ended 3 October 2020 £
<b>TURNOVER</b>	3	<b>8,569,330</b>	<b>8,145,844</b>
Cost of sales		(5,871,548)	(6,181,396)
<b>GROSS PROFIT</b>		<b>2,697,782</b>	<b>1,964,448</b>
Administrative expenses		(1,412,757)	(1,528,462)
Restructuring costs		-	(214,893)
Other operating income	4	41,575	138,945
<b>OPERATING PROFIT</b>	5	<b>1,326,600</b>	<b>360,038</b>
Other income		-	84
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,326,600</b>	<b>360,122</b>
Tax on profit on ordinary activities	9	(307,414)	(88,418)
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		<b>1,019,186</b>	<b>271,704</b>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above, and accordingly no separate statement of comprehensive income is presented.

The notes on pages 13 to 25 form part of these financial statements.

**BALANCE SHEET**  
As at 2 October 2021

	Note	2 October 2021 £	3 October 2020 £
<b>FIXED ASSETS</b>			
Intangible assets	10	47,843	28,701
Tangible assets	11	5,021,549	5,238,697
		<b>5,069,392</b>	<b>5,267,398</b>
<b>CURRENT ASSETS</b>			
Stocks	12	1,926,794	1,931,577
Debtors	13	6,774,845	5,176,673
Cash at bank		470,509	727,459
		<b>9,172,148</b>	<b>7,835,709</b>
<b>CREDITORS: Amounts falling due within one year</b>	14	(1,473,640)	(1,362,082)
<b>NET CURRENT ASSETS</b>		<b>7,698,508</b>	<b>6,473,627</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>12,767,900</b>	<b>11,741,025</b>
<b>PROVISIONS FOR LIABILITIES</b>	16	(72,212)	(64,523)
<b>NET ASSETS</b>		<b>12,695,688</b>	<b>11,676,502</b>
<b>CAPITAL &amp; RESERVES</b>			
Called up share capital	17	25,200	25,200
Profit and loss account		12,670,488	11,651,302
<b>SHAREHOLDER'S FUNDS</b>		<b>12,695,688</b>	<b>11,676,502</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 January 2022.

  
J McCloy  
Director

The notes on pages 13 to 25 form part of these financial statements.

# TRITECH INTERNATIONAL LIMITED

## STATEMENT OF CHANGES IN EQUITY

As at 2 October 2021

	<b>Called up share capital £</b>	<b>Profit and Loss account £</b>	<b>Total £</b>
<b>At 28 September 2019</b>	25,200	11,379,598	11,404,798
Profit for the financial period and total comprehensive income	-	271,704	271,701
<b>At 3 October 2020</b>	25,200	11,651,302	11,676,502
Profit for the financial period and total comprehensive income	-	1,019,186	1,019,186
<b>At 2 October 2021</b>	<u>25,200</u>	<u>12,670,488</u>	<u>12,695,688</u>

The notes on pages 13 to 25 form part of these financial statements.

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the 52 week period ended 2 October 2021

### 1. ACCOUNTING POLICIES

#### General information and basis of accounting

Tritech International Limited is a private company limited by shares, incorporated in the United Kingdom, Scotland, under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activity are set out in the strategic report on pages 4 to 5.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The company reports to a 4/4/5 week pattern rather than a 365 day calendar. The current reporting period is 52 weeks, whereas the prior period was 53 weeks.

The functional currency of Tritech International Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Tritech International Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Tritech International Limited is consolidated in the financial statements of its ultimate parent, Moog Inc., which may be obtained from the address in note 20. The financial statements present information about the company as an individual undertaking and not about its group.

Exemptions have been taken in these separate company financial statements in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

#### Related parties

Under S33 FRS 102, the company is exempt from disclosing related party transactions with wholly-owned entities that are part of the Moog group of companies.

#### Going concern

The current economic conditions create uncertainty. The company has net assets and a positive cash balance as set out in the balance sheet. After making enquiries, and in view of the confirmed continuing support of the ultimate parent company, the directors have a reasonable expectation that despite the current economic uncertainty, including that brought on by the COVID-19 pandemic, the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and provision for impairment.

Depreciation is provided on all tangible fixed assets, other than freehold land, at the following annual rates in order to write off the cost, less estimated residual value, of each asset on straight line basis over its estimated useful life.

Buildings	-	2.5%
Plant, equipment, computer hardware & vehicles	-	10% - 33%

Fixed assets are depreciated when they are brought into use.

#### Stock

Stock is valued at standard cost on a FIFO basis. Stocks are stated at the lower of cost and estimated selling price less cost to sell, which is equivalent to net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activities. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion or disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

#### Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales-related taxes. Transactions are recorded as sales when the delivery of products or performance of services takes place in accordance with the contracted terms of the sale. Turnover generated on service sales is recognised as incurred as the service is performed.

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the 52 week period ended 2 October 2021

### 1. ACCOUNTING POLICIES (continued)

#### Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

#### Equity instruments

Equity issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or #tErm3.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the 52 week period ended 2 October 2021

### 1. ACCOUNTING POLICIES (continued)

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

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

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rate ruling on the date of the transaction. Balance sheet items denominated in foreign currencies are translated at the exchange rate ruling on the balance sheet date. Foreign currency exchange differences are included in the profit and loss account.

#### Research and development expenditure

Research and development expenditure is written off in the financial period in which it is incurred.

#### Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation and provision for impairment.

Amortisation is provided at the following annual rates in order to write off the cost, less estimated residual value, of each asset on straight line basis over its estimated useful life.

Computer software	25% - 33%
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#### Leases

##### *The Company as lessee*

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

##### *The Company as lessor*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

#### Financial instruments

The financial instruments which the company enters into are transactions that result in the recognition of financial assets and liabilities such as accounts payable and receivable and loans to/from related parties.

The company does not enter into equity instrument agreements.

Debt instruments that are payable within one year, typically trade payables and receivables, are measured initially and subsequently at the undiscounted amount of the cash or other consideration expected to be paid or received.

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the 52 week period ended 2 October 2021

### 1. ACCOUNTING POLICIES (continued)

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument and are classified according to the substance of the contractual arrangements.

Financial assets and liabilities are only offset in the statement of financial position when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

#### *Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

#### *Financial assets*

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

#### Impairment of assets (continued)

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

#### Impairment of assets:

The directors constantly review factors likely to impact the value or recoverability of assets held by the group. In conducting their review they consider both internal and external sources of information as well as past experiences and market conditions. As far as the directors are aware there are no prevailing indications that assets held without impairment require one nor where an impairment has already been made that the amount of that impairment requires adjustment.

#### Revenue recognition:

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the 52 week period ended 2 October 2021

### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Turnover (Note 3) in relation to the sale of goods is recognised when the significant risks and rewards of ownership are considered to have been transferred to the buyer, as defined by the INCOTERMS® of each order. Turnover in relation to services is recognised once all agreed work has been performed. An exercise is performed at period end to ascertain whether such risks and rewards have been transferred and whether such work has been completed.

#### Debtor provisioning:

The company exercises judgement as to its ability to collect outstanding trade debtors and, in the event that such recoverability becomes uncertain, makes a provision against that debt. The company analyses its historical collection experience and current economic trends when determining the extent to which a provision should be made. The value of the provision held at the balance sheet date was £12,486 (2020: £31,802).

#### Stock provisioning:

The carrying value of the company's stock of £1,926,794 has been reviewed using commercial judgement with regard to the assessment of the appropriate level of provisioning against stock obsolescence. The value of the provision held at the balance sheet date was £861,542 (2020: £826,895).

#### Deferred tax:

Note 15 contains details of the company's deferred taxation. Liabilities of £81,853 recognised are determined by reference to the likelihood of settlement and the likelihood that assets (£Nil) are received is based on assumptions of future actions.

### 3. TURNOVER

All turnover arises on the company's principal business activity and originates from the United Kingdom. The geographical analysis of the company's turnover by destination is as follows:

	52 week period ended 2 October 2021 £	53 week period ended 3 October 2020 £
United Kingdom	2,586,589	1,853,807
Rest of Europe	1,884,349	2,172,628
USA	1,538,271	1,560,205
Rest of World	2,560,121	2,559,203
	<u>8,569,330</u>	<u>8,145,844</u>

An analysis of the company's turnover is as follows:

	52 week period ended 2 October 2021 £	53 week period ended 3 October 2020 £
<b>Turnover:</b>		
Sale of goods	8,100,096	7,644,155
Servicing of goods	233,554	207,641
Rental income	235,680	294,047
	<u>8,569,330</u>	<u>8,145,844</u>

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the 52 week period ended 2 October 2021

### 4. OTHER OPERATING INCOME

	52 week period ended 2 October 2021 £	53 week period ended 3 October 2020 £
Coronavirus Job Retention Scheme grant income	41,575	138,945

### 5. OPERATING PROFIT / (LOSS)

The operating profit / (loss) is stated after charging/(crediting):

	52 week period ended 2 October 2021 £	53 week period ended 3 October 2020 £
Amortisation charged to administrative expenses (note 9)	9,953	8,334
Depreciation – owned assets (note 10)	266,482	285,505
R&D expenditure	668,724	908,293
Operating lease rentals payable	134,489	156,531
Operating lease rentals receivable	(235,680)	(294,047)
Foreign exchange (gain)/loss	22,189	(87,143)
Reversal of impairment of intercompany receivable	(46,068)	-
Impairment of stock recognised as an expense	17,331	60,072

### 6. AUDITOR'S REMUNERATION

	52 week period ended 2 October 2021 £	53 week period ended 3 October 2020 £
Fees payable to the company's auditor for:		
- the audit of the company's annual financial statements	12,875	12,500

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the 52 week period ended 2 October 2021

### 7. STAFF COSTS

The average monthly number of employees (including directors) during the period was:

	52 week period ended 2 October 2021 No	53 week period ended 3 October 2020 No
Production	29	33
Sales	7	8
Administration	8	9
R&D	17	19
	<u>61</u>	<u>70</u>

Their aggregate remuneration comprised:

	£	£
Wages and salaries	2,438,500	2,824,794
Social security costs	247,792	282,770
Other pension costs	172,706	201,562
	<u>2,858,998</u>	<u>3,309,126</u>

### 8. DIRECTORS' EMOLUMENTS

	52 week period ended 2 October 2021 £	53 week period ended 3 October 2020 £
Emoluments	<u>385,755</u>	<u>538,049</u>
The number of directors who are accruing contributions in respect of the defined contribution pension scheme	<u>3</u>	<u>5</u>
	£	£
Total company pension contributions to defined contribution pension schemes	<u>42,223</u>	<u>44,794</u>

The highest paid director received remuneration of £146,221 (2020: £151,309). The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £12,444 (2020: £12,383).

Directors who are not employed by Trittech International Limited are remunerated by other Moog Inc. group companies and it is not practicable to apportion the emoluments attributable to services provided by them to the company. These directors are P Parker-White and C Bowers.

**TRITECH INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the 52 week period ended 2 October 2021**

**9. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>52 week period ended 2 October 2021 £</b>	<b>53 week period ended 3 October 2020 £</b>
<i>Current tax:</i>		
UK corporation tax on profit for the period	338,794	113,306
Adjustments in respect of previous periods	(34,249)	(35,443)
Foreign tax	207	-
	<hr/>	<hr/>
Total current tax	304,752	77,863
	<hr/>	<hr/>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	6,652	10,571
Adjustment in respect of previous periods	(3,990)	(16)
	<hr/>	<hr/>
Total deferred tax	2,662	10,555
	<hr/>	<hr/>
<b>Tax on profit on ordinary activities</b>	<b>307,414</b>	<b>88,418</b>
	<hr/>	<hr/>

**Factors affecting tax charge for the current period**

The standard rate of tax applied to the reported profit on ordinary activities is 19% (2020: 19%).

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK Corporation Tax to the profit before tax is as follows:

	<b>52 week period ended 2 October 2021 £</b>	<b>53 week period ended 3 October 2020 £</b>
<b>Profit/(loss) for the period – continuing operations</b>	<b>1,326,599</b>	<b>360,122</b>
	<hr/>	<hr/>
Tax on profit/(loss) at standard UK tax rate of 19% (2020: 19%)	252,054	68,423
<b>Effects of:</b>		
Fixed asset differences	78,409	46,848
Expenses not deductible for tax purposes	(8,625)	483
Adjustments from previous periods	(38,239)	(35,459)
Effect of change in local corporation tax rate	23,748	8,073
RDEC	67	50
	<hr/>	<hr/>
<b>Total tax for the period</b>	<b>307,414</b>	<b>88,418</b>
	<hr/>	<hr/>

**TRITECH INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**For the 52 week period ended 2 October 2021**

**10. INTANGIBLE FIXED ASSETS**

	<b>Software £</b>
<b>Cost</b>	
At 3 October 2020	300,750
Additions	29,095
Disposals	(86,980)
	<hr/>
At 2 October 2021	242,865
	<hr/>
<b>Amortisation</b>	
At 3 October 2020	272,049
Charge for the period	9,953
On disposals	(86,980)
	<hr/>
At 2 October 2021	195,022
	<hr/>
<b>Net book value</b>	
At 2 October 2021	47,843
	<hr/> <hr/>
At 3 October 2020	28,701
	<hr/> <hr/>

**11. TANGIBLE FIXED ASSETS**

	<b>Plant equipment, computer hardware &amp; vehicles £</b>	<b>Freehold Land £</b>	<b>Freehold Buildings £</b>	<b>Total £</b>
<b>Cost</b>				
At 3 October 2020	2,811,863	782,112	4,614,376	8,208,351
Additions	146,477	-	-	146,477
Disposals	(1,053,367)	-	-	(1,053,367)
	<hr/>	<hr/>	<hr/>	<hr/>
At 2 October 2021	1,904,973	782,112	4,614,376	7,301,461
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>				
At 3 October 2020	2,306,446	-	663,208	2,969,654
Charge for the period	147,353	-	119,129	266,482
On disposals	(956,244)	-	-	(956,224)
	<hr/>	<hr/>	<hr/>	<hr/>
At 2 October 2021	1,497,575	-	782,337	2,279,912
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 2 October 2021	407,398	782,112	3,832,039	5,021,549
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 3 October 2020	505,417	782,112	3,951,168	5,238,697
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Assets held for use in operating leases had a net book value at 2 October 2021 of £264,381 (2019: £301,421).

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the 52 week period ended 2 October 2021

### 12. STOCKS

	2 October 2021 £	3 October 2020 £
Raw materials	1,189,418	1,194,521
Work in progress	72,213	81,193
Finished goods	665,163	655,863
	<u>1,926,794</u>	<u>1,931,577</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

### 13. DEBTORS

	2 October 2021 £	3 October 2020 £
Trade debtors	1,527,322	1,187,253
Amounts owed by group undertakings	5,068,839	3,738,031
Other debtors	25,293	25,612
Prepayments	141,174	131,302
Amounts receivable on contracts	12,216	20,267
Corporation tax	-	74,208
	<u>6,774,845</u>	<u>5,176,673</u>

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2 October 2021 £	3 October 2020 £
Trade creditors	900,927	526,919
Amounts owed to group undertakings	16,107	28,722
Amounts owed to subsidiary undertakings	-	22,111
Corporation tax	53,285	-
Deferred tax (note 15)	81,853	79,191
Social security and other taxes	60,316	99,898
Accruals and deferred income	361,152	605,241
	<u>1,473,640</u>	<u>1,362,082</u>

### 15. DEFERRED TAX

The deferred taxation balance is provided as follows:

	2 October 2021 £	3 October 2020 £
Deferred tax liability at beginning of the period	79,191	68,636
Credited to the profit and loss account	2,662	10,555
	<u>81,853</u>	<u>79,191</u>

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the 52 week period ended 2 October 2021

Deferred tax liability at end of period	81,853	79,191
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### 15. DEFERRED TAX (CONTINUED)

The deferred tax balance comprises:

	2 October 2021 £	3 October 2020 £
Capital allowances in excess of depreciation	92,304	87,461
Other timing differences	(10,451)	(8,270)
	<u>81,853</u>	<u>79,191</u>

### 16. PROVISIONS FOR LIABILITIES

	Dilapidations £	Product warranty £	Total £
At 3 October 2020	21,000	43,523	64,523
Charged to profit and loss account	6,000	38,154	42,154
Released unused	-	(36,465)	(36,465)
	<u>27,000</u>	<u>45,212</u>	<u>72,212</u>
At 2 October 2021	<u>27,000</u>	<u>45,212</u>	<u>72,212</u>

#### Dilapidations

The leases on which the dilapidations provisions have arisen are as follows and the provisions are expected to be utilised accordingly.

	Lease expires	Dilapidations £
Aberdeen	15 July 2023	15,750
Edinburgh	22 January 2024	11,250
		<u>27,000</u>

#### Product warranty

The provision for product warranties relates to expected warranty claims on products sold in the last year. It is expected that the majority of this expenditure will be incurred in the next financial year.

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the 52 week period ended 2 October 2021

### 17. SHARE CAPITAL AND RESERVES

	2 October 2021 £	3 October 2020 £
Allotted, called up and fully paid 25,200 ordinary shares of £1 each	25,200	25,200

Called up share capital represents the nominal value of shares that have been issued.  
The profit and loss account includes current and prior period cumulative profits and losses.

### 18. PENSION COMMITMENTS

The company participates in the defined contribution section of the Moog Inc. Pension Plan. The cost for the 52 week period ended 2 October 2021 was £172,706 (3 October 2020: £199,387). Contributions payable to the scheme as at 2 October 2021 were £nil (3 October 2020: £33,115).

### 19. OPERATING LEASE COMMITMENTS

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

	2 October 2021		3 October 2020	
	Land & buildings £	Other £	Land & buildings £	Other £
Within one year	84,870	11,073	148,588	2,784
Between one and five years	236,054	26,847	502,367	6,009
More than five years	-	-	-	-
Total	<u>320,924</u>	<u>37,920</u>	<u>650,955</u>	<u>8,793</u>

### 20. RELATED PARTY TRANSACTIONS

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2 October 2021 £	3 October 2020 £
Entities with control, joint control or significant influence over the company	8,289	21,293
Other related parties	7,817	7,429
	<u>16,107</u>	<u>28,722</u>

# TRITECH INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the 52 week period ended 2 October 2021

The following amounts were outstanding at the reporting end date:

<b>Amounts due from related parties</b>	<b>2 October 2021 £</b>	<b>3 October 2020 £</b>
Entities with control, joint control or significant influence over the company	5,057,420	3,701,066
Other related parties	11,419	36,965
	<u>5,068,839</u>	<u>3,738,031</u>

### 21. ULTIMATE PARENT COMPANY

The immediate parent company is Trittech Holdings Limited which is incorporated in Scotland. The ultimate parent company and controlling party of Trittech International Limited and the parent company of the only group for which consolidated financial statements are prepared which include the company is Moog Inc. The financial statements of Moog Inc. can be obtained from: Moog Inc., East Aurora, New York 14042-0018, United States of America. There is no ultimate controlling party of Moog Inc.