Koso Kent Introl Limited

Directors' report and financial statements

Registered number 5463305

For the year ended 31 March 2014

Contents

Company details

Directors

Takashi Ikegaya
Yuichi Ikegaya
Keiko Nakagawa
Denis Westcott
Ian Watling

Secretary

Ian Watling

Registered office

Armytage Road
Brighouse
West Yorkshire
HD6 1QF

Auditor

KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW

Strategic Report

Principal activities

The principal activities of the company continue to be the provision of manufactured goods and services relating to the supply of automatic process control valves and surface chokes products to the Oil & Gas industry, both onshore and offshore, topside and subsea, as well as related industries, chemical, petrochemical, power and general process industries. The scope of supply includes all facets of sale, design, manufacture and test as well as service and support.

Business model

The business operates in an Engineered to Order environment whereby it uses its expertise in Valve Technology and Industry driven specifications to meet the clients need for a Fit for Purpose technical solution delivered on time at a favourable cost.

The business endeavours to achieve this by working with the client and end users at the design stage to ensure that the most appropriate solution is presented to meet the particular environment under which the valve need to operate.

Business review and results

The Market in which the business operates continues to see strong demands yet 2014 saw a 'slow down' in order intake as the major International Oil Companies refocused there activities on Value not Volume. Project cost Inflation and Project delays came into clear focus during the year that saw an easing back on orders received.

As a consequence Shipments and thereby profit fell short of the previous year's results. Business costs were controlled and Margins maintained whilst significant time and investment went into improving systems in preparation for the demands of the market going forwards.

The Market demands particularly in the Offshore Oil and Gas industry continue to be strong and the company's activity in this area continues to grow.

Key performance indicators

The following are used to monitor business performance:

	2014	2013
Gross profit % turnover	**22.8%**	25.9%
Movement in turnover	**-12.2%**	+33.8%
Sales per employee	**£155.0k**	£188.6k
Stock turn	**6.2**	7.5
Acid ratio	**2.3**	2.4

Improving turnover and Gross Profit earned thereon, continue to be the major KPI's for the business reflecting its growth year on year. Whilst Sales per Employee reflect the efficiency of our Labour and Stock turn and Acid Ratio continue to reflect our cash management in order to fund future developments in a highly technical industry.

After two years of strong growth sales dipped in the year yet gross profit earned remained within the limits of expectations. However, increasing outstanding order book over the period positions the company well for the year ahead.

Cash Flow remains strong and more than meets the liquidity demands of the business.

Strategic Report *(continued)*

Principal risks and uncertainties

Gross Margin erosion occurs both from Price pressure in the market from the International Oil Companies and Upward cost pressure from the National Oil companies demanding 'local content' commitments. Margins are proactively managed to ensure that we meet the returns targeted allowing for Risk and Uncertainty.

Geopolitical activity driving Export Control embargoes in certain areas of the world. As a Global player we keep well versed in any newsworthy items that could instigate a prohibition of activity.

Foreign exchange volatility is managed through the use of sell contracts to fix the rate at a timely point in the order process.

Extended Project delays driven from complicated and extended Supply chain models of our clients are managed through the appropriate use of Milestone payments to maintain liquidity through the life of the contract.

Future developments

The Medium to Long term outlook for the industry in which we operate is good. Client spend forecasts are on the rise across all our major markets. Although , as always there will be opportunities for low cost solutions where we can leverage the capacity of the larger Koso Group, there is also a demand for a Highly Engineered product that meet the technological challenges of Deep water exploration that operate in the High Value end of the Market.

Investment in People, Systems and expanding our Knowledge base are seen as keen to ensuring a prominent position for the business in the future of our industry.

By order of the board

Ian Watling
Director

Armytage Road
Brighouse
West Yorkshire
HD6 1QF

18th December 2014

Directors' report

Proposed dividends

The directors have paid a final ordinary dividend in respect of the current financial year of £nil *(2013: £350k)*.

Directors

The directors who served during the year were as follows:

Takashi Ikegaya
Yuichi Ikegaya
Keiko Nakagawa
Denis Westcott
Ian Watling

No director who held office at the end of the financial period had any interests in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company, or any other group company, were granted to any of the directors or their families, or exercised by them, during the financial year.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that so far as they are each aware there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be reappointed and KPMG LLP will therefore continue in office.

Signed on behalf of the Board

Ian Watling
Director

Armytage Road
Brighouse
West Yorkshire
HD6 1QF

18th December 2014

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year.

Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG

KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Independent auditor's report to the members of Koso Kent Introl Limited

We have audited the financial statements of Koso Kent Introl Limited for the year ended 31 March 2014 set out on pages 8 to 21. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Koso Kent Introl Limited *(continued)*

Matters on which we are required to report by exception

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

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

Malcolm C Harding

Malcolm Harding (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

19 December 2014

Profit and loss account
for the year ended 31 March 2014

	Note	2014 £000	2013 £000
Turnover	2	**28,984**	33,004
Cost of sales		**(22,363)**	(24,471)
Gross profit		**6,621**	8,533
Distribution costs		**(633)**	(534)
Administration costs		**(4,248)**	(4,060)
Other Income		**3**	-
Operating profit		**1,743**	3,939
Interest receivable and similar income	6	**15**	5
Interest payable and similar charges	7	**(42)**	(7)
Profit on ordinary activities before taxation		**1,716**	3,937
Taxation	8	**(288)**	(899)
Retained profit for the period	18	**1,428**	3,038

There are no recognised gains or losses for the current period other than as stated above.
The results for the periods are wholly attributable to continuing activities.
The profit on ordinary activities before taxation is equal to the historical cost profit.

The notes on pages 12 to 21 form part of the financial statements

Balance sheet
at 31 March 2014

	Note	2014 £000	2014 £000	2013 £000	2013 £000
Fixed assets					
Intangible assets	*9*	**1,295**		1,410	
Tangible assets	*10*	**2,865**		3,050	
			4,160		4,460
Current assets					
Stocks	*11*	**3,624**		3,249	
Debtors	*12*	**9,861**		11,667	
Investments	*13*	**2,529**		2,529	
Cash at bank and in hand		**8,132**		4,214	
		24,146		21,659	
Creditors: amounts falling due within one year	*14*	**(8,248)**		(7,300)	
Net current assets			**15,898**		14,359
Total assets less current liabilities			**20,058**		18,819
Creditors: amounts falling due after more than one year	*15*		**(404)**		(866)
Provisions for liabilities and charges	*16*		**(599)**		(326)
Net assets			**19,055**		17,627
Capital and reserves					
Called up share capital	*17*		**-**		-
Share premium account	*18*		**3,500**		3,500
Profit and loss account	*18*		**15,555**		14,127
Shareholders' funds			**19,055**		17,627

The notes on pages 12 to 21 form part of the financial statements

These financial statements were approved by the board of directors on 18th December 2014 and were signed on its behalf by:

Ian Watling
Director
Registration number 5463305

Reconciliation of movements in shareholders' funds
for the year ended 31 March 2014

	2014	2013
	£000	£000
Opening shareholders' funds	**17,627**	14,939
Dividend paid	-	(350)
Profit for the financial year	**1,428**	3,038
Closing shareholders' funds	**19,055**	17,627

Cash flow statement
for the year ended 31 March 2014

	Note	2014 £000	2013 £000
Net cash inflow from operating activities	*21*	**5,095**	2,972
Taxation		**(288)**	(847)
Capital expenditure and financial investment	*21*	**(427)**	(1,085)
Equity dividends paid	*21*	**-**	(350)
Cash inflow before management of liquid resources and financing		**4,380**	690
Management of liquid resources	*21*	**(462)**	1,328
Increase in cash in the period		**3,918**	2,018

Reconciliation of net cash flow to movement in net funds
for the year ended 31 March 2014

	Note	2014 £000	2013 £000
Increase in cash in the period		**3,918**	2,018
Movement in net funds in the period	*22*	**3,918**	2,018
Hire purchase debt repaid/(taken) in the year	*22*	**462**	(1,328)
Net funds at the start of the period		**2,886**	2,196
Net funds at the end of the period	*22*	**7,266**	2,886

Notes
(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under cost accounting rules.

Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on business combinations is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life which is estimated at 20 years.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal annual instalments over its estimated useful economic lives as follows:

Freehold buildings	-	25 to 50 years
Plant and machinery, fixtures and fittings	-	3 to 10 years
Tools and equipment	-	3 to 10 years

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Stocks

Stocks and work in progress other than long term contracts are stated at the lower of cost and net residual value. Cost includes materials direct labour and production overheads appropriate to the relevant stage of completion. Net realisable value is based on estimated selling price less all further costs to completion and all relevant marketing selling and distribution costs.

Long term contracts

For contract installations with significant revenue which span two or more accounting periods, turnover is recognised on a work completed basis.

The amount of cost attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at cost incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched within turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19.

Notes *(continued)*

1 Accounting policies *(continued)*

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Research and development

Expenditure on research and development is charged to the profit and loss account in the year which it is incurred.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, VAT and other sales related taxes.

Cash

Cash for the purposes of the cash flow statement comprises cash in hand and deposits repayable on demand less overdrafts payable on demand.

Post-retirement benefits

The company operates a defined contribution scheme. The assets of the schemes are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Liquid resources

Liquid resources are current asset investments which are disposable without curtailing or disrupting the business and are either readily convertible into known amounts of cash at or close to their carrying values or traded in an active market. Liquid resources comprise investments in money market managed funds, which are included in the balance sheet at cost and any gain or loss only recognised when the investment is realised.

2 Turnover

The company operates in one industry segment. All turnover arises from the sale of equipment of UK origin

Analysis of turnover by geographical market	**2014** **£000**	2013 £000
UK	**9,637**	8,875
Rest of Europe	**10,993**	15,246
Rest of World	**8,354**	8,883
	28,984	33,004

Notes *(continued)*

3 Directors emoluments

	2014	2013
	£000	£000
Directors' emoluments	**454**	359
Group contributions to money purchase pension schemes	**22**	24
	476	383

Retirement benefits are accruing to 2 directors under money purchase schemes. The highest paid director's total remuneration for the year was £250k *(2013: £189k)*, including pension contributions of £8k *(2013: £12k)*.

4 Staff costs

The average monthly number of persons (including executive directors) employed by the company during the year was:

	2014	2013
By activity	**Number**	Number
Production	**143**	136
Sales	**24**	21
Administration	**20**	18
	187	175

The aggregate payroll costs of these persons were as follows:

	2014	2014
	£000	£000
Wages and salaries	**6,646**	6,491
Social security costs	**726**	658
Other pension costs	**507**	424
	7,879	7,573

5 Profit on ordinary activities before taxation

	2014	2013
Operating profit is stated after charging	**£000**	£000
Auditors' remuneration - audit	**29**	20
- other services	**14**	12
Depreciation written off tangible fixed assets – owned	**612**	410
Amortisation of goodwill	**115**	115
Rentals under operating leases		
Hire of plant and machinery	**30**	32
Other operating leases	**443**	406
Development expenditure	**37**	-
Dilapidation Provision	**382**	50

Notes *(continued)*

6 Interest receivable and similar income

	2014	2013
	£000	£000
Interest receivable on short term investments	**15**	5

7 Interest payable and similar charges

	2014	2013
	£000	£000
Bank charges	**(42)**	(7)

8 Taxation

Analysis of charge in period

	2014	2013
	£000	£000
UK corporation tax		
Current tax on income for the year	**381**	948
Adjustments in respect of prior period	**(34)**	(50)
Total current tax	**347**	898
Deferred tax (see note 16)		
Origination/reversal of timing differences	**(77)**	30
Effects of decrease in tax rate	**-**	(9)
Adjustments in respect of prior period	**18**	(20)
Total deferred tax	**(59)**	1
Tax on profit on ordinary activities	**288**	899

Notes *(continued)*

8 Taxation *(continued)*

Factors affecting the tax charge for the current period

The current tax charge for the period is lower *(2013: lower)* than the standard rate of corporation tax in the UK 23% *(2013: 24%)*. The differences are explained below.

	2014	2013
	£000	£000
Current tax reconciliation		
Profit on ordinary activities before tax	**1,716**	3,937
Current tax at 23% *(2013: 24%)*	**395**	945
Effects of:		
Expenses not deductible for tax purposes	**(103)**	39
Short term timing differences	**-**	-
Adjustments in respect of prior periods	**(34)**	(50)
Fixed Asset Timing Differences	**89**	(36)
Total current tax charge (see above)	**347**	898

9 Intangible fixed assets

	Goodwill
	£000
Cost	
At beginning and end of period	2,306
Accumulated amortisation	
At beginning of period	896
Charge for period	115
At end of period	1,011
Net book value	
At 31 March 2014	**1,295**
At 31 March 2013	1,410

Goodwill held at the balance sheet date is in relation to the acquisition of trade and assets. This goodwill is being amortised over 20 years.

Notes *(continued)*

10 Tangible fixed assets

	Fixtures and fittings £000	Plant and machinery £000	Assets in the course of construction £000	Total £000
Cost or valuation				
At beginning of period	1,142	3,325	-	4,467
Additions	212	72	143	427
At end of period	1,354	3,397	143	4,894
Accumulated depreciation				
At beginning of period	599	818	-	1,417
Charge for period	223	389	-	612
At end of period	822	1,207	-	2,029
Net book value				
At 31 March 2014	**532**	**2,190**	**143**	**2,865**
At 31 March 2013	543	2,507	-	3,050

11 Stocks

	2014 £000	2013 £000
Raw material and consumables	**400**	370
Work in progress	**3,224**	2,879
	3,624	3,249

There were no long term contracts in place at 31 March 2014.

12 Debtors

	2014 £000	2013 £000
Trade debtors	**7,428**	7,867
Prepayments and accrued income	**2,433**	3,800
	9,861	11,667

Notes *(continued)*

13 Investments (held as current assets)

	2014	2013
	£000	£000
Short term investments	**2,529**	2,529

At 31 March the market value of the short term investments was £2,743,883 *(2013: £2,801,730)*. These investments were liquidated during the next financial period.

14 Creditors: amounts falling due within one year

	2014	2013
	£000	£000
Hire purchase creditors	**462**	462
Payments received on account	**852**	19
Trade creditors	**3,670**	3,364
Corporation tax	**289**	413
Other tax and social security	**336**	334
Accruals and deferred income	**2,639**	2,708
	8,248	7,300

15 Creditors: amounts falling due after more than one year

	2014	2013
	£000	£000
Hire purchase creditors	**404**	866

Analysis of debt:

	2014	2013
Debt can be analysed as follows:	**£000**	£000
In one year or less, or on demand	**462**	462
Between one and two years	**404**	462
Between two and five years	**-**	404
	866	1,328

Notes *(continued)*

13 Investments (held as current assets)

	2014 £000	2013 £000
Short term investments	**2,529**	2,529

At 31 March the market value of the short term investments was £2,743,883 (*2013: £2,801,730*). These investments were liquidated during the next financial period.

14 Creditors: amounts falling due within one year

	2014 £000	2013 £000
Hire purchase creditors	**462**	462
Payments received on account	**852**	19
Trade creditors	**3,670**	3,364
Corporation tax	**289**	413
Other tax and social security	**336**	334
Accruals and deferred income	**2,639**	2,708
	8,248	7,300

15 Creditors: amounts falling due after more than one year

	2014 £000	2013 £000
Hire purchase creditors	**404**	866

Analysis of debt:

Debt can be analysed as follows:	2014 £000	2013 £000
In one year or less, or on demand	**462**	462
Between one and two years	**404**	462
Between two and five years	**-**	404
	866	1,328

Notes *(continued)*

16 Provisions for liabilities and charges

	Dilapidation provision £000	Deferred taxation £000	Total £000
At beginning of year	250	76	**326**
Charge to the profit and loss for the year	322	(59)	**273**
At end of year	**582**	**17**	**599**

An addition £332,000 has been charged to the dilapidations provision during the year to reflect external advice received.

The 2014 Budget on 20 March 2014 announced that the UK corporation tax rate will reduce from 24% to 20% by 1 April 2015. It has not yet been possible to quantify the full anticipated effect of the announced further rate reduction although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly.

The elements of deferred taxation assets are as follows:

	2014 £000	2013 £000
Difference between accumulated depreciation and amortisation and capital allowances	**17**	76
Other timing differences	**-**	-
Deferred tax liability	**17**	76

17 Called up share capital

	2014 £	2013 £
Called up, allotted and fully paid		
Equity: 101 Ordinary shares of £1 each	**101**	101

18 Reserves

	Share premium account £000	Ordinary share capital £000	Profit and loss account £000	Total £000
At beginning of period	3,500	-	14,127	17,627
Retained profit for the period	-	-	1,428	1,428
At end of period	**3,500**	**-**	**15,555**	**19,055**

Notes *(continued)*

19 Commitments

The company was committed to capital expenditure of £nil *(2013: £nil)* at the year end in relation to plant and machinery.

At 31 March 2014 the company was committed to making the following payments during the next year in respect of operating leases:

	Other 2014 £000	Other 2013 £000
Leases which expire:		
Within one year	-	-
In second to fifth year inclusive	**150**	177
Over five years	**300**	308
Total	**450**	485

20 Pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £508k *(2013: £424k)*.

21 Analysis of cash flows

	2014 £000	2013 £000
Reconciliation of operating profit to net cash flow from operating activities		
Operating profit	**1,716**	3,937
Depreciation charge	**612**	410
Amortisation charge	**115**	115
(Increase)/Decrease in stocks	**(375)**	805
Decrease/(Increase) in debtors	**1,806**	(2,734)
Increase in creditors	**1,221**	439
Net cash inflow from operating activities	**5,095**	2,972

	2014 £000	2013 £000
Capital expenditure and financial investment		
Purchase of fixed assets	**(427)**	(1,085)
Equity dividends paid		
Payment of dividend	-	(350)
Management of liquid resources		
Hire purchase debt (repaid)/taken in the year	**(462)**	1,328
	(462)	1,328

Notes *(continued)*

22 Analysis of net funds

	At beginning of year £000	Net Cash flow £000	**At end of year £000**
Cash in bank	4,214	3,918	**8,132**
Debt due within one year	(462)	-	**(462)**
Debt due after more than one year	(866)	462	**(404)**
	(1,328)	462	**(866)**
Total	2,886	4,380	**7,266**

23 Related party disclosures

During the year the company made trade purchases and trade sales from a fellow group companies under the common ownership of Nihon Koso Co. Limited. The total of these transactions for the period, included in cost of sales amounted to £889,024 *(2013: £884,436)*. Outstanding trade payables in the period end balance sheet being £nil *(2013: £nil)*. Similarly transactions included in turnover amounted to £193,143 *(2013: £391,033)* with outstanding trade receivables at the balance sheet date of £78,194 *(2013: £249,227)*. The amount written off receivables due from related parties in the principal year was £nil *(2013: £nil)*.

24 Ultimate controlling party

The directors regard Nihon Koso Limited, a company incorporated in Japan, as the ultimate parent company and the ultimate controlling party.

Nihon Koso Limited is the parent undertaking of the largest group of which the company is a member and for which group financial statements are drawn up.