

# **Trios Skilz Limited**

(Registered Number: 03649813)

## **Annual Report and Financial Statements 31 December 2018**



# **Trios Skilz Limited**

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# **Trios Skilz Limited**

## **Officers and advisors**

### **Directors**

Robert Goodhew  
Antony Wilkinson (appointed 7 August 2018)

### **Secretary**

Benjamin Hancock

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cornwall Court  
19 Cornwall Street  
Birmingham  
B3 2DT

### **Registered Office**

2<sup>nd</sup> Floor  
33 Gracechurch Street  
London  
EC3V 0BT  
United Kingdom

# **Trios Skilz Limited**

## **Strategic Report For the year ended 31 December 2018**

The directors present their strategic report on the company for the year ended 31 December 2018.

The principal activity of the company is the provision of property maintenance and refurbishment service.

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 £48,000 (2017: £720,000), with a gross margin of 3.6% (2017: 15.5%). The loss before taxation totalled £98,000 (2017: £360,000). Revenue for the year totalled £1,342,000 (2017: £4,639,000), which reduced as project work is now undertaken by another group undertaking. Despite the reduction in revenue, 2018 shows a decreased loss before tax as a result of releasing a bad debt provision that is no longer required.

The statement of financial position of the business remains in a net liabilities position of £754,000 (2017: £656,000).

The company operates within a competitive environment and must continue to deliver value for money services to retain and grow its long term customer relationships. The company has developed strategic supply chain structures, continuous improvement programmes and employee training plans to support the needs of its customers.

The directors remain confident that the continual alignment of the business to the needs of its customers will maintain performance at the anticipated level.

The first part of the year saw a reduction in trade, as a consequence of a virus attack on the systems in October 2017. As a result of this, EBITDA for the 2017 and 2018 years is lower than expected and gross margin percentage reduced.

### **Key performance indicators**

The company's key measure of its performance is earnings before interest, tax, depreciation and amortisation (EBITDA). The directors report on EBITDA, a loss of £98,000 for the year ended 31 December 2018 (2017: £370,000).

### **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:

#### *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.

# **Trios Skilz Limited**

## **Strategic Report (continued) For the year ended 31 December 2018**

### **Principal Risks and Uncertainties (continued)**

#### *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.

#### *Competition*

The loss of business of 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.

#### *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.

### **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, where possible, firm pricing arrangements with its supply chain.

#### *Cashflow 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.

# **Trios Skilz Limited**

## **Strategic Report (continued) For the year ended 31 December 2018**

### **Financial Risk Management (continued)**

#### *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*

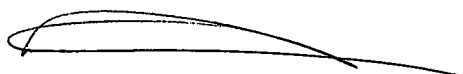
Credit risk is managed by careful review of customers' financial standing and appropriate credit checks on potential customers prior to sale.

#### **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**



A D Wilkinson  
27 September 2019

# **Trios Skilz Limited**

## **Report of the Directors For the year ended 31 December 2018**

The directors present their report and the audited financial statements for the year ended 31 December 2018.

### **Results and Dividend**

The company's loss for the financial year was £98,000 (2017: loss of £366,000). The directors do not recommend payment of a dividend (2017: £nil). The company made no political donations during the year (2017: £nil).

### **Future Developments**

The directors do not anticipate any changes to the activities of the company in the foreseeable future.

### **Directors**

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

Robert Goodhew  
Daniel Quint (resigned 31 August 2018)  
Antony Wilkinson (appointed 7 August 2018)

### **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.

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.

# **Trios Skilz Limited**

## **Report of the Directors (continued) For the year ended 31 December 2018**

### **Employees (continued)**

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.

### **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.



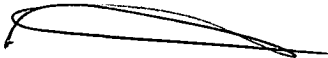
# **Trios Skilz Limited**

## **Report of the Directors (continued) For the year ended 31 December 2018**

### **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 <sup>27</sup> September 2019 and signed on its behalf.



**A D Wilkinson**  
**Director**

27 September 2019

# **Trios Skilz Limited**

## ***Independent auditors' report to the members of Trios Skilz Limited***

### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, Trios Skilz Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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 2018 and 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.

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#### **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.

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#### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

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

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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#### **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.

## **Trios Skilz Limited**

### ***Independent auditors' report to the members of Trios Skilz Limited (continued)***

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 2018 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.

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#### **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 set out on page 7, 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](http://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.

## **Trios Skilz Limited**

### ***Independent auditors' report to the members of Trios Skilz Limited (continued)***

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#### **Other required reporting**

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##### **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.



Richard Kay (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham  
27 September 2019

## Trios Skilz Limited

### Statement of income and retained earnings For the year ended 31 December 2018

	Note	2018 £'000	2017 £'000
Revenue	3	1,342	4,639
Cost of sales		<u>(1,294)</u>	<u>(3,919)</u>
Gross profit		48	720
Administrative expenses		<u>(146)</u>	<u>(1,080)</u>
Operating loss	4	<u>(98)</u>	<u>(360)</u>
Loss before taxation		(98)	(360)
Tax on loss	6	<u>-</u>	<u>(6)</u>
Loss for the financial year		<u>(98)</u>	<u>(366)</u>
Accumulated losses at 1 January		(806)	(440)
Accumulated losses at 31 December		<u>(904)</u>	<u>(806)</u>

There was no other comprehensive income for 2017 or 2018 other than those included within the statement of income and retained earnings.

# **Trios Skilz Limited**

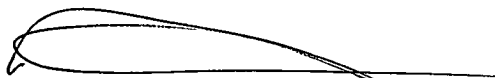
**Registered number: 03649813**

## **Statement of financial position as at 31 December 2018**

	Note	2018 £'000	2017 £'000
<b>Current assets</b>			
Stocks	7	1	78
Debtors	8	<u>961</u>	<u>654</u>
		962	732
Creditors: Amounts falling due within one year	9	(1,716)	(1,388)
<b>Net current liabilities</b>		<u>(754)</u>	<u>(656)</u>
<b>Net liabilities</b>		<u>(754)</u>	<u>(656)</u>
<b>Capital and reserves</b>			
Called up share capital	10,11	150	150
Accumulated losses	10	<u>(904)</u>	<u>(806)</u>
<b>Total equity</b>		<u>(754)</u>	<u>(656)</u>

The notes on pages 14 to 25 form part of these financial statements.

The financial statements on pages 12 to 25 were approved by the board of directors on 27 September 2019 and were signed on its behalf by:



**A D Wilkinson**  
**Director**

# **Trios Skilz Limited**

## **Notes to the Financial Statements For the year ended 31 December 2018**

### **1 General information**

Trios Skilz 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 2<sup>nd</sup> floor, 33 Gracechurch Street, London, EC3V 0BT, United Kingdom.

The principal activity of the company is the provision of property maintenance and refurbishment service.

### **2 Accounting Policies**

#### **2.1 Basis of preparation and statement of compliance**

The individual financial statements of Trios Skilz 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 2.15.

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**

On the basis of their assessment of the company's financial position and resources, the directors believe that the company is well placed to manage its business risks. The directors have received confirmation of financial support from the parent company SPIE SA sufficient to enable the company to continue in business for at least 12 months from the date of approval of these financial statements. Therefore the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **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;
- iii) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

# **Trios Skilz Limited**

## **Notes to the Financial Statements For the year ended 31 December 2018**

### **2 Accounting Policies (continued)**

#### **2.4 Revenue**

Revenue from the provision of services by the company is recognised as soon as the amount can be reliably estimated. 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.

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 trade and other creditors. Foreseeable losses, if any, in excess of costs incurred less related payments on account are included in trade and other creditors as appropriate.

#### **2.5 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.



# **Trios Skilz Limited**

## **Notes to the Financial Statements For the year ended 31 December 2018**

### **2 Accounting Policies (continued)**

#### **2.5 Employee Benefits (continued)**

(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.

#### **2.6 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.

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.

# **Trios Skilz Limited**

## **Notes to the Financial Statements For the year ended 31 December 2018**

### **2 Accounting Policies (continued)**

#### **2.7 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.

#### **2.8 Debtors**

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

#### **2.9 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.

# **Trios Skilz Limited**

## **Notes to the Financial Statements For the year ended 31 December 2018**

### **2 Accounting Policies (continued)**

#### **2.10 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.

#### **2.11 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.

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 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.

#### **2.12 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

# **Trios Skilz Limited**

## **Notes to the Financial Statements For the year ended 31 December 2018**

### **2 Accounting Policies (continued)**

#### **2.13 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 14.

#### **2.14 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.

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 recognition*

Revenue from contracts is assessed on an individual basis with revenue earned being ascertained 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. 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) *Taxation*

Deferred tax liabilities are generally provided for in full and deferred tax assets are recognised to the extent that is judged probable that future taxable profits will arise against which the temporary differences will be utilised.

# **Trios Skilz Limited**

## **Notes to the Financial Statements For the year ended 31 December 2018**

### **3 Revenue**

	<b>2018 £'000</b>	<b>2017 £'000</b>
Provision of services	<b><u>1,342</u></b>	<b><u>4,639</u></b>

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 and refurbishment service.

### **4 Operating loss**

Operating loss is stated after charging/(crediting):

	<b>2018 £'000</b>	<b>2017 £'000</b>
Gain on disposal of tangible fixed assets	-	(10)
Defined contribution plan expense	1	26
Operating lease payments		
<i>Equipment and vehicles</i>	<b>78</b>	89
<i>Land and buildings</i>	<b>32</b>	33
Hire of plant and machinery	<b><u>9</u></b>	<b><u>51</u></b>

#### **Auditors' remuneration**

Fees paid to PricewaterhouseCoopers LLP for the audit of the Trios Group, which includes Trios Skilz Limited, totalled £94,000 (2017: £130,000) and were paid by the company's fellow group undertaking SPIE Facilities Limited.

# Trios Skilz Limited

## Notes to the Financial Statements For the year ended 31 December 2018

### 5 Directors and Employees

Staff costs, including directors, were as follows:

	2018 £'000	2017 £'000
Wages and salaries	518	1,302
Social security costs	85	116
Other pension costs	34	26
<b>Total staff costs</b>	<b>637</b>	<b>1,444</b>

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

	2018 Number	2017 Number
Technical and management	2	16
Administration	2	16
<b>Total employees</b>	<b>4</b>	<b>32</b>

#### Directors' remuneration

The directors of the company who served during the financial year are directors of a fellow group undertaking, SPIE Limited. 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. There were 3 directors who served during the year (2017: 3).

# **Trios Skilz Limited**

## **Notes to the Financial Statements For the year ended 31 December 2018**

### **6 Tax on loss**

	2018 £'000	2017 £'000
<b>Current tax</b>	-	-
<b>Deferred tax</b>		
Origin and reversal of timing differences	-	6
<b>Total current and deferred taxation</b>	-	6

### **Factors affecting the tax credit for the current year**

The assessed tax for the year is lower (2017: higher) than the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are explained below:

	2018 £'000	2017 £'000
Loss before taxation	(98)	(360)
Loss before taxation multiplied by standard rate of taxation in UK at 19% (2017: 19.25%)	(19)	(69)
Expenses not deductible for tax purposes	-	-
Deferred tax not recognised	21	67
Effect of statutory rate change	(2)	8
<b>Income tax charge</b>	-	6

### **Deferred tax**

At the year ended 31 December 2018, the company had no liability for deferred tax (2017:£ nil) and there exists the following un-recognised deferred tax asset:

	2018 £'000	2017 £'000
Trading losses carried forward	107	86
Accelerated capital allowances	3	4
<b>Balance as at 31 December</b>	110	90

### **Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 19% to 17% (effective from 2020) was substantially enacted in September 2016 and has therefore been considered when calculating deferred tax at the reporting date.

# Trios Skilz Limited

## Notes to the Financial Statements For the year ended 31 December 2018

### 7 Stocks

	2018 £'000	2017 £'000
Raw materials and consumables	<u>1</u>	<u>78</u>

The amount of stock recognised as an expense during the year was £7,000 (2017: £393,000). There is no material difference between the carrying amount of inventory and the replacement cost.

### 8 Debtors

	2018 £'000	2017 £'000
Trade debtors	536	602
Other debtors	1	22
Prepayments and accrued income	<u>424</u>	<u>30</u>
	<u>961</u>	<u>654</u>

### 9 Creditors: Amounts falling due within one year

	2018 £'000	2017 £'000
Trade creditors	284	119
Amounts owed to group undertakings	1,171	711
Taxation and social security	20	47
Accruals and deferred income	<u>241</u>	<u>511</u>
	<u>1,716</u>	<u>1,388</u>

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

### 10 Reserves

#### *Ordinary share reserve*

The ordinary share reserve comprises the total nominal value of issued share capital.

#### *Accumulated losses reserve*

The accumulated profits reserve comprises of the company's accumulated profits and losses, after deducting any distributions made to the company's shareholders.



# Trios Skilz Limited

## Notes to the Financial Statements For the year ended 31 December 2018

### 11 Called up share capital

	2018 £'000	2017 £'000
<b>Authorised</b>		
150,000 (2017: 150,000) Ordinary shares of £1 each	<u>150</u>	<u>150</u>
<b>Allotted, issued and fully paid</b>		
150,000 (2017: 150,000) Ordinary shares of £1 each	<u>150</u>	<u>150</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

### 12 Operating lease commitments

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

	2018 Land and buildings £'000	2018 Other £'000	2017 Land and buildings £'000	2017 Other £'000
<b>Amounts falling due:</b>				
Within one year	32	12	32	10
Later than 1 year and not later than 5 years	27	16	128	10
	<u>59</u>	<u>28</u>	<u>160</u>	<u>20</u>

### 13 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 amounted to £1,000 (2017: £26,000). At the year ended 31 December 2018 contributions totalling £nil (2017: £nil) were payable to the funds.

### 14 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.

# **Trios Skilz Limited**

## **Notes to the Financial Statements For the year ended 31 December 2018**

### **15 Ultimate parent and controlling party**

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

The ultimate parent is SPIE SA, 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.