Trios Facilities Management Limited (formerly SPIE Facilities Limited)

(Registered Number: 03616663)

Annual Report and Financial Statements 31 December 2019

Trios Facilities Management Limited

Contents

Trios Facilities Management Limited (formerly SPIE Facilities Limited)

Officers and advisors

Directors

Triosgroup Limited
Robert Barling
Gold Round Limited

Secretary

RJP Secretaries

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
One Chamberlain Square
Birmingham
B3 3AX

Registered Office

Ground Floor
Egerton House
68 Baker Street
Weybridge
Surrey
England
KT13 8AL

Trios Facilities Management Limited (formerly SPIE Facilities Limited)

Strategic Report
For the year ended 31 December 2019

The directors present their strategic report on the company for the year ended 31 December 2019.

The principal activity of the company is the provision of property maintenance services.

Our focus is on building long-term relationships with our clients, working towards the achievement of mutually agreed goals with an emphasis on quality workmanship, cost-effectiveness and reliability.

We are committed to maintaining the highest standards in Health and Safety at all times throughout all of our sites and operations, with our entire workforce working together towards a zero accident culture.

Review of the business

The company's results for the year show a gross profit of £5,048,000 (2018: £7,520,000 gross profit), with a gross margin of 13.5% (2018: 13.3%). The loss before taxation was £10,714,000 (2018: £1,812,000 profit).

The statement of financial position of the business shows net current liabilities of £1,486,000 (2018: net current assets £8,297,000), with net liabilities of £3,996,000 (2018: net assets £6,776,000).

On 20 March 2020 the Trios group of companies (comprising Triosgroup Limited, SPIE Facilities Limited, Trios Secure Limited, Trios Compliance Limited and Trios Skilz Limited) were acquired by TGFM Newco Limited, an Rcapital acquisition vehicle, via the purchase of the ordinary shares of Triosgroup Limited from SPIE Limited. On 26 March 2020 the company changed its name from SPIE Facilities Limited to Trios Facilities Management Limited.

The acquisition followed a period of challenging trading for the company in 2017, 2018 and 2019 impacted by a virus attack on SPIE systems in October 2017. On acquisition of the company in March 2020 Rcapital appointed a senior team led by an experienced Chief Restructuring Officer to work with the management team to turn the business around including delivering operational and financial business improvement actions, determining the COVID-19 trading proposition, separating from SPIE IT systems/ functions and improved supply chain/ working capital management.

In August 2020, as a result of the marked impact of COVID-19 on customer trading (the business has a high concentration of customers in the hospitality, retail and leisure sectors), the requirement to significantly reshape the business from a national to a regional player and in light of various onerous contractual commitments entered into pre acquisition, the directors took the decision to enter into a Company Voluntary Arrangement (CVA). A formal restructure via a six week CVA was deemed to be the most feasible route to preserve jobs and secure a viable trading proposition going forward.

On 7 September 2020 99.7% of creditors by value voted in favour of the CVA Proposals and the company entered into a CVA. On 21 October 2020 the company satisfied all its obligations under the CVA Proposals, including payment of agreed compromised creditor contributions to the CVA supervisor, and the CVA terminated.

In October 2020 a £7.5m invoice finance facility was secured by the Trios group of companies comprising Triosgroup Limited, Trios Facilities Management Limited, Trios Secure Limited, Trios Compliance Limited and Trios Skilz Limited, secured over trade debtors and WIP.

Review of the business (continued)

Since acquisition the implementation of the company turnaround strategy has started to yield improvements in profitability compared to 2019 notwithstanding the ongoing impact of COVID-19 on customer trading and the competitive UK facilities management landscape. The company must continue to deliver quality value for money services in order to retain and grow existing long term customer relationships and secure new customers under the reshaped trading proposition. The company continues to develop strategic supply chain structures, continuous improvement programmes and employee training plans to support the needs of its customers.

The directors remain confident that the operational and financial improvements delivered to date and planned for the future coupled with anticipated sales growth post COVID-19 and the continual alignment of the business to the needs of its customers will generate further improvements in performance in 2021.

Included within cost of sales and administrative expenses in the year ended 31 December 2018 is income of £2,300,000 relating to the final cash settlement of an insurance claim. The insurance receipt only partially offsets the significant damages and other losses suffered or incurred by the business (including costs incurred and income lost) following a virus attack on the systems in October 2017.

Key performance indicators

The company's key measure of its performance is earnings before interest, tax, depreciation and amortisation (EBITDA). EBITDA was a loss of £9,485,000 for the year ended 31 December 2019 (2018: £2,238,000 profit).

Principal Risks and Uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The business runs a comprehensive risk register and puts in place mitigation for each risk identified below. The principal business risk are:

Demand and execution risk

The key business risk relates to changes to the expenditure plans of public and private sector customers. The directors manage this risk by positioning the company within a wide range of relevant markets to reduce the exposure to adverse economic factors in any individual market sector.

Project execution risk is continually appraised by both operational management teams and the board of directors.

Health and safety

Managing and eliminating risk to our people in the environments they work in continues to be a major part of our responsibility. This is an area in which the business continues to invest. The impact of COVID-19 on staff health and safety and company trading is a risk to the business that is closely managed and monitored by management.

Plant and fleet

Managing our fleet drivers and driver risk together with securing our plant from theft continues to be a risk for the business.

Principal Risks and Uncertainties (continued)

Competition

The loss of business to other companies is a significant threat. The business works closely with customers to achieve and maintain a competitive advantage in securing work. The business is always looking for ways to improve efficiency and is alert to the threats posed by competitors. The business uses its own labour and plant which enables the business to have far greater control of its previously outsourced costs.

The company activities expose it to a number of financial risks including credit and liquidity risk. As a matter of policy the company does not trade in financial instruments nor does it enter into any derivative transactions.
The company actively manages its cost base to ensure that its services are delivered as efficiently as possible.

UK exiting the European Union

A cross functional committee was established to review how the business should get prepared and to anticipate and mitigate the potential impacts on the business. This committee met regularly throughout the year and provided regular updates to the Board on the key concerns for the business and the actions in place and to be considered; in addition to providing a view on the possible outcome scenarios.

The committee also developed a FAQ to assist in discussions with clients, to ensure consistent messaging and the understanding of our position. Overall the risk of BREXIT having a significant impact on the business was deemed to be low as operations are wholly UK based.

Financial Risk Management

The company is not materially exposed to foreign exchange risk.

Price risk

The company's activities include the procurement and installation of products. Consequently the company is subject to commodity price and other cost inflationary risks. The company manages these risks by entering into, wherever possible, firm pricing arrangements with its supply chain that corresponds to the price paid by its customer.

Cash flow risk

The cash flow of the company is exposed to non-payment risk by customers. The company manages this risk by carefully appraising the credit quality of customers prior to entering into contracts, establishing reasonable credit terms, and actively managing cash collections.

Liquidity risk

The directors review the liquidity position on a regular basis and are confident that the business has sufficient cash resources to meet its trading needs.

Credit Risk

Credit risk is managed by careful review of customers' financial standing and appropriate credit checks on potential customers prior to sale.

Strategic Report (continued)
For the year ended 31 December 2019

Section 172(1) statement

The s172(1) statement for the Trios group of companies (comprising Triosgroup Limited, Trios Facilities Management Limited, Trios Secure Limited, Trios Compliance Limited and Trios Skilz Limited) is included in the Strategic report of SPIE Limited, the subsidiary of the immediate parent and controlling party, SPIE UK Limited, and the statement applies equally to all of the group's subsidiaries as the group is managed as one operation as at the year-end.

Supplier Payment Policy

As a service company, the company's principal cost base is its suppliers and subcontractors.

The company's policy in relation to all its suppliers, is to settle the terms of payment when agreeing the terms of the transactions and to abide by those terms provided that it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

On behalf of the Board

R Barling
7 April 2021

Trios Facilities Management Limited (formerly SPIE Facilities Limited)

Report of the Directors
For the year ended 31 December 2019

The directors present their report and the audited financial statements for the year ended 31 December 2019.

Results and Dividend

The company's loss for the financial year was £10,772,000 (2018: £1,812,000 profit). The directors do not recommend payment of a dividend (2018: £nil). The company made no political donations during the year (2018: £nil).

Future Developments

The directors do not anticipate any changes to the activities of the company in the foreseeable future. Sales recovery post COVID-19 and ongoing business turnaround are expected to generate further improvements in performance in 2021.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below.

Robert Goodhew (resigned 20 March 2020)
Antony Wilkinson (resigned 20 March 2020)
Christopher Campbell (appointed 20 March 2020 and resigned 9 September 2020)
Triosgroup Limited (appointed 20 March 2020)
Robert Barling (appointed 9 September 2020)
Gold Round Limited (appointed 9 September 2020)

Directors' Liability Insurance

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Health, safety and wellbeing of our employees and those who work with the company is highly valued and is extremely important. It is the company's policy to provide the best possible practice and procedures to ensure that all our staff and contractors workforce operate in a healthy, safe environment. The company is committed to the continuous improvement of our performance in terms of health, safety and environmental management vigorously maintaining our accreditation to BSI OHSAS 18001 Health & Safety and ISO 14001 Environmental standards, consistently striving to exceed them.

Employees

The company contributes to a defined contributions pension scheme for employees.

The company's policy is to ensure the health, safety and welfare of everyone engaged in, or affected by, its activities. A Health and Safety manual is distributed to all employees and the company provides clearly defined training schedules. Within the limitations of its business, the company's policy is to engage disabled persons and to provide training, career development and promotion opportunities within standard terms of employment. It is also our policy to retain and re-train those employees who have become disabled.

Report of the Directors (continued)
For the year ended 31 December 2019

Employees (continued)

There is communication with employees by means of a regular in-house magazine called 'Rencontres', as well as an annual Town Hall Business meeting, which deals with company results, forecasts, and strategy. The aim of these communications are to ensure staff are aware of the financial and economic factors that affect the performance of the company. Any other matters which may be of concern to them in their capacity as employees are communicated to staff via written correspondence.

The company consults employees via annual online surveys and with nominated representatives on specific issues, so that the views of employees can be taken into account in making decisions that are likely to affect their interests. To incentivise staff, a bonus is payable annually based upon both the individual and company's performance.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, 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.

The directors 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.

Directors' confirmations

In the case of each director in office at the date the Report of the Directors is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors (continued)
For the year ended 31 December 2019

Matters covered in the strategic report

Items required under Schedule 7 to be disclosed in the annual report are set out in the Strategic report, in accordance with s.414C(11) CA 2006. Financial Risk management disclosures per s.414C(4) CA 2006 are also included in the Strategic report.

COVID-19

The World Health Organisation declared COVID-19 as a global pandemic on 11 March 2020. Whilst this is a non adjusting post balance sheet event, company trading in 2020 and 2021 has been significantly impacted by the COVID-19 pandemic and the measures taken by the UK government to limit the spread of the virus. The company is taking appropriate actions to protect employees, customers and its supply chain and limit the impact of the pandemic on operations and financial results. This includes cost management, implementing saving initiatives and making use of some of the special COVID-19 initiatives e.g. Job Retention Scheme to enable the business to mitigate job losses and be in a position to respond readily when customer demand picks up on relaxation of the government COVID-19 measures.
Reliance is being placed on the company's secured liquid funds to trade through this year.

Whilst customer activity has reduced during the COVID-19 pandemic, the company's services are key to the integrity of customer's assets and continuity of their businesses. Work has in the main been deferred and is expected to pick up rapidly during Q2 and Q3 2021 in line with their return to trading/ full trading.

Going concern

The company's statement of financial position as at 31 December 2019 shows net current liabilities and net liabilities. The directors have considered this when reviewing the appropriateness of the going concern basis in the preparation of the financial statements.

The directors have undertaken an assessment of the company's financial position, resources and principal risks (including COVID-19 as well as the business turnaround) and their impact on forecast sales, profits and cash flows in determining the basis on which to prepare the accounts. The directors believe that these forecasts in conjunction with the headroom on existing external facilities and the company's ability to satisfactorily manage financing/ other business risks, means there is a reasonable expectation the company will have adequate resources to continue in operation for at least 12 months from the signing date. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

However, when making this assessment the directors note that facility headroom is dependent upon the company's ability to generate sales and being able to invoice its customers. Given the current economic climate and the current UK lockdown and the related uncertainty in the future outlook (which could include further currently unannounced restrictions), the company's ability to manage its headroom on external facilities and cash position is uncertain. This indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Despite this the directors are confident that given the actions taken to turnaround the company including operational and financial improvement actions, determining a COVID-19 trading proposition, improved trading from August 2020, focus on being a regional player rather than national player and successful formal CVA restructure, the company has a feasible trading proposition going forward. In the event of further currently unannounced restrictions the directors would mitigate the impact on trading and cash via the continued use of government schemes e.g. Coronavirus Job Retention Scheme, switch from subcontracting to own engineer work and the advancement/ rescheduling of planned and quoted works for customers impacted by the lockdowns.

Trios Facilities Management Limited (formerly SPIE Facilities Limited)

Report of the Directors (continued)
For the year ended 31 December 2019

Employee involvement

The company endeavours to keep its employees informed on matters affecting them as employees, and on the performance of the company, through formal and informal meetings. Other information is distributed through publications such as the company's annual report and financial statements and the staff handbook which are circulated to all employees.

Stakeholder statements

The company's stakeholder statements are incorporated within the Strategic report of SPIE Limited, the subsidiary of the immediate parent and controlling party, SPIE UK Limited, and apply equally to all of the group's subsidiaries as the group is managed as one operation as at the year-end.

Independent Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting, in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 7 April 2021 and signed on its behalf.

R Barling
Director

Independent auditors' report to the members of Trios Facilities Management Limited (formerly SPIE Facilities Limited)

Report on the audit of the financial statements

Opinion

In our opinion, Trios Facilities Management Limited (formerly SPIE Facilities Limited)'s financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the statement of income and retained earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the company's ability to continue as a going concern. The company is reliant on external facilities to continue operating for at least 12 months from the date of this report. The extent of these facilities is dependent on the company's ability to generate sales and being able to invoice its customers. This uncertainty is most apparent when considering current UK lockdown and the related uncertainty in the future outlook (which could include further currently unannounced restrictions). These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern. These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Independent auditors' report to the members of Trios Facilities Management Limited (formerly SPIE Facilities Limited) (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of Trios Facilities Management Limited (formerly SPIE Facilities Limited) (continued)

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Mark Kingsbury

Mark Kingsbury (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
8 April 2021

Trios Facilities Management Limited (formerly SPIE Facilities Limited)

Statement of income and retained earnings
For the year ended 31 December 2019

	Note	2019 £'000	2018 £'000
Revenue	3	**37,454**	56,352
Cost of sales		**(32,406)**	(48,832)
Gross profit		**5,048**	7,520
Administrative expenses		**(15,682)**	(5,634)
Operating (loss)/ profit	4	**(10,634)**	1,886
Finance income	6	**3**	3
Finance costs	7	**(83)**	(77)
(Loss)/ profit before taxation		**(10,714)**	1,812
Tax on (loss)/ profit	8	**(58)**	-
(Loss)/ profit for the financial year		**(10,772)**	1,812
Retained earnings at 1 January		**4,731**	2,919
(Accumulated loses)/ Retained earnings at 31 December		**(6,041)**	4,731

There were no other comprehensive income for 2018 or 2019 other than those included within the statement of income and retained earnings.

Trios Facilities Management Limited (formerly SPIE Facilities Limited)

Registered number: 03616663
Statement of financial position as at 31 December 2019

	Note		2019		2018
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	9		-		260
Intangible assets	10		-		33
Property, plant and equipment	11		121		737
			121		1,030
Current assets					
Stocks	12	4		72	
Debtors	13	21,282		28,642	
Cash at bank and in hand		2,045		989	
		23,331		29,703	
Creditors: amounts falling due within one year	14	(24,817)		(21,406)	
Net current (liabilities)/ assets			(1,486)		8,297
Total assets less current liabilities			(1,365)		9,327
Creditors: amounts falling due after more than one year	15		(2,631)		(2,551)
Net (liabilities)/ assets			(3,996)		6,776
Capital and reserves					
Called up share capital	16,17		1,133		1,133
Share premium account	16		169		169
Other reserves	16		743		743
(Accumulated losses)/ Retained earnings	16		(6,041)		4,731
Total equity			(3,996)		6,776

The notes on pages 16 to 34 form an integral part of these financial statements.

The financial statements on pages 14 to 34 were approved by the board of directors on 7 April 2021 and were signed on its behalf by:

R Barling
Director

1 General information

Trios Facilities Management Limited ('the company') is a private company limited by shares and it is incorporated in England. The address of its registered office and principal place of business is Ground Floor, Egerton House, 68 Baker Street, Weybridge, Surrey, England, KT13 8AL.

The principal activity of the company is the provision of property maintenance services.

2 Accounting policies

2.1 Basis of preparation and statement of compliance

The individual financial statements of Trios Facilities Management Limited have been prepared on a going concern basis, under the historical cost convention, in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.21.

The trading results represent the year to 31 December 2019 with comparatives relating to the year ended 31 December 2018. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated:

2.2 Going concern

The company's statement of financial position as at 31 December 2019 shows net current liabilities and net liabilities. The directors have considered this when reviewing the appropriateness of the going concern basis in the preparation of the financial statements.

The directors have undertaken an assessment of the company's financial position, resources and principal risks (including COVID-19 as well as the business turnaround) and their impact on forecast sales, profits and cash flows in determining the basis on which to prepare the accounts. The directors believe that these forecasts in conjunction with the headroom on existing external facilities and the company's ability to satisfactorily manage financing/ other business risks, means there is a reasonable expectation the company will have adequate resources to continue in operation for at least 12 months from the signing date. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

However when making this assessment the directors note that facility headroom is dependent upon the company's ability to generate sales and being able to invoice its customers. Given the current economic climate and the current UK lockdown and the related uncertainty in the future outlook (which could include further currently unannounced restrictions), the company's ability to manage its headroom on external facilities and cash position is uncertain. This indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

2 Accounting policies (continued)

2.2 Going concern (continued)

Despite this the directors are confident that given the actions taken to turnaround the company including operational and financial improvement actions, determining a COVID-19 trading proposition, improved trading from August 2020, focus on being a regional player rather than national player and successful formal CVA restructure, the company has a feasible trading proposition going forward. In the event of further currently unannounced restrictions the directors would mitigate the impact on trading and cash via the continued use of government schemes e.g. Coronavirus Job Retention Scheme, switch from subcontracting to own engineer work and the advancement/ rescheduling of planned and quoted works for customers impacted by the lockdowns.

2.3 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The company has taken advantage of the following disclosure exemptions:

i) from the requirement to prepare a statement of cash flows as required by Section 7 of FRS 102 and paragraph 3.17(d);
ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102; and
iii) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

2.4 Consolidated financial statements

The company is a wholly-owned subsidiary of Triosgroup Limited and is included in the consolidated financial statements of the ultimate parent undertaking SPIE SA, incorporated in France, which are publicly available. Consequently, Trios Facilities Management Limited has taken advantage of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

2.5 Revenue

Revenue from the provision of services by the company is recognised as soon as the amount can be reliably estimated and work in progress (WIP) recorded in the balance sheet under Prepayments and accrued income. The outcome of a transaction can be estimated reliably when all the following conditions are met:

- the amount of revenue from ordinary activities can be measured reliably;
- it is probable that the economic benefits will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably;
- the costs incurred for the transaction and the costs to complete the transaction can be measured.

When the outcome of a transaction involving the provision of services can be estimated reliably, the income from ordinary activities associated with the transaction must be recognised by reference to the stage of completion of the transaction at the reporting date.

The stage of completion is measured by reference to the proportion that costs incurred to date bear to the estimated total costs. Profit is not recognised if the stage of completion of the contract cannot be estimated reliably.

2 Accounting policies (continued)

2.5 Revenue (continued)

In the event that a loss on completion of a contract is forecast, a provision for losses to contract completion is recognised irrespective of the stage of completion of the contract, by reference to the best estimate of the forecast results measured on a reasonable basis. Provisions for losses on contract completion are presented as liabilities in the statement of financial position.

Payments on account received in excess of costs incurred and attributable profit are included within deferred income. Foreseeable losses, if any, in excess of costs incurred less related payments on account are included in provisions as appropriate.

2.6 Non-recurring items

Non-recurring items are items that are unusual because of their size, nature or incidence and which the company's management consider should be disclosed separately to facilitate a full understanding of the company's results.

2.7 Employee benefits

The company provides a range of benefits to employees, including benefits in kind, termination costs, bonus, paid holiday arrangements and defined contribution pension plans.

(i) *Short term benefits*

Short term benefits including holiday pay and other similar non-monetary benefits, are recognised as an expense in the year in which the service is received. Annual leave is recognised as an expense and liability in the years of which it relates. Holiday pay is accrued for weekly staff, but monthly staff have a policy to utilise leave by the end of the year.

(ii) *Defined contribution pension plans*

Employee benefits comprise of defined contribution schemes only. Defined contribution schemes are post employment benefit schemes under the terms of which the company pays defined contributions to various institutions. The contributions are paid in return for services rendered by the employees during the year. They are recognised as expenses of the year in which they are incurred since the company has no legal or constructive obligation to pay additional contributions in the event the scheme has insufficient assets.

(iii) *Annual bonus plan*

The company operates a number of annual bonus plans for employees. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

2.8 Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

2 Accounting policies (continued)

2.8 Taxation (continued)

Current or deferred taxation assets and liabilities are not discounted.

(i) *Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

(ii) *Deferred taxation*

Deferred tax arises from timing differences that are differences between taxable profits and total income statement as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

2.9 Intangible assets

Intangible assets are comprised of computer software. Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of four years, on a straight line basis.

Where factors such as technological advancement or changes in market price indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

2.10 Property, plant and equipment

Property, plant and equipment are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is charged once assets are available for use, and is provided at rates calculated to write off the cost of property, plant and equipment by equal annual instalments over their expected useful lives, having regard to their residual values. The carrying amounts of property, plant and equipment are also subject to an impairment review at each reporting date. The annual depreciation rates applicable are as follows:

Plant and machinery	-	4 years straight line
Equipment	-	6-10 years on a straight line basis

Leasehold property and improvements are depreciated over the length of the lease. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. The effect of any

2 Accounting policies (continued)

2.10 Property, plant and equipment (continued)

change is accounted for prospectively.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating (losses)/gains'.

2.11 Leasing

At inception the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) *Operating leased assets*

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term.

(ii) *Lease incentives*

Incentives received to enter into an operating lease are credited to the statement of comprehensive income, to reduce the lease expense, on a straight-line basis over the period of the lease.

The company has taken advantage of the exemption under paragraph 35.10(p) of FRS 102 in respect of lease incentives on leases in existence on the date of transition to FRS 102 (1 January 2014) and continue to credit such lease incentives to the income statement over the period to the first review date on which the rent is adjusted to market rates.

2.12 Impairment of non-financial assets

At each reporting date, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the income statement, unless the asset has been revalued when the amount is recognised in the statement of other comprehensive income to

2 Accounting policies (continued)

2.12 Impairment of non-financial assets (continued)

the extent of any previously recognised revaluation. Thereafter any excess is recognised in the income statement.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior s. A reversal of an impairment loss is recognised in the income statement.

2.13 Fixed asset investments

Fixed asset investments are valued at cost less impairment provisions. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future cash flows of the business or disposal value if higher.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.15 Stocks

Stocks are stated at the lower of cost and estimated selling price less cost to complete and sell. Cost is determined on the first-in, first-out (FIFO) method. Provision is made for obsolete, slow moving and defective stock.

2.16 *Cash and cash equivalents*

Cash and cash equivalent includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

2.17 Provisions

Provisions are made for liabilities where, in the directors' opinion, present obligations exist and it is probable that an outflow of funds will be required to settle the financial liabilities in the future and the amounts can be estimated reliably. Where material, future cash flows are discounted in arriving at the amounts to be provided.

Contingent liabilities are potential obligations that arise from past events and whose existence will be confirmed only by the occurrence of uncertain future events but which have not been recognized either because an outflow of resources is unlikely to be required to extinguish the obligation or because the amount cannot be measured with sufficient reliability. Contingent liabilities are disclosed in the notes to the financial statements.

2.18 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities, such as trade and other debtors and creditors and loans from third parties.

The company is applying section 11 and 12 of FRS 102. Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective

2 Accounting policies (continued)

2.18 Financial instruments (continued)

interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitutes a financing transaction, like the payment of a trade debt deferred beyond the normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially at the present value of future cash flow discounted at a market rate of interest for similar debt instruments and subsequently amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is identified, an impairment loss is recognised in the Statement of Comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.19 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.20 Related party transactions

The company has taken advantage of the exemptions as provided by section 33.1A of FRS 102 from disclosing related party transactions with wholly owned entities that are part of the SPIE SA. The company discloses transactions with related parties which are now wholly owned with the same group in note 20.

2.21 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

2 Accounting policies (continued)

2.21 Critical accounting judgements and key source of estimation uncertainty (continued)

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) *Revenue, WIP and profit recognition*

Revenue, WIP and profit from contracts is assessed on an individual basis based on the stage of completion of the contract which is estimated using a combination of the milestones in the contract and the time spent to date compared to the total time expected to be required to undertake the contract. Estimates of the total time required to undertake the contract are made on a regular basis and subject to management review and impact revenue, WIP and profit recognised. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making.

(ii) *Trade debtors and prepayments and accrued income*

The carrying value of trade debtors as well as WIP recorded within prepayments and accrued income is dependent on the recoverability of the balances from customers which is reliant on their assessed financial position/ viability.

3 Revenue

	2019	2018
	£'000	£'000
Provision of services	**37,454**	56,352

All revenue is attributable to the principal activity of the company and represents services provided in the United Kingdom.

The company operates in one class of business, being the provision of property maintenance services.

4 Operating (loss)/ profit

Operating (loss)/ profit is stated after charging:

		2019 £'000	2018 £'000
Auditors' remuneration			
	Audit of the company's financial statements, including Triosgroup Limited and fellow subsidiaries	**141**	94
	Non audit services	**-**	-
Investment impairment charge		**260**	-
Depreciation			
	Owned assets charge	**463**	352
	Impairment charge	**447**	-
Stock impairment charge		**75**	-
Loss on disposal of tangible asset		**51**	18
Loss on disposal of intangible		**33**	-
Defined asset plan expense		**92**	351
Operating lease payments			
	Equipment and vehicles	**907**	775
	Land and buildings	**180**	202
	Plant and machinery	**506**	543

Included within cost of sales and administrative expenses for the year ended 31 December 2018 is income of £2,300,000 relating to the final cash settlement of an insurance claim. The insurance receipt only partially offsets the significant damages and other losses suffered or incurred by the business (including costs incurred and income lost) following a virus attack on the systems in October 2017. This event also impacted the reported results in 2018.

Administrative expenses for the year ended 31 December 2019 include £794,000 of consultancy costs in relation to process improvements.

The 31 December 2019 results include the reclassification of certain payroll costs between cost of sales and administrative expenses to more accurately reflect the nature of work undertaken.

5 Directors and Employees

Staff costs, including directors, were as follows:

	2019 £'000	2018 £'000
Wages and salaries	**10,042**	9,780
Social security costs	**1,124**	900
Other pension costs	**92**	351
Total staff costs	**11,258**	11,031

The monthly average number of employees (including directors) during the year, analysed by category, was as follows:

	2019 Number	2018 Number
Technical and management	**165**	128
Administration	**165**	121
Total employees	**330**	249

Directors' remuneration

There were 2 directors who served during the year (2018: 2) who are also directors of a fellow group undertaking, SPIE Limited, through which they are remunerated. Accurate apportionment of the costs between subsidiaries is not possible, as such the Directors are paid by SPIE Limited and details regarding remuneration are disclosed in the financial statements of SPIE Limited.

Retirement benefits were accruing to 2 (2018: 2) directors during both the financial year, with costs recognised within SPIE Limited.

6 Finance income

	2019 £'000	2018 £'000
Bank interest received	**3**	3

7 Finance costs

	2019 £'000	2018 £'000
Interest on loans from group undertakings	80	76
Bank interest payable	3	1
	83	77

8 Tax on (loss)/ profit

	2019 £'000	2018 £'000
Current tax	-	-
Deferred tax		
Origin and reversal of timing differences	-	-
Adjustments in respect of prior years	58	
Total current and deferred taxation	58	-

Factors affecting the tax for the current year

The assessed tax for the year is higher (2018: lower) than the standard rate of corporation tax in the UK (2018: 19%). The differences are explained below:

	2019 £'000	2018 £'000
(Loss)/ profit before taxation	(10,714)	1,812
(Loss)/ profit before taxation multiplied by standard rate of taxation in the UK at 19% (2018: 19%)	(2,036)	344
Expenses not deductible for taxation purposes	93	52
Impairments not deductible for taxation purposes	49	-
Income not deductible for taxation purposes	-	(6)
Group relief	-	(465)
Depreciation higher than capital allowances	130	-
Deferred tax not recognised	1,764	97
Adjustment in respect of prior years	58	(21)
Adjustment due to change in statutory rate	-	(1)
Income tax	58	-

8 Tax on profit (continued)

Deferred tax

The company has no liability for deferred tax (2018: £nil). There exists the following recognised deferred tax asset:

	2019 £'000	2018 £'000
Accelerated capital allowances	-	58
Balance as at 31 December	-	58

The total deferred tax asset not recognised at 31 December 2019 is £2,100,000 (2018: £115,000).

Factors that may affect future tax charges

The 2020 Spring Budget announcement which was substantially enacted on 17 March 2020 reversed the previously enacted reduction in the UK corporation tax rate from 19% to 17% (effective from 2020) and retained the existing 19% corporation tax rate from 1 April 2020. As the change to retain a 19% corporation tax rate was not substantially enacted at the Balance Sheet date, it's effects have not been reflected in these financial statements. However, the impact on these financial statements of reflecting this change would have been immaterial.

9 Investments

	Subsidiaries £'000
Cost	
At 1 January 2019 and 31 December 2019	**410**
Accumulated Impairment	
At 1 January 2019 and	(150)
Impairment charge in the year	(260)
31 December 2019	**(410)**
Carrying amount	
At 31 December 2019	-
At 31 December 2018	260

The directors have undertaken a review of the carrying value of the investments in subsidiaries and have decided to impair these in full in light of the business turnaround and ongoing impact of COVID-19 on trading. The carrying value of investments will be reviewed subsequently once the business turnaround is more progressed and trading has returned to more normalised levels.

9 Investments (continued)

Details of subsidiaries are as follows:

Name of Company	Country of incorporation	Type and number of shares held	Proportion held	Nature of business	Registered office
Trios Skilz Limited	UK	150,000 ordinary shares of £1 each	100%	Property maintenance	Ground Floor, Egerton House, 68 Baker Street, Weybridge, Surrey, England, KT13 8AL
Trios Secure Limited	UK	1,000 ordinary shares of £1 each	100%	Window & door security maintenance	

The Directors consider the investments are fully supported by the underlying net assets of the companies.

10 Intangible assets

	Software £'000
Cost	
At 1 January 2019	33
Disposals	(33)
At 31 December 2019	-
Accumulated Amortisation	
At 1 January 2019 and 31 December 2019	-
Net book value	
31 December 2019	-
31 December 2018	33

11 Property, plant and equipment

	Leasehold improvements £'000	Plant and machinery £'000	Equipment £'000	Total £'000
Cost				
At 1 January 2019	62	468	818	1,348
Additions	34	5	307	346
Disposals	-	(186)	(145)	(331)
At 31 December 2019	**96**	**287**	**980**	**1,363**
Accumulated depreciation				
At 1 January 2019	33	277	301	611
Charge for the year	17	122	324	463
Impairment charge in the year	6	58	383	447
Disposals	-	(185)	(94)	(279)
At 31 December 2019	**56**	**272**	**914**	**1,242**
Net book value				
31 December 2019	**40**	**15**	**66**	**121**
31 December 2018	29	191	517	737

Assets held under finance leases have a net book value of £nil (2018: £nil).

12 Stocks

	2019 £'000	2018 £'000
Raw materials and consumables	**4**	72

Stock is stated net of a provision of £nil (31 December 2018: £30,000). During the year the impairment losses recognised as an expense within cost of sales was £75,000 (year ended 31 December 2018: £nil). At the year ended 31 December 2019 there is no material difference between the carrying amount of stock and the replacement cost.

13 Debtors

	2019 £'000	2018 £'000
Trade debtors	**4,541**	7,101
Amounts owed by group undertakings	**11,039**	11,425
Other debtors	**248**	629
Other taxation and social security	**-**	747
Deferred tax	**-**	58
Prepayments and accrued income	**5,454**	8,682
	21,282	28,642

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Trade debtors are stated net of a provision of £97,000 (2018: £115,000).

14 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Trade creditors	**4,193**	5,379
Amounts owed to group undertakings	**14,830**	9,338
Other creditors	**-**	18
Taxation and social security	**1,523**	1,351
Accruals and deferred income	**4,271**	5,320
	24,817	21,406

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

15 Creditors: amounts falling due after more than one year

	2019 £'000	2018 £'000
Loans	**2,631**	**2,551**

The loan is due to the immediate parent company, Triosgroup Limited. It is interest free and repayable on 15 May 2024, unless a default in the loan term occurs, where the loan is immediately repayable. The loan is secured over the assets of the company. The loan received from the holding company amounted to £3,000,000 and as required under FRS 102, the interest free loan has been discounted and recognised under the amortised cost method.

16 Reserves

Called up share capital

The called up share capital comprises the total nominal value of issued share capital.

Share premium account

The share premium account comprises the total amount received in excess of the nominal value for issued share capital.

Other reserves

This reserve represents the discounted loan due to the ultimate holding company received as a capital distribution recognised directly in equity.

(Accumulated losses)/ Retained earnings

The (accumulated losses)/ retained earnings comprises of the company's accumulated profits and losses, after deducting any distributions made to company's shareholders.

17 Called up Share capital

	2019	2018
	£'000	£'000
Authorised		
1,133,397 (2018: 1,133,397) Ordinary 'A' shares of £1 each	**1,133**	1,133
Allotted, issued and fully paid		
1,133,397 (2018: 1,133,397) Ordinary 'A' shares of £1 each	**1,133**	1,133

The "A" ordinary shares entitle the holders to vote at general meetings of the company and rank pari passu on dissolution. There are no restrictions on the distribution of dividends and the repayment of capital.

18 Operating lease commitments

The company had the following future minimum lease payment under non-cancellable operating leases for each of the following periods:

Amounts falling due:	2019 Land and buildings £'000	2019 Other £'000	2018 Land and buildings £'000	2018 Other £'000
Within one year	167	273	177	151
Later than 1 year and not later than 5 years	246	207	290	85
Later than 5 years	77	-	185	-
	490	480	652	236

19 Pension commitments

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and during the year to 31 December 2019 amounted to £92,000 (2018: £351,000). At the year ended 31 December 2019 contributions totalling £51,000 (2018: £13,000) were payable to the funds.

20 Related party transactions

The company has taken the advantage of the exemption under paragraph 33.1A of FRS 102 "Related Party Transactions" where disclosure is not required on the grounds that it is a wholly owned subsidiary of a company headed by SPIE SA, whose financial statements are publicly available.

21 Post Balance Sheet Events

Acquisition and turnaround

On 20 March 2020 the Trios group of companies (comprising Triosgroup Limited, SPIE Facilities Limited, Trios Secure Limited, Trios Compliance Limited and Trios Skilz Limited) were acquired by TGFM Newco Limited, an Rcapital acquisition vehicle, via the purchase of the ordinary shares of Triosgroup Limited from SPIE Limited. On 26 March 2020 the company changed its name from SPIE Facilities Limited to Trios Facilities Management Limited.

The acquisition followed a period of challenging trading for the company in 2017 and 2018 impacted by a virus attack on SPIE systems in October 2017. On acquisition of the company in March 2020 Rcapital appointed a senior team lead by an experienced Chief Restructuring Officer to work with the management team to turn the business around including delivering operational and financial business improvement actions, determining the COVID-19 trading proposition, separating from SPIE IT systems/ functions and improved supply chain/ working capital management.

21 Post Balance Sheet Events (continued)

Acquisition and turnaround (continued)

In August 2020, as a result of the marked impact of COVID-19 on customer trading (the business has a high concentration of customers in the hospitality, retail and leisure sectors), the requirement to significantly reshape the business from a national to a regional player and in light of various onerous contractual commitments entered into pre acquisition, the directors took the decision to enter into a Company Voluntary Arrangement (CVA). A formal restructure via a six week CVA was deemed to be the most feasible route to preserve jobs and secure a viable trading proposition going forward.

On 7 September 2020 99.7% of creditors by value voted in favour of the CVA Proposals and the company entered into a CVA. On 21 October 2020 the company satisfied all its obligations under the CVA Proposals, including payment of agreed compromised creditor contributions to the CVA supervisor, and the CVA terminated.

In October 2020 a £7.5m invoice finance facility was secured by the Trios group of companies comprising Triosgroup Limited, Trios Facilities Management Facilities Limited, Trios Secure Limited, Trios Compliance Limited and Trios Skilz Limited, secured over trade debtors and WIP.

COVID-19

The World Health Organisation declared COVID-19 as a global pandemic on 11 March 2020. Whilst this is a non adjusting post balance sheet event, company trading in 2020 and 2021 has been significantly impacted by the COVID-19 pandemic and the measures taken by the UK government to limit the spread of the virus. The company is taking appropriate actions to protect employees, customers and its supply chain and limit the impact of the pandemic on operations and financial results. This includes cost management, implementing saving initiatives and making use of some of the special COVID-19 initiatives e.g. Job Retention Scheme to enable the business to mitigate job losses and be in a position to respond readily when customer demand picks up on relaxation of the government COVID-19 measures.
Reliance is being placed on the company's secured liquid funds to trade through this period.

Whilst customer activity has reduced during the COVID-19 pandemic, the company's services are key to the integrity of customer's assets and continuity of their businesses. Work has in the main been deferred and is expected to pick up rapidly during Q2 and Q3 2021 in line with their return to trading/ full trading.

22 Ultimate parent and controlling party

The immediate parent and controlling party is Triosgroup Limited, a company registered in England & Wales, by virtue of its controlling interest in the ordinary share capital of the company.

Up to 20 March 2020 the ultimate parent was SPIE SA, a company incorporated in France. The smallest and largest group of undertakings for which group financial statements will be drawn up is that headed by SPIE SA. The consolidated financial statements of SPIE SA are available to the public and may be obtained from SPIE SA, 10 avenue de l'entreprise, 95863 Cergy, Pontoise Cedex, France.

In the Directors' opinion there is no ultimate controlling party due to SPIE SA being listed on Euronext Paris.

22 Ultimate parent and controlling party(continued)

From 20 March 2020 TGFM Newco Limited became the ultimate parent company by virtue of its controlling interest in the ordinary share capital of Triosgroup Limited. On 17 September 2020 TGFM Newco Limited sold its ordinary share interest in Triosgroup Limited and ceased to be the ultimate parent company. From this date the ultimate parent company became Triosgroup Limited.

The ultimate controlling party of Triosgroup Limited is deemed to be J Constable by virtue of his shareholding in that company.