

TRICORN GROUP PLC
ANNUAL REPORT AND ACCOUNTS 2012



THE FUTURE OF GLOBAL TUBULAR SOLUTIONS

Tricorn Group plc is the holding company for a group of companies that develop and manufacture pipe solutions to a growing and increasingly international customer base.

STRATEGY

- To acquire and grow engineering based businesses that are supplying blue chip OEM customers who in turn are focused on attractive end markets.
- The key elements of this approach are to
 - ❑ **Drive for operational excellence**, ensuring products and services are globally competitive and that class leading quality and delivery performance is achieved.
 - ❑ **Improve margins** by the implementation of lean manufacturing, investing in employee development, the resourcing of materials to low cost countries and the utilisation of Group resources.
 - ❑ **Growth**. Organically by increasing share within its customers and developing new customers. Inorganically through selective acquisitions where Tricorn's management expertise can generate sufficient added value.

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OUR MARKET



ENERGY & UTILITIES

Fabricated tubular assemblies for diesel engines and radiator sets used in power generation, mining, oil and gas



TRANSPORTATION

Nylon, rigid and hybrid pipe assemblies for engines, brake systems, fuel sender sub-systems used in both on and off highway applications



AEROSPACE

Rigid pipe assemblies for civil and military aerospace applications



HISTORICAL SUMMARY

- December 2001 — Listed on AIM
- June 2005 — China team based in Nanjing established
- June 2006 — Acquired RMDG Aerospace Limited
- June 2007 — Acquired Maxpower Automotive Limited
- March 2012 — Announced investment in China manufacturing facility



Our products are used in some of the most demanding applications.

SUMMARY (£'000)

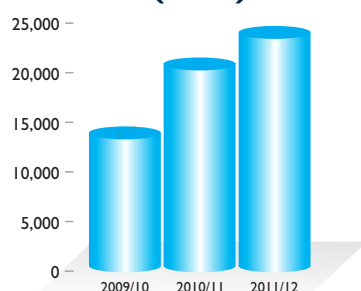
	2012	2011
Sales revenue	24,706	21,764
Operating profit*	1,771	1,198
Operating profit margin*	7.2%	5.5%
Profit before tax*	1,622	1,066
Cash & equivalents	2,468	1,612
Net funds/(debt)	586	-61
Adjusted EPS*	3.78p	2.57p
Dividend	0.2p	0.1p

HIGHLIGHTS

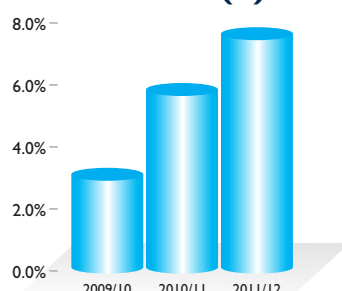
- Revenue increased by 14%
- 48% improvement in operating profit*
- EPS increased by 47% to 3.78p
- Well positioned to capitalise on South-East Asia markets
- Aerospace returned to profit
- Balance sheet continues to strengthen

* Before intangible asset amortisation, share-based payment charges, interest rate swap and foreign exchange derivative valuations.

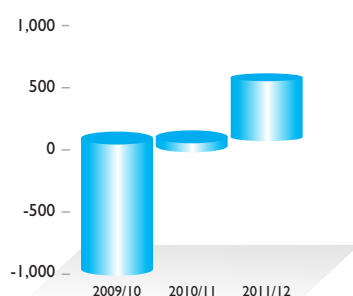
REVENUE (£'000)



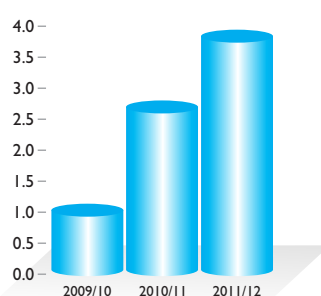
OPERATING PROFIT MARGIN (%)



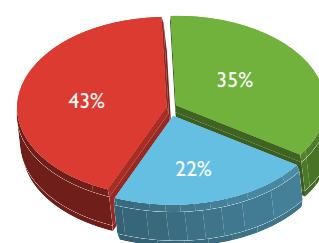
NET DEBT/CASH (£'000)



ADJUSTED EARNINGS PER SHARE (PENCE)



REVENUE BY SECTOR 2011/12 — %



ENERGY & UTILITIES
TRANSPORTATION
AEROSPACE

GROUP OVERVIEW

Tricorn companies continue to meet the demands of innovation and capability that make complex customer requirements possible.

"We manufacture bespoke pipe systems that deliver quality, performance and innovation. This in turn generates long term confidence in our business and cost benefits for our customers." The following example shows where our engineering teams have taken the challenge to raise the capability of pipe system solutions.

CASE STUDY

DELIVERING THE IMPOSSIBLE — MULTI BEND ONE PIECE SOLUTION

THE OPPORTUNITY

Our customers make engines that are designed to be compact, cost efficient and meet tough new emissions legislation. Winning new business on their latest Tier IV Engine models would be critical to future growth. Tricorn were able to offer a unique engineered solution where others could not.

THE CHALLENGE

To manufacture a complex pipe system containing multiple bends, angles and end forms without the use of welded joints. This is impossible to produce using conventional machinery.



OUR SOLUTION

Our combined engineering teams designed and manufactured a unique method of end forming once the bending process had been complete. The result was a single piece solution.

OUTCOME

Our customer gained from the security of a quality and performance enhanced product.

Our company gained from a long term business stream on the most recent engine model for a global market.

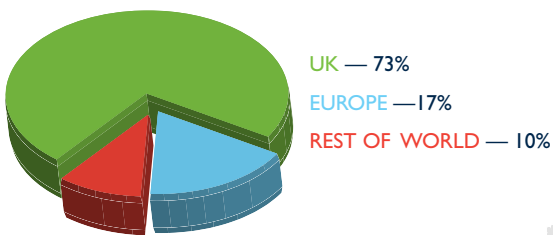


TRICORN'S GLOBAL PRESENCE

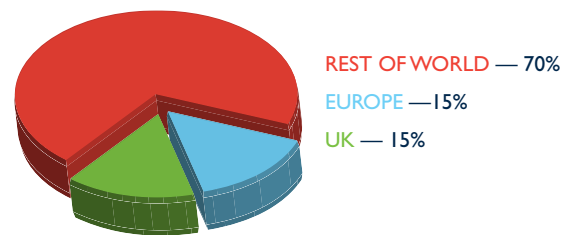
TRICORN TURNOVER

Tricorn supplies its products to a blue chip customer base. Although many of our products are supplied into the UK, we have significant exposure to global markets through our customers. As a result approximately 85% of our product is ultimately destined for markets outside the UK.

OUR TURNOVER BY DESTINATION IS AS FOLLOWS



HOWEVER, A MORE REPRESENTATIVE PICTURE OF OUR TURNOVER BY THE FINAL DESTINATION OF OUR PRODUCTS WOULD BE



UK

- 1 Head Office, Malvern
- 2 Malvern Tubular Components, Malvern
- 3 Redman Fittings, Malvern
- 4 Maxpower Automotive, West Bromwich
- 5 RMDG Aerospace, Swadlincote, Derbyshire

CHINA

- 6 Maxpower Automotive Components Manufacturing, Wuxi, China
- 7 Tricorn representative Office, Nanjing, China

"approximately 85% of our product is ultimately destined for markets outside the UK."



CHAIRMAN'S AND CHIEF EXECUTIVE'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2012



"Tricorn has delivered a record set of results with revenue up 14%, operating profit margin up 31% and adjusted earnings per share up 47%.

In light of this performance and our continued confidence in the future prospects for the business we are pleased to recommend a proposed doubling of our full year dividend to 0.2p."

Nick Paul CBE, Non-executive Chairman

PERFORMANCE IN THE YEAR

We are pleased to report a record set of results with encouraging progress across all divisions. We have invested in our facilities, improved operational performance and continued to benefit from our exposure to global markets.

Revenue grew by 14%, operating profit margin* increased by 31% and adjusted earnings per share* increased 47% to 3.78p.

At the same time we have remained focused on strengthening the balance sheet with net cash at the year end of £0.586m. Cash and cash equivalents were up 53% to £2.468m at the year end and, as announced at the time of our interim results, the term loan, which was not due to be repaid until August 2012, was repaid in full in October 2011.

Based on the progress we have made and our confidence in future prospects, the Board is recommending the payment of a final dividend of 0.13p per share. A full year dividend of 0.2p represents a 100% increase over the previous year and reinforces our commitment to a longer term progressive dividend policy.



We pride ourselves in meeting customer requirements for high variety, small batch production

OPERATIONAL REVIEW

The Group operates three main business segments which are focused on the Energy & Utilities, Transportation and Aerospace sectors. The businesses serve a global blue chip OEM customer base, many of whom have major facilities in the UK and the rest of Europe. The final product is then shipped into world markets from these facilities which effectively extends the Group's global reach and reduces its dependency on the UK economy.

Revenue has increased by 14% over the previous year with all divisions experiencing strong demand through the final quarter.

Operating profit margins are ahead of last year at both Group and divisional levels. Overall, the 1.7% year on year improvement in operating margin to 7.2% was comfortably within our underlying target range.

Whilst all of the divisions have made good progress during the year the performance of the Aerospace division has been particularly encouraging with a strong second half resulting in the business returning to profitability for the full year.

At the same time we remained focused on continuing to strengthen the balance sheet. Inventory was reduced by a further 5% despite the higher volumes as we continued to closely manage working capital.

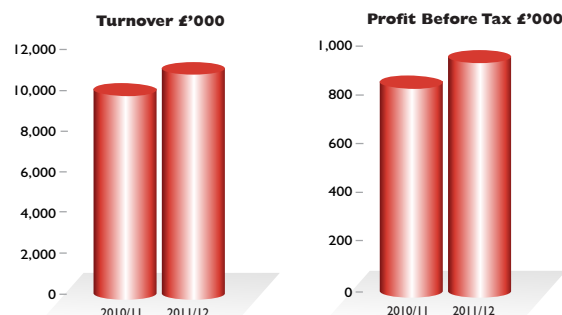
* Before intangible asset amortisation, share-based charges, interest rate swap and foreign exchange derivative valuation.

ENERGY & UTILITIES

Malvern Tubular Components specialises in fabricated and manipulated tubular assemblies for large diesel engines and radiator sets used within the Energy sector; principally power generation, mining and oil and gas applications. This was combined earlier in the year with the Redman Fittings business which supplies major polyethylene pipe manufacturers with a patented pipe jointing system.

Revenue for the division was up 11% on the previous year and operating profit margin improved to 9.2%.

The business continues to grow its existing customer base by developing closer and more collaborative relationships. At the same time the investment in extending capabilities in bending and design is enabling new business to be won with new customers which bodes well for future growth. The engineering team has been strengthened to ensure that the business can continue to maximise the potential opportunities for revenue growth and deliver further operational improvements.

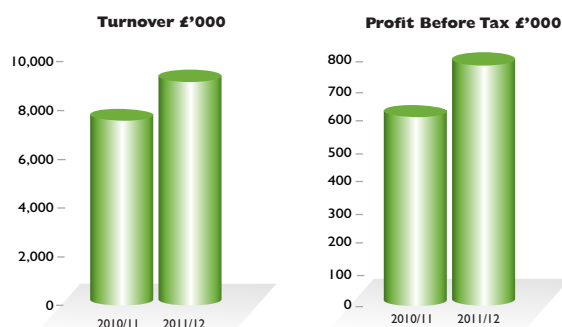


TRANSPORTATION

Maxpower Automotive is focused on nylon, rigid and hybrid tubular products for engines, braking systems and fuel sender sub-systems.

Revenue increased 21% year on year with changes in emissions legislation and favourable market conditions driving demand. Product capabilities have also been extended both in terms of materials and systems and this is likely to yield significant revenue benefits in the mid term.

The focus on lean implementation has also progressed well and operating margins increased to 8.8% in the year.

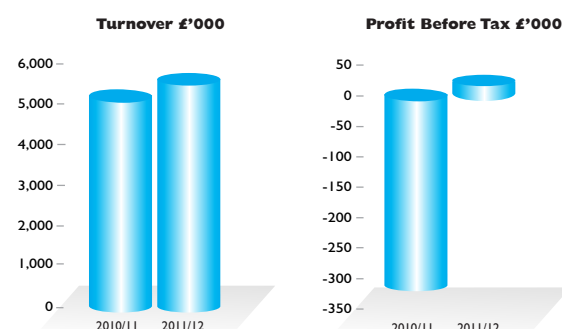


AEROSPACE

RMDG Aerospace supplies rigid pipe assemblies used in a variety of applications within the Aerospace sector. Revenue was up 8% on the previous year with demand strengthening through the year.

The focus on supplier development and selection, underpinned by long term agreements, has ensured cost stability and the development of a reliable supply base for materials and goods. This has provided the platform for further operational improvements, with the business delivering significant improvements in operating margins and consequently returning to profit in the second half and for the year as a whole.

With improvements continuing to be made, additional business being won and growing demand, the Board anticipates further improvements within the division over the next year.



CHAIRMAN'S AND CHIEF EXECUTIVE'S STATEMENT continued

FOR THE YEAR ENDED 31 MARCH 2012

"An improvement in top line growth across all of the Group's sectors enabled a 14% increase in revenue to £24.706m (2011: £21.764m), whilst continued improvements in operational performance saw gross margins improve to 33%."

EXPANSION IN CHINA

In early March 2012, the Company announced its intention to establish a manufacturing facility in China as a key part of its strategic development in South-East Asia. The Company has had a purchasing office in China for the last seven years and, as a result, a well-developed network of subcontractors and suppliers. The Company is therefore ideally placed to support its customers in localising their supply chain which in turn provides significant additional opportunities for the Group.

The process of registering the local company has been completed. The Company now has a facility and the installation of plant and equipment will commence shortly. Initial investment is estimated to be approximately £1.0m and the Company remains firmly on track to have the facility operational by the end of 2012 and earnings enhancing in the financial year ending 31 March 2014.

FINANCIAL REVIEW

The Group has had a very productive year, delivering a 52% increase in profit before tax* on record turnover of £24.706m. In addition, it has remained highly cash generative, returning to a cash positive position in a year during which it has repaid its term loan and invested £0.9m in new capital projects, as well as announcing its intention to invest an initial £1.0m in the forthcoming year in new manufacturing facilities in China.

In line with the Company's progressive dividend policy the Board is recommending the payment of a final dividend of 0.13p per share, giving a total dividend of 0.2p for the financial year ended 31 March 2012. The final dividend will be paid on 19 October 2012 to all shareholders on the register on 5 October 2012.

£24.706m

Sales revenue up 14%

7.2%

Operating margins up 31%

£2.468m

Cash & Equivalent up 53%

0.2p per share

Payment to shareholders doubled

INCOME STATEMENT

An improvement in top line growth across all of the Group's sectors enabled a 14% increase in revenue to £24.706m (2011: £21.764m), whilst continued improvements in operational performance saw gross margins improve to 33%.

With continued control over administration and distribution costs, operating profit* was up 48% to £1.771m (2011: £1.198m) and operating profit margins improved 31% to 7.2% (2011: 5.5%). After deducting intangible asset amortisation, share-based payment charges and credits relating to foreign exchange derivative contracts, operating profit was up 56% to £1.604m (2011: £1.026m).

Net finance charges for the year were £0.078m (2011: £0.099m). On 30 March 2012, the Group gave notice to settle its cap and collar arrangement with its bankers. As a result the full year finance charge includes a credit relating to the reversal of the swap valuation of £0.071m (2011: £0.033m), as well as a final settlement charge of £0.026m.

Unadjusted profit before tax for the financial year was up 65% to £1.526m (2011: £0.927m). Basic EPS was up 63% at 3.49p (2011: 2.14p) and, after adjusting for one-off costs EPS* was up 47% to 3.78p (2011: 2.57p).



Investment in our tube manipulation capabilities positions us well for future growth

* Before intangible asset amortisation, share-based charges, interest rate swap and foreign exchange derivative valuation.

CASH FLOW

The Group's net cash flow from operating activities was £1.296m, an increase of 34% over last financial year's result of £0.968m. This came as a result of a strong profit to cash flow conversion, and despite higher taxation payments in the year.

The Group continued to make investments in capital projects during the year, with expenditure of £0.907m including items taken on finance leases. Improvements in operational efficiency are a key driver for all of the Group's capital expenditure.

In June 2011, to satisfy institutional demand, the Group sold 875,000 shares that it held in Treasury. This resulted in a cash inflow of £0.278m, net of fees, and helped to improve cash and equivalents to £2.468m at the year end, an increase of £0.856m (53%) over the previous year end balance of £1.612m.

As part of its ongoing review of its borrowings facilities and requirements the Group repaid its term loan facility, through a payment of £0.250m, on 20 October 2011. This facility had not been due for full repayment until August 2012.

As a result of the above activities the Group reported a net cash position of £0.586m at 31 March 2012. This compares to a net debt position of £0.061m at 31 March 2011.

BALANCE SHEET

At the year end, the total gross assets of the Group increased to £13.997m (2011: £12.022m), predominantly on the back of the increased expenditure on capital projects and the increase in cash and equivalents in the year.

Despite higher trading volumes, the Group was able to drive a further reduction in inventory in the year of £0.158m to £2.929m (2011: £3.087). Total working capital at the year end saw a modest increase to £4.172m (2011: £3.891m).

PEOPLE

We are deeply grateful for the energy, passion and skills of our people and we continue to invest in their development.

We have extended our National Vocational Qualification programme to further support the development of the business and this continues to provide a firm foundation for further operational improvement.

Michael Greensmith has announced his intention to step down from his role as Company Secretary at this year's AGM. We would like to thank him for his contribution to the business over many years. Phil Lee will take over the role of Company Secretary in addition to his current responsibilities as Group Finance Director.



The Group continues to develop its global presence

OUTLOOK

Our alignment with major global OEM customers and our expansion of manufacturing to serve the expanding markets of South-East Asia positions us well for the future and we are very optimistic about mid term growth opportunities.

Tricorn has a very sound basis for future growth. With our proven ability to deliver operational improvements we are confident of making further progress in the current year.

Nick Paul CBE

Chairman
11 June 2012

Mike Welburn

Chief Executive
11 June 2012

BOARD OF DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2012

EXECUTIVE DIRECTORS



MIKE WELBURN

Chief Executive Officer

Joined Tricorn in April 2003, appointed to the Board in March 2004 and as Chief Executive in November 2007. He had previously been with IMI plc for 18 years where he had held a number of senior roles within the Fluid Power Division. This included responsibility for European Operations and Global OEM Strategy.



PHIL LEE

Group Finance Director

Joined Tricorn in January 2009 and appointed to the Board in February 2009. He had previously been at Rolls-Royce plc for nine years working in a number of roles including Finance Director of Distributed Generation Systems (part of the Rolls-Royce Energy Business). Prior to Rolls-Royce he had been with National Grid Plc.



DAVID LEAHEY

Group Sales Director

Joined Tricorn and appointed to the Board in June 2011. He had previously spent 27 years working at Norgren Ltd, the Motion and Fluid Controls division of IMI Plc. He has most recently held the role of Global Sales Director in the Energy Sector; with responsibility for the global business development of the company's products into the oil and gas markets. David has also held the position of Sales Director in Norgren's Life Sciences and Automotive Sectors.

NON-EXECUTIVE DIRECTORS



NICK PAUL CBE

Non-executive Chairman

Appointed to the Board as non-executive Chairman in October 2001. Chairman of the Nominations Committee and member of the Remuneration and Audit Committees. He has a wealth of international business experience and had previously been deputy Chief Executive of IMI plc. He has also been Chairman of the Regional Development Agency, Advantage West Midlands, and Chairman of Midlands Expressway Limited. In the past he has been Chairman of the West Midlands CBI and non-executive director of John Laing Homes plc and Sig plc. He is currently Chairman of Severn Valley Railway (Holdings) plc.



ROGER ALLSOP

Non-executive Director

Chief Executive of Tricorn up to 2002 after which he became a non-executive Director. Chairman of the Audit and Remuneration Committees and a member of the Nomination Committee. He was previously managing director of Westwood Dawes plc and non-executive director of Netcall plc.

COMMITTEES

Audit Committee

Roger Allsop – Chairman
Nick Paul
Michael Greensmith – Secretary

Nomination Committee

Nick Paul – Chairman
Roger Allsop
Michael Greensmith – Secretary

Remuneration Committee

Roger Allsop – Chairman
Nick Paul
Michael Greensmith – Secretary

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2012

The Directors present their annual report together with the audited financial statements for the Group for the year ended 31 March 2012.

PRINCIPAL ACTIVITY

Tricorn Group plc is the parent company of a group of specialist engineering subsidiaries whose activities incorporate high precision tube manipulation, systems engineering and specialist fittings.

BUSINESS REVIEW

A review of the progress of the Group during the year and its prospects for the future are included in the Chairman's and Chief Executive's statement. There was a profit for the year after taxation amounting to £1.156m (2011: £0.687m). As part of a longer term progressive dividend policy, the Board has recommended the payment of a final dividend of 0.13p per share, giving a full year dividend of 0.2p per share.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the nature of the Group's strategy are subject to a number of risks.

The Directors are of the opinion that a thorough risk management process is adopted which involves the formal review of all the risks identified below. Where possible, processes are in place to monitor and mitigate such risks. The Directors have set out below the principal risks facing the business.

ECONOMIC CLIMATE

The Group is exposed to global markets through both its customer base and the market sectors that it serves. As a result there is constant monitoring of the economic environment by the Board to ensure that the Group responds to economic changes appropriately in order to ensure that the risk of any impact is mitigated.

SUPPLY CHAIN

At an operational and strategic level the Group ensures that it develops close relationships with its customers and its suppliers. By doing this it is in a position to understand the changing nature of sourcing and supply chain strategy quickly and respond accordingly to any risks that this might pose to the Group.

COMPETITION

The Group ensures that it is constantly monitoring its competitive environment in order to respond to competitive pressures as well as taking advantage of any opportunities that are presented to it. Regular reviews of market intelligence ensure that the Group manages its competition risk.

OPERATIONAL

A focus on operational improvement ensures that the Group's products remain reliable and of the highest quality. Recruiting, retaining, developing and motivating staff also continue to be a key priority for the Group. With operational performance being such a high priority for the Group, risks are identified and managed on a regular basis.

ENVIRONMENTAL

The Group reviews the risk that its activities place on the environment through the promotion of green initiatives wherever possible.

REPORT OF THE DIRECTORS continued

FOR THE YEAR ENDED 31 MARCH 2012

FINANCIAL RISKS AND MANAGEMENT

The Group's principal financial instruments comprise an invoice discounting facility, hire purchase and finance lease contracts, cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, commodity price risk, foreign currency risk, and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

INTEREST RATE RISK

The policy of the Group is to manage its interest cost using a mix of fixed and variable rate debt. The Group's exposure to interest rate fluctuations on its borrowings is currently managed by the use of floating facilities. The Group finances specific large plant acquisitions via hire purchase or finance lease contracts. The interest rate risk on positive cash balances is not considered to be significant.

LIQUIDITY RISK

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits, bank loans, overdrafts, invoice discounting and finance lease and hire purchase contracts. Money on deposit is held on treasury reserve, partly to finance working capital and also to help finance future acquisitions.

COMMODITY PRICE RISK

The exposure of the Group to the price of steel is high; therefore, selling prices are monitored regularly to reduce the impact of such risk and opportunities to reduce material costs are explored constantly. The Group has partly responded to this risk by sourcing materials in low cost countries. The Group also looks to recharge any increased cost of commodities to customers.

FOREIGN CURRENCY RISK

Certain purchases and sales are made in foreign currencies. In order to minimise the impact of currency movements the Group utilises short term forward currency contracts. Such cover is determined by written policies set by the Board. Foreign exchange differences on retranslation of foreign currency assets and liabilities are taken to the Group statement of comprehensive income.

CREDIT RISK

The Group trades with only recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

OTHER NON-FINANCIAL RISKS

The Group supplies products to a large number of customers and works with a number of key suppliers. Successful management of this process is key to delivering the results of the Group. This is also underpinned by retention and training of our staff to ensure that our knowledge and skills are maintained.

DIRECTORS

The present membership of the Board is set out below.

N C Paul CBE
R Allsop
M I Welburn
P Lee
D E Leahey (appointed 3 June 2011)

N Silverthorne resigned as a Director of the Company on 31 May 2011.

SHARE CAPITAL

Details of the Company's share capital are given in note 25 to the financial statements. The Group's policy for managing capital and financing to support the activities of the Group is detailed in note 22 to the financial statements.

SUBSTANTIAL SHAREHOLDINGS

The only interests in excess of 3% of the issued share capital of the Company, which have been notified as at 22 May 2012, were as follows:

	Ordinary shares of 10 pence each Number	Percentage of capital %
R Allsop	11,220,000	33.60
Hargreave Hale Limited	7,397,386	22.15
J M Finn & Co Limited	1,797,834	5.38
Rock Nominees Limited (account 501198)	1,370,150	4.10
Quilter Nominees Limited	1,025,000	3.07

HEALTH AND SAFETY

The Group recognises its responsibility to ensure that its employees work in as safe a working environment as possible. Checks are also implemented to ensure its customers comply with Health and Safety legislation.

PAYMENT TO SUPPLIERS

It is the Group's policy to agree appropriate terms and conditions for its transactions with suppliers by means ranging from standard terms and conditions to individually negotiated contracts and to pay suppliers according to agreed terms and conditions, provided that the supplier meets those terms and conditions. The Group does not have a standard or code which deals specifically with the payment of suppliers.

Group trade payables at the year end amount to 54 days of average supplies (2011: 61 days). The Company trade payables are 48 days (2011: 55 days).

DIRECTORS' RESPONSIBILITIES FOR THE GROUP FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). Under company law the Directors must not approve the Group financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Group for that period. In preparing these Group financial statements, the Directors are required to:

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

REPORT OF THE DIRECTORS continued

FOR THE YEAR ENDED 31 MARCH 2012

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

The Directors confirm that:

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 489 of the Companies Act 2006.

ON BEHALF OF THE BOARD



M I Welburn

Director

11 June 2012

CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31 MARCH 2012

DIRECTORS

The Directors support the concept of an effective Board leading and controlling the Group. The Board is responsible for approving the Group's policy and strategy. It meets on a regular basis and has a schedule of matters specifically reserved to it for decision. Management supply the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professional advice at the Company's expense.

The Board consists of three executive Directors, who hold the key operational positions in the Group, and two non-executive Directors, who bring a breadth of experience and knowledge. This provides a balance whereby the Board's decision making cannot be dominated by an individual. The Chairman of the Board is N C Paul CBE and the other non-executive director is R Allsop. The Board approves the strategic decisions of the Group. The Group's business is run on a day to day basis by M I Welburn, P Lee and D E Leakey with M I Welburn having overall responsibility as the Chief Executive.

RELATIONS WITH SHAREHOLDERS

The Group values the views of its shareholders and recognises their interest in the Group's strategy and performance. The Annual General Meeting will be used to communicate with private investors and they are encouraged to participate. The Directors will be available to answer questions. Separate resolutions will be proposed on each issue so that they can be given proper consideration and there will be a resolution to approve the annual report and accounts.

INTERNAL CONTROL

The Board is responsible for maintaining a strong system of internal control to safeguard shareholders' investment and the Group's assets and for reviewing its effectiveness. The system of internal control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

An audit committee has been established comprising the non-executive Directors which is chaired by R Allsop. The committee meets at least twice per annum and is responsible for ensuring that the financial performance of the Group is properly monitored and reported on as well as meeting the auditors and reviewing any reports from the auditors regarding the financial statements and internal control systems.

The Board has considered the need for an internal audit function but has decided the size of the Group does not justify it at present. However, it will keep the decision under annual review.

BOARD STRUCTURE

The key features of the Group's system of governance are as follows:

- the Group is headed by an effective Board, which leads and controls it;
- there is a clear division of responsibilities in running the Board and running the Group's business;
- the Board comprises a reasonable balance between executive and non-executive Directors; and
- the Board receives and reviews on a timely basis financial and operating information appropriate to be able to discharge its duties.

CORPORATE GOVERNANCE continued

FOR THE YEAR ENDED 31 MARCH 2012

GOING CONCERN

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Detailed cash flow forecasts have been prepared which highlight that the Group has sufficient cash headroom to support its activities. The key assumptions in these forecasts have been sensitised and no issues arise which lead to any concern regarding the operations or financing of the Group. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS' REMUNERATION

The Board recognises that Directors' remuneration is of legitimate concern to the shareholders and is committed to following current best practice. The Group operates within a competitive environment, performance depends on the individual contributions of the Directors and employees and the Group believes in rewarding vision and innovation.

POLICY ON EXECUTIVE DIRECTORS' REMUNERATION

Detail of individual Directors' remuneration is set out in note 5 to the financial statements. The policy of the Board is to provide executive remuneration packages designed to attract, motivate and retain directors of the calibre necessary to maintain the Group's position and to reward them for enhancing shareholder value and return. It aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary and reflects the Directors' responsibilities. A separate remuneration committee has been established comprising the non-executive Directors and which is chaired by R Allsop.

BASIC ANNUAL SALARY

The Remuneration Committee reviews each executive Director's basic salary annually. In deciding upon appropriate levels of remuneration the Board believes that the Group should offer levels of base pay reflecting individual responsibilities and which are commensurate with similar jobs in other business sectors.

ANNUAL BONUS PAYMENTS, BENEFITS AND PENSION ARRANGEMENTS

M I Welburn, P Lee and D E Leakey participate in a performance related bonus arrangement through Tricorn Group plc.

M I Welburn, P Lee and D E Leakey benefit from the provision of private medical insurance, the provision of company cars or car allowance and are eligible to participate in a contributory pension scheme.

R Allsop and N C Paul CBE receive no bonus, pension or benefits in kind.

NOTICE PERIODS

M I Welburn has a service agreement with the Company which is terminable on not less than 12 months' written notice given by either party to the other at any time. P Lee has a service agreement with the Company which is terminable on not less than six months' written notice given by either party to the other at any time. D E Leakey has a service agreement with the Company which is terminable on not less than three months' written notice given by either party to the other at any time.

N C Paul CBE and R Allsop have letters of appointment with the Company which are terminable upon six months' written notice being given by either party.

SHARE OPTION INCENTIVES

The Company has adopted a number of individual unapproved and enterprise management incentive scheme share option agreements to motivate and retain key personnel of the Group. At 31 March 2012 the following options were held by the Directors:

	At beginning of period Number	Lapsed during the year Number	Granted during the year Number	Exercised during the year Number	At end of year Number	Exercise price £
Unapproved share options						
N C Paul CBE	300,000	—	—	—	300,000	0.10
M I Welburn	361,844	—	—	—	361,844	0.10
M I Welburn	1,000,000	—	—	—	1,000,000	0.10
D E Leakey	—	—	500,000	—	500,000	0.30
Enterprise management scheme (EMI) options						
N Silverthorne	200,000	—	—	(200,000)	—	0.10
N Silverthorne	150,000	—	—	(150,000)	—	0.20
P Lee	500,000	—	—	—	500,000	0.10
P Lee	921,000	—	—	—	921,000	0.10
M I Welburn	1,263,156	—	—	—	1,263,156	0.10

UNAPPROVED SHARE OPTIONS

N C Paul's option, which was granted on 16 September 2010, has vested and will remain in force for ten years.

M I Welburn's unapproved share option was granted on 16 September 2010, over 361,844 shares. This scheme has vested and is in force for ten years with an exercise price of 10p per share. The unapproved options over 1,000,000 shares for M I Welburn were granted under the Group's LTIP and vest in tranches of 200,000 shares once the share price has achieved the trigger points of 20p, 25p, 30p, 35p and 40p for ten consecutive days.

D E Leakey was granted an unapproved option over 500,000 shares at 30p on 6 June 2011. The option is exercisable after three months' continuous employment. This option is in force for ten years and does not have performance conditions attached to it.

EMI OPTIONS

M I Welburn's EMI share option for 1,263,156 shares was granted on 5 August 2010. This scheme has vested and is in force for ten years with an exercise price of 10p per share.

P Lee was granted an EMI option over 500,000 shares at 10p on 31 March 2009. The first 250,000 are exercisable after three months' continuous employment. The second 250,000 are exercisable after a further 12 months' continuous employment. This option is in force for ten years and does not have performance conditions attached to it. In addition, a further 921,000 shares were granted on 5 August 2010, 736,800 of which have vested at 31 March 2012. These options vest in tranches of 184,200 shares once the share price has achieved the trigger points of 20p, 25p, 30p, 35p and 40p for ten consecutive days.

The exercise periods for share options were set by the Remuneration Committee in order to incentivise and retain key executives. All share disposals will be limited to one-third of the option in any given year without prior Board approval. The market price of the Company's shares at 31 March 2012 was 33.75p (31 March 2011: 18.50p) and the range during the year was 23.00p to 38.25p (2011: 6.70p to 21.70p).

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TRICORN GROUP PLC

We have audited the Group financial statements of Tricorn Group plc for the year ended 31 March 2012 which comprise the Group statement of comprehensive income, the Group statement of changes in equity, the Group statement of financial position, the Group statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 AUDITORS

As explained more fully in the Directors' Responsibilities Statement set out on pages 11 and 12, the Directors are responsible for the preparation of the Group 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 Group 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the Group financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 March 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

SEPARATE OPINION IN RELATION TO IFRS

As explained in note 2 to the Group financial statements, the Group in addition to complying with its legal obligation to comply with IFRSs as adopted by the European Union, has also complied with IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the Group financial statements comply with IFRSs as issued by the IASB.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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:

- 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.

OTHER MATTER

We have reported separately on the parent company financial statements of Tricorn Group plc for the year ended 31 March 2012.

David Munton

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
11 June 2012

Tricorn Group plc

Group Consolidated Financial Statements

For the year ended 31 March 2012

Company number 1999619

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GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £'000	2011 £'000
Revenue	3	24,706	21,764
Cost of sales		(16,485)	(14,845)
Gross profit		8,221	6,919
Distribution costs		(1,017)	(925)
Administration costs		(5,433)	(4,796)
Operating profit before intangible asset amortisation, fair value adjustments for foreign exchange contracts and share-based payment charges	3	1,771	1,198
Intangible asset amortisation	12	(118)	(117)
Share-based payment charge		(54)	(44)
Fair value change relating to forward exchange contracts		5	(11)
Operating profit	3/4	1,604	1,026
Finance income	8	4	5
Finance costs	8	(82)	(104)
Profit before tax		1,526	927
Income tax expense	9	(370)	(240)
Profit for the year and total comprehensive income	3	1,156	687
Attributable to:			
Equity holders of the parent company		1,156	687
Earnings per share:			
Basic earnings per share	10	3.49p	2.14p
Diluted earnings per share	10	3.39p	2.12p

All of the activities of the Group are classed as continuing.

The accompanying notes form an integral part of these financial statements.

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2012

	Share capital £'000	Share premium £'000	Merger reserve £'000	Share- based payment reserve £'000	Investment in own shares £'000	Profit and loss account £'000	Total £'000
Balance at 1 April 2010	3,302	1,448	1,388	193	(49)	(1,504)	4,778
Transactions with owners	2	—	—	44	—	—	46
Profit and Total Comprehensive income	—	—	—	—	—	687	687
Balance at 31 March 2011	3,304	1,448	1,388	237	(49)	(817)	5,511
Issue of new shares	35	15	—	—	—	—	50
Sale of Treasury Shares	—	229	—	—	49	—	278
Share-based payment charge	—	—	—	54	—	—	54
Share-based payment reserve transfer	—	—	—	(64)	—	64	—
Dividends paid	—	—	—	—	—	(56)	(56)
Total transactions with owners	35	244	—	(10)	49	8	326
Profit and Total Comprehensive income	—	—	—	—	—	1,156	1,156
Balance at 31 March 2012	3,339	1,692	1,388	227	—	347	6,993

The accompanying notes form an integral part of these financial statements.

GROUP STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2012

	Notes	2012 £'000	2011 £'000
Assets			
Non-current			
Goodwill	11	591	591
Intangible assets	12	558	676
Property, plant and equipment	13	1,628	1,040
		2,777	2,307
Current			
Inventories	15	2,929	3,087
Trade and other receivables	16	5,823	5,016
Cash and cash equivalents	17	2,468	1,612
		11,220	9,715
Total assets		13,997	12,022
Liabilities			
Current			
Trade and other payables	19	(4,580)	(4,212)
Financial liabilities at fair value through profit or loss	24	(7)	(82)
Borrowings	20	(1,514)	(1,578)
Corporation tax		(310)	(312)
		(6,411)	(6,184)
Non-current			
Borrowings	20	(368)	(95)
Deferred tax	18	(225)	(232)
		(593)	(327)
Total liabilities		(7,004)	(6,511)
Net assets		6,993	5,511
Equity			
Share capital	25	3,339	3,304
Share premium account		1,692	1,448
Merger reserve		1,388	1,388
Share-based payment reserve		227	237
Investment in own shares		–	(49)
Profit and loss account		347	(817)
Total equity		6,993	5,511

The financial statements were approved by the Board of Directors on 11 June 2012.



M I Welburn

Director

Company number: 1999619

The accompanying notes form an integral part of these financial statements.

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2012

	2012 £'000	2011 £'000
Cash flows from operating activities		
Profit after taxation	1,156	687
Adjustment for:		
Depreciation	301	326
Net finance costs in statement of comprehensive income	78	99
Amortisation charge	118	117
Share-based payment charge	54	44
(Gain)/charge relating to foreign exchange derivative contract	(5)	11
Taxation expense recognised in statement of comprehensive income	370	240
Increase in trade and other receivables	(807)	(1,169)
Increase in trade payables and other payables	381	799
Decrease in inventories	158	20
Cash generated from operations	1,804	1,174
Interest paid	(130)	(137)
Income taxes paid	(378)	(69)
Net cash from operating activities	1,296	968
Cash flows from investing activities		
Purchase of plant and equipment	(465)	(187)
Proceeds from sale of plant and equipment	10	—
Interest received	4	5
Net cash used in investing activities	(451)	(182)
Cash flows from financing activities		
Proceeds from sale of Treasury Shares	278	—
Issue of ordinary share capital	50	2
Dividend paid	(56)	—
Movement in short term borrowings	195	(119)
Repayment of bank borrowings	(400)	(300)
Payment of finance lease liabilities	(56)	(53)
Net cash used in financing activities	11	(470)
Net increase in cash and cash equivalents	856	316
Cash and cash equivalents at beginning of year	1,612	1,296
Cash and cash equivalents at end of year	2,468	1,612

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

I GENERAL INFORMATION

Tricorn Group plc and subsidiaries' (the 'Group') principal activities comprise high precision tube manipulation, systems engineering and specialist fittings.

The Group's customer base includes major blue chip companies with world wide activities in key market sectors, including Pipefittings, Power Generation, Aerospace, Off Highway, and Automotive.

Tricorn Group plc is the Group's ultimate parent company. It is incorporated and domiciled in the United Kingdom. The address of the registered office, which is also its principal place of business, is Spring Lane, Malvern, Worcestershire, WR14 1DA. Its shares are listed on the Alternative Investment Market of the London Stock Exchange.

These consolidated financial statements have been approved for issue by the Board of Directors on 11 June 2012. Amendments to the financial statements are not permitted after they have been approved.

2 ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared under the required measurement bases specified under International Financial Reporting Standards (IFRS) and in accordance with applicable IFRS as adopted by the European Union and IFRS as issued by the International Accounting Standards Board.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Detailed cash flow forecasts have been prepared which highlight that the Group has sufficient cash headroom to support its activities. The key assumptions in these forecasts have been sensitised and no issues arise which lead to any concern regarding the operations or financing of the Group. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

Overall considerations

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

The consolidated financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

The accounting estimates and assumptions are consistent with the Group's latest approved budget forecast where applicable. Judgements are based on the information available at each reporting date. All estimates are based on the best information available to management.

2 ACCOUNTING POLICIES continued

Standards and interpretations not yet applied by the Group

The following new Standards and Interpretations, which are yet to become mandatory, have not been applied in the Group's financial statements.

Standard or Interpretation		Effective for reporting periods starting on or after
IFRS 9	Financial Instruments	1 January 2015
IAS 24	Consolidated Financial Statements	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurements	1 January 2013
IAS 27 (revised)	Separate Financial Statements	1 January 2013

Significant accounting estimates and judgements

Certain estimates and judgements need to be made by the directors of the Group which affect the results and position of the Group as reported in the financial statements. Estimates and judgements are required at the reporting date regarding certain assets/liabilities that are recorded at fair value which require a number of estimates and assumptions to be made.

The major areas for estimation within the financial statements are as follows:

- performance of impairment reviews to assess the carrying value of goodwill (see note 11);
- valuation of interest rate collar (see note 24) (terminated in March 2012);
- estimates of inventory recoverability. Management review ageing of inventory, movement levels throughout the year and forecast future usage levels to set an adequate inventory provision to cover obsolete inventory lines.

There are no major areas for judgements within the financial statements which are not covered by the accounting policies detailed below.

Consolidation and investments in subsidiaries

Subsidiaries are all entities over which the Group has the power to control the financial and operating policies. The Group obtains and exercises control through voting rights. The consolidated financial statements of the Group incorporate the financial statements of the parent company as well as those entities controlled by the Group by full consolidation.

Acquired subsidiaries are subject to application of the purchase method. This involves the revaluation at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the Group statement of financial position at their revalued amounts, which are also used as the basis for subsequent measurement in accordance with the Group accounting policies. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition.

Intra-group balances and transactions, and any unrealised gains or losses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS continued

2 ACCOUNTING POLICIES continued

Business combinations completed prior to date of transition to IFRS

The Group has elected not to apply IFRS 3 Business Combinations retrospectively to business combinations prior to the date of transition to IFRS, 1 April 2006.

Accordingly the classification of the combination (acquisition, reverse acquisition or merger) remains unchanged from that used under UK GAAP. Assets and liabilities are recognised at date of transition if they would be recognised under IFRS, and are measured using their UK GAAP carrying amount immediately post-acquisition as deemed cost under IFRS, unless IFRS requires fair value measurement. Deferred tax is adjusted for the impact of any consequential adjustments after taking advantage of the transitional provisions.

Revenue recognition

Revenue is measured by reference to the fair value of consideration received or receivable by the Group for goods supplied and services provided, excluding VAT and trade discounts. Revenue is recognised upon the performance of services or transfer of risk to the customer.

The Group recognises revenue when persuasive evidence of an arrangement exists; delivery has occurred or services have been rendered; the sale price fixed and determinable; and collectability is reasonably assured. Amounts received are recognised immediately as revenue where there are no substantial risks, there are no ongoing performance obligations and amounts received are not refundable. Amounts are deferred over an appropriate period where these conditions are not met.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula. Cost of work in progress and finished goods includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Provisions are made against inventories where there is evidence that the carrying amount has fallen below recoverable amount.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately through profit or loss and is not subsequently reversed.

Impairment

The Group's goodwill, intangible assets and property, plant and equipment are subject to impairment testing.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management controls the related cash flows.

Goodwill with an indefinite useful life is tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

If the impairment is subsequently reversed, the carrying amount, except in the case of goodwill, is increased to the revised estimate of its recoverable amount, limited to the carrying value that would have been determined had no impairment been recognised previously. Impairment losses in respect of goodwill are not subsequently reversed.

2 ACCOUNTING POLICIES continued

Intangible assets acquired as part of a business combination

In accordance with IFRS 3 Business Combinations, an intangible asset acquired in a business combination is deemed to have a cost to the Group of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the Group. Where an intangible asset might be separable, but only together with a related tangible or intangible asset, the Group of assets is recognised as a single asset separately from goodwill where the individual fair values of the assets in the Group are not reliably measurable. Where the individual fair value of the complementary assets are reliably measurable, the Group recognises them as a single asset provided the individual assets have similar useful lives.

Intangible amortisation

Intangible assets are amortised over the following periods:

Brand names	15 years
Customer contracts	5 years

Foreign currencies

These financial statements are presented in UK Sterling which is the functional currency of the parent and the presentational currency of the Group.

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the reporting date. Exchange differences are dealt with through profit or loss.

Property, plant and equipment

Property, plant and equipment are carried at acquisition cost less subsequent depreciation and impairment losses. Depreciation is charged on these assets, after adjusting for their residual values, on a straight-line basis over the estimated useful economic life of each asset.

The useful lives of property, plant and equipment can be summarised as follows:

Plant and equipment	3 to 10 years
Motor vehicles	5 years

Leases

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset and is then disclosed and accounted for as a finance lease asset. The related asset is recognised at the time of inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any, to be borne by the lessee. A corresponding amount is recognised as a finance leasing liability, irrespective of whether some of these lease payments are payable upfront at the date of inception of the lease.

Subsequent accounting for assets held under hire purchase and finance lease agreements, i.e. depreciation methods and useful lives, correspond to those applied to comparable acquired assets. The corresponding hire purchase and finance leasing liability is reduced by lease payments less finance charges, which are expensed to finance costs. Finance charges represent a constant periodic rate of interest on the outstanding balance of the hire purchase and finance lease liability.

All other leases are treated as operating leases. Payments on operating lease agreements are recognised as an expense on a straight-line basis. Associated costs, such as maintenance and insurance, are expensed as incurred.

The Group does not act as a lessor.

NOTES TO THE FINANCIAL STATEMENTS continued

2 ACCOUNTING POLICIES continued

Taxation

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. However, in accordance with the rules set out in IAS 12, no deferred taxes are recognised in conjunction with the initial recognition of goodwill on acquisitions. This applies also to temporary differences associated with shares in subsidiaries if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits available to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the statement of comprehensive income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to other comprehensive income.

Employee benefits

Defined contribution pension scheme

Pensions to employees are provided through contributions to individual personal pension plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions to an independent entity. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The contributions recognised in respect of personal pension plans are expensed as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short term nature.

Other employee benefits

Short term employee benefits, including holiday entitlement, are included in other employee obligations at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

Financial assets

The Group's financial assets include cash, cash equivalents and trade and other receivables.

All financial assets are recognised when the entity becomes party to the contractual provisions of an instrument. All financial assets are initially recognised at fair value, plus transaction costs, and are subsequently measured at amortised cost using the effective interest rate.

Interest and other cash flows resulting from holding financial assets are recognised in profit or loss when received, regardless of how the related carrying amount of financial assets is measured.

Trade receivables are provided against when objective evidence is received that the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

2 ACCOUNTING POLICIES continued

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and overdrafts as well as short term highly liquid investments such as bank deposits.

Equity

Share capital is determined using the nominal value of shares that have been issued. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. When the Company purchases its own shares, the consideration is deductible from equity attributable to the Company's equity holders until the shares are either cancelled or reissued. When this happens, any consideration received is included in equity attributable to equity holders. Treasury shares are held at cost.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

The merger reserve represents the difference between the issue price and the nominal value of shares issued as consideration for the acquisition of a subsidiary undertaking when the Company has taken advantage of merger relief.

All current and prior period results are taken to the profit and loss account as disclosed in the statement of comprehensive income.

Share-based employee remuneration

All share-based payment arrangements are recognised in the consolidated financial statements. The Group operates equity-settled share-based remuneration plans for the remuneration of its employees.

All employee services received in exchange for the grant of any share-based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based remuneration is ultimately recognised as an expense in the profit or loss with a corresponding credit to the share-based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment is made to the expense recognised in prior periods if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

Financial liabilities

The Group's financial liabilities include trade and other payables, bank borrowings, invoice discounting facilities and finance lease and hire purchase agreements.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in "finance cost" in the statement of comprehensive income. Financial liabilities are initially recognised at fair value and subsequently measured at amortised costs using the effective interest rate.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

NOTES TO THE FINANCIAL STATEMENTS continued

2 ACCOUNTING POLICIES continued

Provisions for liabilities

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Group and they can be reliably estimated. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at reporting date and all future estimated cash flows are discounted to arrive at the present value of the provision.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. They are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective rate of interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Derivative contracts

All derivatives are recognised at fair value through profit or loss. The value of the derivative is reassessed at fair value at each reporting date.

Research costs

Expenditure on research (or the research phase of an internal project) is recognised as an expense in the period in which it is incurred.

3 SEGMENTAL REPORTING

The Group operates three main operating segments:

- Energy and Utilities: manipulated tubular assemblies for use in power generation, oil and gas and marine sectors, and innovative jointing systems for use typically within the utility industry.
- Transportation: ferrous, non-ferrous and nylon material tubular assemblies for use in off-highway, medical, and other such applications.
- Aerospace: specialised rigid pipe assemblies for use in the aerospace sector.

The Group previously presented four business segments with Energy and Utilities disclosed as separate segments. These two business streams have now been aggregated as they are both operationally managed and reported internally to the Chief Executive on a single basis. As such, the prior period comparative figures have been restated to aggregate Energy and Utilities into one reportable segment.

The financial information detailed below is frequently reviewed by the Chief Operating Decision Maker:

Year ended 31 March 2012	Energy & Utilities £'000	Transportation £'000	Aerospace £'000	Unallocated £'000	Total £'000
Revenue					
— from external customers	10,691	8,681	5,334	—	24,706
— from other segments	—	—	—	—	—
Segment revenues	10,691	8,681	5,334	—	24,706
Operating profit/(loss) pre intangible asset amortisation, foreign exchange contracts and share-based payment charges	987	767	51	(34)	1,771
Intangible asset amortisation	—	—	—	(118)	(118)
Share-based payment charge	—	—	—	(54)	(54)
Fair value gain relating to forward exchange contracts	—	—	—	5	5
Operating profit/(loss)	987	767	51	(201)	1,604
Net finance costs	(64)	(4)	(26)	16	(78)
Profit/(loss) before tax	923	763	25	(185)	1,526
Segmental assets	4,637	3,309	3,177	2,874	13,997
Other segment information:					
Capital expenditure	462	146	297	2	907
Depreciation	141	105	54	1	301

NOTES TO THE FINANCIAL STATEMENTS continued

3 SEGMENTAL REPORTING continued

Year ended 31 March 2011	Energy & Utilities £'000	Transportation £'000	Aerospace £'000	Unallocated £'000	Total £'000
Revenue					
— from external customers	9,674	7,155	4,935	—	21,764
— from other segments	—	—	—	—	—
Segment revenues	9,674	7,155	4,935	—	21,764
Operating profit/(loss) pre intangible asset amortisation, foreign exchange contracts and share-based payment charges	868	604	(283)	9	1,198
Intangible asset amortisation	—	—	—	(117)	(117)
Share-based payment charge	—	—	—	(44)	(44)
Fair value gain relating to forward exchange contracts	—	—	—	(11)	(11)
Operating profit/(loss)	868	604	(283)	(163)	1,026
Net finance costs	(60)	(6)	(24)	(9)	(99)
Profit/(loss) before tax	808	598	(307)	(172)	927
Segmental assets	4,469	2,532	2,628	2,393	12,022
Other segment information:					
Capital expenditure	177	50	13	—	240
Depreciation	142	126	57	1	326

The Group's revenue from external customers (by destination) and its geographic allocation of total assets may be summarised as follows:

	Year ended 31 March 2012		Year ended 31 March 2011	
	Revenue £'000	Assets £'000	Revenue £'000	Assets £'000
United Kingdom	18,076	13,997	15,733	12,022
Europe	4,122	—	3,732	—
Rest of World	2,508	—	2,299	—
	24,706	13,997	21,764	12,022

No single customer accounts for more than 10% of revenue.

4 PROFIT BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:

	2012 £'000	2011 £'000
Auditors' remuneration:		
Audit of parent and Group consolidation	13	13
Audit of Group subsidiaries	29	28
Non-audit services:		
Corporate taxation	13	13
Operating lease charges:		
Land and buildings	426	419
Plant and equipment	39	36
Motor vehicles	87	73
Depreciation and amortisation:		
Intangible assets	118	117
Loss on disposal of tangible fixed assets	8	—
Property, plant and equipment – owned	269	254
Property, plant and equipment – leased	32	72

5 DIRECTORS' EMOLUMENTS

	2012				2011				2012	2011
	Basic	Bonus	Benefits	Total	Basic	Bonus	Benefits	Total	Pension	Pension
	£'000	£'000	in kind £'000	£'000	£'000	£'000	in kind £'000	£'000	£'000	£'000
N C Paul CBE	30	—	—	30	25	—	—	25	—	—
R Allsop	15	—	—	15	10	—	—	10	—	—
M I Welburn*	120	60	22	202	120	36	18	174	8	8
P Lee*	90	45	14	149	90	27	14	131	6	6
D E Leakey*	73	30	11	114	—	—	—	—	—	—
N Silverthorne	9	—	1	10	57	—	5	62	—	4
	337	135	48	520	302	63	37	402	14	18

*The Executive Directors are classified as the key management personnel of the Group as defined in IAS 24 Related Party Disclosures.

N Silverthorne resigned as a Director of the Company on 31 May 2011 and as such only his emoluments up to this date are disclosed as Director's emoluments.

D E Leakey was appointed as a Director of the Company on 3 June 2011 and as such his emoluments as a Director are disclosed from that date.

Employer's National Insurance Contributions made relating to Directors' emoluments were £51k (2011: £32k).

NOTES TO THE FINANCIAL STATEMENTS continued

5 DIRECTORS' EMOLUMENTS continued

Share-based payment charge by director (note 6)

	2012 £'000	2011 £'000
M I Welburn*	18	21
P Lee*	15	5
N C Paul CBE	19	18
	52	44

* The Executive Directors are classified as the key management personnel of the Group as defined in IAS 24 Related Party Disclosures.

6 EMPLOYEE COSTS

	2012 Number	2011 Number
The average number of persons (including Directors) employed by the Group during the year was:		
Production	279	247
Sales, distribution and administration	48	44
	327	291

Staff costs during the year were as follows:

	2012 £'000	2011 £'000
Wages and salaries	6,884	6,377
Social security costs	626	518
Other pension costs	163	158
Share based payment charge	54	44
	7,727	7,097

7 SHARE-BASED EMPLOYEE REMUNERATION

There are two share based remuneration schemes in operation:

- Approved Enterprise Management Incentive (EMI) scheme
- Unapproved share options.

	At 31 March 2011 No. of shares	Granted in year No. of shares	Exercised in year No. of shares	Lapsed in year No. of shares	At 31 March 2012 No. of shares	Exercise price Pence	Life remaining on options at 31 March 2012 Months
Enterprise Management Incentive (EMI) scheme							
Exercise date:							
April 2002 – April 2012	160,000	—	(150,000)	—	10,000	10	1
December 2004 – July 2012	200,000	—	(200,000)	—	—	—	—
March 2009 – March 2019	500,000	—	—	—	500,000	10	84
December 2009 – December 2019	100,000	—	—	—	100,000	10	93
August 2010 – August 2020	2,184,156	—	—	—	2,184,156	10	101
	3,144,156	—	(350,000)	—	2,794,156		

The weighted average exercise price of the EMI Scheme at 31 March 2012 was 10p (2011: 10.51p). 2,609,956 options were available for exercise at 31 March 2012 (2011: 2,223,156).

Unapproved share options

Exercise date:							
September 2010 – September 2015	1,000,000	—	—	—	1,000,000	10	42
September 2010 – September 2020	661,844	—	—	—	661,844	10	102
June 2011 – June 2021	—	500,000	—	—	500,000	30	111
December 2011 – December 2021	—	200,000	—	—	200,000	25	114
	1,661,844	700,000	—	—	2,361,844		
Total share options	4,806,000	700,000	(350,000)	—	5,156,000		

The weighted average exercise price of the unapproved share options at 31 March 2012 was 15.5p (2011: 10.0p). 2,161,844 options were available for exercise at 31 March 2012 (2011: 661,844).

The approved and unapproved option schemes have been valued in the year by management using the Black–Scholes valuation model. Key inputs into the model are expected share price volatility of 60%, expected life of option of between 3 and 5 years and the expected risk free interest rates of 2.33%.

1,000,000 of the unapproved options and 921,000 of the approved EMI options issued have performance criteria. These options vest in five equal tranches once the share price has achieved the trigger points of 20p, 25p, 30p, 35p and 40p for ten consecutive trading days.

NOTES TO THE FINANCIAL STATEMENTS continued

8 FINANCE INCOME AND EXPENSE

	2012 £'000	2011 £'000
Bank interest receivable	4	5
Finance income	4	5
Invoice discounting interest	53	47
Fair value charge for interest rate collar (note 24)	(71)	(33)
Charge for closure of interest rate collar	25	
Effective interest charge on borrowings	68	82
Interest on hire purchase agreements and finance leases	7	8
Finance expense	82	104

9 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

The tax is based on the profit for the year and represents:

	2012 £'000	2011 £'000
UK corporation tax	402	293
Adjustments in respect of prior years	(25)	—
Current tax charge for the year	377	293
Deferred taxation (note 18)	(7)	(53)
Tax on profit on ordinary activities	370	240

The tax assessed is different to the standard rate of corporation tax in the UK of 26% (2011: 28%). The difference is explained as follows:

	2012 £'000	2011 £'000
Profit on ordinary activities before tax	1,526	927
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011: 28%)	396	260
Effect of:		
Expenses not deductible for tax purposes	(11)	20
Capital allowances in excess of depreciation	17	13
Adjustments in respect of prior years	(25)	—
	377	293

At 31 March 2012 the Group had tax losses of £210,000 (2011: £207,000) to offset against future profits within the United Kingdom.

10 EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post tax effect of dividends and/or interest, on the assumed conversion of all dilutive options and other dilutive potential ordinary shares.

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below.

	31 March 2012		
	Profit £'000	Weighted average number of shares Number '000	Earnings per share Pence
Basic earnings per share	1,156	33,164	3.49
Dilutive shares		951	
Diluted earnings per share	1,156	34,115	3.39

	31 March 2011		
	Profit £'000	Weighted average number of shares Number '000	Earnings per share Pence
Basic earnings per share	687	32,146	2.14
Dilutive shares		297	
Diluted earnings per share	687	32,443	2.12

The Directors consider that the following adjusted earnings per share calculation is a more appropriate reflection of the Group performance.

NOTES TO THE FINANCIAL STATEMENTS continued

10 EARNINGS PER SHARE continued

	31 March 2012		
	Profit	Weighted average number of shares	Earnings per share
	£'000	Number '000	Pence
Basic earnings per share	1,156	33,164	3.49
Amortisation of intangible asset	118		
Interest rate collar gain	(71)		
Share-based payment charge	54		
Charge relating to foreign exchange contract	(5)		
Adjusted earnings per share	1,252	33,164	3.78
Dilutive shares		951	
Diluted adjusted earnings per share	1,252	34,115	3.67

	31 March 2011		
	Profit	Weighted average number of shares	Earnings per share
	£'000	Number '000	Pence
Basic earnings per share	687	32,146	2.14
Amortisation of intangible asset	117		
Interest rate collar gain	(33)		
Share-based payment charge	44		
Charge relating to foreign exchange contract	11		
Adjusted earnings per share	826	32,146	2.57
Dilutive shares		297	
Diluted adjusted earnings per share	826	32,443	2.54

II GOODWILL

	Total £'000
Cost	
At 31 March 2010, 31 March 2011 and 31 March 2012	591
Impairment	
At 31 March 2010, 31 March 2011 and 31 March 2012	—
Net book value	
At 31 March 2010	591
At 31 March 2011	591
At 31 March 2012	591

Goodwill above relates to the following cash-generating units:

	Date of acquisition	Original cost £'000
Redman Fittings Limited	June 1999	60
RMDG Aerospace Limited	June 2006	140
Maxpower Automotive Limited	June 2007	391
		591

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired.

The Group tests annually for impairment, or more frequently if there are indicators that goodwill might be impaired.

The recoverable amounts of the cash-generating units (CGUs) are determined from value in use calculations, covering a detailed five year forecast and applying a discount rate of 2.6% which equates to the Group's weighted average cost of capital.

Management's key assumptions are based on their past experience and future expectations of the market over the longer term.

The key assumptions for the value in use calculations are those regarding discount rates, growth rates and expected changes to selling prices and direct costs.

Apart from the considerations described in determining the value in use of the cash-generating unit above, the Group's management do not believe that reasonably possible changes in the assumptions underlying the value in use calculation would have an impact on the carrying value of goodwill.

After applying sensitivity analysis in respect of the results and future cash flows, in particular for presumed growth rates and discount rates, management believe that no impairment is required. Management is not aware of any other changes that would necessitate changes to their key estimates.

NOTES TO THE FINANCIAL STATEMENTS continued

12 INTANGIBLE ASSETS

	Brand names £'000	Customer contracts £'000	Total £'000
Cost			
At 1 April 2010	830	312	1,142
At 1 April 2011 and 31 March 2012	830	312	1,142
Amortisation			
At 1 April 2010	(178)	(171)	(349)
Charge for the year	(55)	(62)	(117)
At 1 April 2011	(233)	(233)	(466)
Charge for the year	(56)	(62)	(118)
At 31 March 2012	(289)	(295)	(584)
Net book value			
At 31 March 2010	652	141	793
At 31 March 2011	597	79	676
At 31 March 2012	541	17	558

All intangible asset amortisation is included in the Group statement of comprehensive income under amortisation of intangibles as detailed on the face of the Group statement of comprehensive income.

13 PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment £'000	Motor vehicles £'000	Total £'000
Cost			
At 1 April 2010	4,622	43	4,665
Additions	240	—	240
At 1 April 2011	4,862	43	4,905
Additions	907	—	907
At 31 March 2012	5,769	43	5,812
Depreciation			
At 1 April 2010	3,496	43	3,539
Charge for the year	326	—	326
At 1 April 2011	3,822	43	3,865
Charge for the year	301	—	301
Disposals	18	—	18
At 31 March 2012	4,141	43	4,184
Net book value			
At 31 March 2010	1,126	—	1,126
At 31 March 2011	1,040	—	1,040
At 31 March 2012	1,628	—	1,628

The net book value of property, plant and equipment includes £413,000 (2011: £342,000) in respect of assets held under finance leases and hire purchase contracts.

NOTES TO THE FINANCIAL STATEMENTS continued

14 PRINCIPAL SUBSIDIARIES

At 31 March 2012 the principal subsidiaries of the Group were as follows:

Name of subsidiary undertaking	Country of incorporation	Description of shares held	% of nominal value of shares held	Principal business activity
Malvern Tubular Components Limited	United Kingdom	Ordinary	100	Manufacturer of tubular components
Redman Fittings Limited	United Kingdom	Ordinary	100	Sales and marketing company for specialist pipe fittings
RMDG Aerospace Limited	United Kingdom	Ordinary	100	Manufacturer of aerospace fittings
Maxpower Automotive Limited	United Kingdom	Ordinary	100	Manufacturer of highway and automotive tubular and pipe components
Robert Morton DG Limited*	United Kingdom	Ordinary	100	Dormant

* Held by a subsidiary undertaking.

ISSquared Limited, Searchwell Limited, Integrated Statistical Solutions Limited and MTC Holdings Limited which were all dormant companies as at 31 March 2011, were dissolved during the current year.

15 INVENTORIES

	2012	2011
	£'000	£'000
Raw materials	1,565	1,560
Work in progress	898	989
Finished goods	466	538
	2,929	3,087

In the year to 31 March 2012, a total of £10,713,000 of inventory (2011: £9,779,000) was included in the statement of comprehensive income as an expense.

16 TRADE AND OTHER RECEIVABLES

	2012 £'000	2011 £'000
Trade receivables	5,420	4,560
Impairment of trade receivables	(9)	(11)
	5,411	4,549
Other receivables	78	259
Prepayments and accrued income	334	208
Total	5,823	5,016

At 31 March 2012, some of the unimpaired trade receivables are past their due date but all are considered recoverable. The age of financial assets past due date but not impaired is as follows:

	2012 £'000	2011 £'000
Not more than one month	2,267	1,500
Not more than two months	787	502
Not more than three months	109	246
	3,163	2,248

Trade and other receivables are usually due within 30–75 days and do not bear any effective interest rate. All trade receivables are subject to credit risk exposure. However, the Group does not identify specific concentrations of credit risk with regard to trade and other receivables as the amounts recognised represent a large number of receivables from various customers.

The fair value of these short term financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value.

17 CASH AND CASH EQUIVALENTS

	2012 £'000	2011 £'000
Cash and cash equivalents	2,468	1,612

Cash and cash equivalents consist of cash on hand and balances with banks only. At the year end £770,000 (2011: £522,000) of cash on hand and balances with banks were held by the subsidiary undertakings; however, this balance is available for use by the Group.

NOTES TO THE FINANCIAL STATEMENTS continued

18 DEFERRED TAXATION

	Assets		Liabilities	
	2012	2011	2012	2011
	£'000	£'000	£'000	£'000
Intangible assets	—	—	(134)	(175)
Plant and equipment	—	—	(91)	(56)
Trade and other payables	—	—	—	—
	—	—	(225)	(232)

The movement in the deferred taxation account during the year was:

	Assets		Liabilities	
	2012	2011	2012	2011
	£'000	£'000	£'000	£'000
Balance brought forward	—	4	(232)	(289)
Group statement of comprehensive income movement arising during the year	—	(4)	7	57
Balance carried forward	—	—	(225)	(232)

As at 31 March 2012 the Group has unprovided deferred tax assets as follows:

	Unprovided	Unprovided
	2012	2011
	£'000	£'000
Trading losses	(50)	(54)

This deferred tax asset is not recognised due to uncertainty over its recoverability.

19 TRADE AND OTHER PAYABLES

	2012 £'000	2011 £'000
Trade and other payables	2,696	2,533
Other taxation and social security	497	776
Accruals	1,387	903
	4,580	4,212

Due to the short term duration of trade and other payables the carrying value in the statement of financial position represents the fair value of the liabilities.

20 BORROWINGS

	2012 £'000	2011 £'000
Current borrowings		
Bank borrowings	—	292
Invoice discounting facility	1,464	1,269
Hire purchase agreements and finance lease liabilities (note 21)	50	17
	1,514	1,578
Non-current borrowings		
Bank borrowings	—	94
Hire purchase agreements and finance lease liabilities (note 21)	368	1
	368	95

The future contractual payments, including interest, for bank borrowings and the invoice discounting facility are as follows:

	2012 £'000	2011 £'000
In one year or less or on demand:		
Bank loan	—	365
Invoice discounting facility	1,464	1,269
In more than one year but not more than two years:		
Bank loan	—	116
	1,464	1,750

Bank loan

The Group obtained a £1,400,000 bank loan in 2007, repayable over five years. On 30 September 2011 the Group gave notice to its bankers to repay this facility early. The facility was fully repaid on 14 October 2011.

Invoice discounting facility

The invoice discounting facility is secured against the trade receivables to which it relates. Interest is paid at 2.15% over bank base rate per annum.

NOTES TO THE FINANCIAL STATEMENTS continued

21 HIRE PURCHASE AGREEMENTS AND FINANCE LEASE LIABILITIES

The commitments under hire purchase agreements and finance lease liabilities are as follows:

	Within 1 year	Within 1–2 years	Within 2–5 years	Total
31 March 2012				
Payments	71	123	278	472
Discounting	(21)	(16)	(17)	(54)
	50	107	261	418
31 March 2011				
Payments	18	1	—	19
Discounting	(1)	—	—	(1)
	17	1	—	18

The hire purchase agreements and finance lease liabilities are secured against the assets to which they relate.

22 FINANCIAL INSTRUMENTS

Financial instruments used by the Group comprise cash and short term deposits, invoice discounting and hire purchase agreements and finance leases. The Group has items such as trade receivables and trade payables that arise directly from its operations.

Trade and other receivables and trade and other payables

The Group manages its trade receivables to ensure that credit risk is minimised by avoiding concentration with any one customer. All trade receivables have set credit terms which are monitored.

The invoice discounting facility provides immediate funds on approved trade receivables.

The Group works to ensure that it receives acceptable trading terms from its suppliers.

Liquidity risk

The objective of the Group is to maintain a balance between continuity of funding and flexibility through the use of deposits, bank loans, invoice discounting and finance lease and hire purchase contracts. Money on deposit is held on treasury reserve, partly to finance working capital and also to help finance future acquisitions.

Interest rate risk

The policy of the Group is to manage its interest cost using a mix of fixed and variable rate debt. The Group's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities. The Group finances specific large plant acquisitions via hire purchase or finance lease contracts. The Group pays interest on:

- invoice discounting at 2.15% over base rate
- finance leases at 2.0% to 2.5% over base rate

If the Group's interest rates were to rise/fall by 10% then the interest charge within the financial statements would increase/decrease by £nil (2011: £nil), equity and reserves would reduce/increase by the same amount, and the charge would be £82,000 (2011: £104,000).

Foreign currency risk

The Group transacts certain purchases and sales in foreign currencies. At 31 March 2012 there were three (2011: four) foreign currency forward contracts in force.

Foreign exchange differences on retranslation of foreign currency assets and liabilities are taken to the statement of comprehensive income of the Group.

If the US Dollar and Euro were to fall/rise by 10% on the closing rate and average annual rate at 31 March 2012 then Group profits would rise/fall by £176,000 at 31 March 2012 (2011: £177,000) and equity and reserves would increase/reduce by the same amount.

Commodity price risk

The Group's exposure to the price of steel is high, therefore selling prices are monitored regularly to reduce the impact of such risk and opportunities to reduce material costs are explored constantly. The Group has partly responded to this risk by sourcing materials in low cost countries. In addition, any increases in the cost of steel would be passed onto customers.

If steel prices were to fall/rise by 10% on the closing year end price, and the Group was unable to pass the increase onto customers, then Group profits would rise/fall by £357,000 at 31 March 2012 (2011: £296,000) and equity and reserves would increase/reduce by the same amount.

Financial assets and liabilities

The IAS 39 categories of financial assets included in the statement of financial position and the headings in which they are included are as follows:

NOTES TO THE FINANCIAL STATEMENTS continued

22 FINANCIAL INSTRUMENTS continued

	2012 £'000	2011 £'000
Non-financial asset	334	208
Loans and other receivables	7,957	6,420
Total assets	8,291	6,628

The financial assets are included in the statement of financial position in the following headings:

	2012 £'000	2011 £'000
Current assets	5,823	5,016
Trade and other receivables	2,468	1,612
Cash and cash equivalents	8,291	6,628

The IAS 39 categories of financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2012 £'000	2011 £'000
Non-financial liability	497	776
Financial liabilities at fair value through profit and loss	7	82
Financial liabilities measured at amortised cost	5,965	5,109
Total liabilities	6,469	5,967

The financial liabilities are included in the statement of financial position in the following headings:

	2012 £'000	2011 £'000
Current liabilities		
Trade and other payables	4,580	4,212
Financial liabilities at fair value through profit and loss	7	82
Borrowings	1,514	1,578
Non-current liabilities		
Borrowings	368	95
	6,469	5,967

22 FINANCIAL INSTRUMENTS continued**Fair value hierarchy**

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy prescribed by IFRS 7 Financial Instruments Disclosures. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
	2012	2012	2012	2012
	£'000	£'000	£'000	£'000
Foreign exchange derivative contracts	—	7	—	7

23 CAPITAL MANAGEMENT POLICIES PROCEDURES

The Group's capital management objectives are:

- to ensure that the Group can continue as a going concern;
- to ensure the Group has adequate resources to support the strategy of the Group; and
- to provide a return to the Group's shareholders.

The Group's capital equals total equity less cash and cash equivalents. The Group's financing includes total equity plus borrowings. The borrowings have been taken out to provide working capital for the Group.

24 DERIVATIVES

	2012	2011
	£'000	£'000
Interest rate swap	—	71
Foreign exchange contracts	7	11
	7	82

In February 2008, the Group entered into an interest rate collar agreement with its bankers against its bank loan. Under the agreement, the interest payable by the Group under the loan could not exceed 6.0% or drop below 4.4%. On 30 March 2012 the Group gave notice to cancel this agreement, for which an early cancellation charge of £25,500 has been included within the accounts.

At the year end the Group had three (2011: four) forward currency exchange contracts in place. These contracts have been valued at fair value at the year end of £7k (2011: £11k).

25 SHARE CAPITAL

	2012 £'000	2011 £'000
Allotted and issued		
33,395,000 (2011: 33,045,000) ordinary shares of 10 pence each	3,339	3,304

All 10 pence ordinary shares carry the same voting rights and rights to discretionary dividends.

On 11 March 2010 the Group purchased 875,000 of its own ordinary shares on the open market into treasury at a price of 5.5 pence per ordinary share. These shares were sold to satisfy institutional demand on 9 June 2011 for 32 pence per share.

26 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2012 or 31 March 2011.

27 CAPITAL COMMITMENTS

At 31 March 2012 the Group had capital commitments of £nil (31 March 2011: £524k).

28 LEASING COMMITMENTS

The Group's aggregate minimum operating lease payments for the remaining lives of the leases are as follows:

	2012 Land and buildings £'000	2011 Land and buildings £'000	2012 Other £'000	2011 Other £'000
In one year or less	425	418	122	112
One to five years	1,620	1,453	195	108
Greater than five years	944	411	14	—
	2,989	2,282	331	220

29 TRANSACTIONS WITH RELATED PARTIES

There are no transactions with related parties other than key management as disclosed in note 5 to the Group financial statements.

Tricorn Group plc

Company Statutory Financial Statements Under UK GAAP

For the year ended 31 March 2012

Company number 1999619

Contents

50	Company Statement of Directors' Responsibilities
51	Report of the Independent Auditors
52	Company Balance Sheet
53	Notes to the Financial Statements

COMPANY STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' report and the Company only financial statements ("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 the Directors have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). 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 and 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 judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The Directors confirm that:

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TRICORN GROUP PLC

We have audited the parent company financial statements of Tricorn Group plc for the year ended 31 March 2012 which comprise the parent company balance sheet and notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 AUDITORS

As explained more fully in the Directors' Responsibilities Statement set out on page 50, the directors are responsible for the preparation of the parent company 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 parent company 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the parent company financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2012;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the parent company financial statements.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

OTHER MATTER

We have reported separately on the Group financial statements of Tricorn Group plc for the year ended 31 March 2012.

David Munton

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor; Chartered Accountants
Birmingham
11 June 2012

COMPANY BALANCE SHEET

AT 31 MARCH 2012

	Notes	2012 £'000	2011 £'000
Fixed assets			
Tangible assets		3	2
Investments	7	6,196	6,196
		6,199	6,198
Current assets			
Debtors: amounts due within one year	8	7,292	4,280
Cash at bank and in hand		1,698	1,090
		8,990	5,370
Creditors: amounts falling due within one year	9	(7,980)	(4,449)
Net current assets		1,010	921
Total assets less current liabilities		7,209	7,119
Creditors: amounts falling due after more than one year	10	—	(94)
Net assets		7,209	7,025
Capital and reserves			
Called up share capital	11	3,339	3,304
Share premium account	12	1,692	1,448
Share-based payment reserve	12	227	237
Merger reserve	12	1,592	1,592
Investment in own shares	12	—	(49)
Profit and loss account	12	359	493
Equity shareholders' funds		7,209	7,025

The financial statements were approved by the Board of Directors on 11 June 2012.



M I Welburn

Director

Company number: 1999619

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

1 BASIS OF PREPARATION

The separate financial statements of the Company have been prepared under the historical cost convention and in accordance with UK accounting standards.

The principal activity of the Company is that of a holding company which has remained unchanged from the previous year.

2 ACCOUNTING POLICIES

Investments

Investments held by the Company are included at cost less amounts written off. Where the consideration for the acquisition of a subsidiary undertaking includes shares in the Company to which the provisions of Section 612 of the Companies Act 2006 apply, cost represents the nominal value of shares issued together with the fair value of any additional consideration given and costs.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the Company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered.

Deferred tax is measured using rates of tax that have been enacted or substantially enacted by the balance sheet date.

Share-based payments

All share-based payment arrangements are recognised in the parent company's financial statements. The Company operates equity-settled share-based remuneration plans for remuneration of employees of the Company and its subsidiaries. Options are issued by the parent to the employees of the Company and its subsidiaries. The charge for the share based remuneration is recognised in the parent company profit and loss account.

All employee services received in exchange for the grant of any share-based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to the share-based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment is made to the expense recognised in prior periods if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

NOTES TO THE FINANCIAL STATEMENTS continued

2 ACCOUNTING POLICIES continued

Equity

Share capital is determined using the nominal value of shares that have been issued. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. When the Company purchases its own shares, the consideration is deductible from equity attributable to the Company's equity holders until the shares are either cancelled or reissued. When this happens, any consideration received is included in equity attributable to equity holders. Treasury shares are held at cost.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

The merger reserve represents the difference between the issue price and the nominal value of shares issued as consideration for the acquisition of a subsidiary undertaking when the Company has taken advantage of merger relief.

The profit and loss account includes all current and prior period results.

3 PROFIT FOR THE FINANCIAL YEAR

The Company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Company's loss for the year was £142,000 (2011: £77,000).

Auditors' remuneration incurred by the Company during the year for audit services totalled £13,000 (2011: £13,000), and for tax compliance services totalled £2,000 (2011: £2,000).

4 DIRECTORS' AND EMPLOYEES' REMUNERATION

	2012 £'000	2011 £'000
Wages and salaries	745	709
Social security costs	80	57
Other pension costs	41	31
	866	797

The average number of persons (including Directors) employed by the Company during the year was 10 (2011: 10).

5 DIRECTORS' EMOLUMENTS

All details on Directors' remuneration are given in note 5 to the Group financial statements.

6 SHARE-BASED EMPLOYEE REMUNERATION

All details on share options are included in note 7 to the Group financial statements.

7 FIXED ASSET INVESTMENTS

	Total £'000
Cost	
At 1 April 2011 and 31 March 2012	7,478
Impairment	
At 1 April 2011 and 31 March 2012	(1,282)
Net book value	
At 31 March 2012	6,196
At 31 March 2011	6,196

At 31 March 2012 the Company holds 100% of the ordinary share capital of the following subsidiaries:

Name of subsidiary undertaking	Country of incorporation	Description of shares held	% of nominal value of shares held	Principal business activity
Malvern Tubular Components Limited	United Kingdom	Ordinary	100	Manufacturer of tubular components
Redman Fittings Limited	United Kingdom	Ordinary	100	Sales and marketing company for specialist pipe fittings
RMDG Aerospace Limited	United Kingdom	Ordinary	100	Manufacturer of aerospace fittings
Maxpower Automotive Limited	United Kingdom	Ordinary	100	Manufacturer of highway and automotive tubular and pipe components
Robert Morton DG Limited*	United Kingdom	Ordinary	100	Dormant

* Held by a subsidiary undertaking.

ISSquared Limited, Searchwell Limited, Integrated Statistical Solutions Limited and MTC Holdings Limited which were all dormant companies as at 31 March 2011, were dissolved during the current year.

NOTES TO THE FINANCIAL STATEMENTS continued

8 DEBTORS

	2012 £'000	2011 £'000
Amounts owed by subsidiary undertakings	7,268	4,246
Other debtors	—	2
Prepayments and accrued income	24	32
	7,292	4,280

9 CREDITORS : AMOUNTS DUE WITHIN ONE YEAR

	2012 £'000	2011 £'000
Bank borrowings	—	292
Other creditors	—	3
Trade creditors	26	78
Amounts due to subsidiary undertakings	7,645	3,853
Other taxes and social security	19	14
Corporation tax	—	1
Accruals and deferred income	290	208
	7,980	4,449

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012 £'000	2011 £'000
Bank borrowings	—	94

Borrowings are repayable as follows:

	2012 £'000	2011 £'000
Within one year		
— bank borrowings	—	292
After one and within two years		
— bank borrowings	—	94
	—	386

On 30 September 2011 the Company gave notice to its bankers to repay its term loan facility. This facility was repaid in full on 14 October 2011.

11 SHARE CAPITAL

	2012 £'000	2011 £'000
Allotted and issued		
33,395,000 (2011: 33,045,000) ordinary shares of 10 pence each	3,339	3,304

All 10p ordinary shares carry the same voting rights and rights to discretionary dividends.

On 11 March 2010 the Group purchased 875,000 of its own ordinary shares on the open market into treasury at a price of 5.5 pence per ordinary share. These shares were sold to satisfy institutional demand on 9 June 2011 for 32 pence per share.

12 RESERVES

	Share premium £'000	Share based payment reserve £'000	Merger reserve £'000	Investment in own shares £'000	Profit and loss account £'000
At 1 April 2011	1,448	237	1,592	(49)	493
Share issues	15	—	—	—	—
Sale of own shares	229	—	—	49	—
Share based payment charge	—	54	—	—	—
Share based payment reserve transfer	—	(64)	—	—	64
Loss for the year	—	—	—	—	(142)
Dividends paid	—	—	—	—	(56)
At 31 March 2012	1,692	227	1,592	—	359

13 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	2012 £'000	2011 £'000
Loss for the financial year	(142)	(77)
Sale of own shares	278	—
Issue of new shares	50	2
Dividends paid	(56)	—
Share-based payment charge	54	44
Net increase/(decrease) to shareholders' funds	184	(31)
Opening equity shareholders' funds	7,025	7,056
Closing equity shareholders' funds	7,209	7,025

NOTES TO THE FINANCIAL STATEMENTS continued

14 CONTINGENT LIABILITIES

The Company has given an unlimited guarantee against the bank borrowings of its subsidiaries. At 31 March 2012 the balances amounted to nil (2011: nil).

There were no further contingent liabilities at 31 March 2012 or 31 March 2011.

15 CAPITAL COMMITMENTS

There were no capital commitments at 31 March 2012 or at 31 March 2011.

16 RELATED PARTIES

The Company has taken advantage of the exemption under FRS 8 from disclosure of related party transactions with other Group companies, on the grounds that they are wholly owned subsidiaries.

SHAREHOLDER NOTES

our BUSINESS

our GOVERNANCE

our FINANCIALS

COMPANY INFORMATION

Company registration number:

1999619

Registered office:

Spring Lane
Malvern Link
Malvern
Worcestershire
WR14 1DA

Directors:

Nicholas Campbell Paul CBE (Chairman and Non-Executive Director)
Michael Ian Welburn (Chief Executive Officer)
Phillip Lee (Group Finance Director)
David Edward Leakey (Group Sales Director)
Roger Allsop (Non-Executive Director)

Secretary:

Michael Greensmith

Nominated adviser and Nominated broker:

Westhouse Securities Limited
One Angel Court
London
EC2R 7HJ

Registrars:

Neville Registrars Limited
Neville House
18 Laurel Lane
Halesowen
West Midlands
B63 3DA

Bankers:

Bank of Scotland plc
125 Colmore Row
Birmingham
B3 3SF

Solicitors:

Orme & Slade Limited
National Westminster Bank Chambers
The Homend
Ledbury
Herefordshire
HR8 1AB

Auditors:

Grant Thornton UK LLP
Registered Auditors
Chartered Accountants
Colmore Plaza
20 Colmore Circus
Birmingham
B4 6AT

Our Businesses



MTC is a specialist manufacturer of manipulated tubular assemblies supplying blue chip companies involved in power generation. This includes diesel engine, generator set and radiator manufacture.

www.mtc.uk.com



Acquired in June 2007 the business manufactures a wide range of tubular assemblies in ferrous, non-ferrous and nylon materials primarily for off highway and niche automotive applications.

www.maxaut.co.uk



Acquired in June 2006 the company supplies specialised rigid pipe assemblies to meet the demanding needs of the aerospace sector. Its products are found in a wide range of aircraft and are recognised for their excellence worldwide.

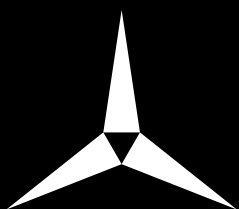
www.rmdg.co.uk



The business develops and supplies major OEM's with bespoke jointing systems for multi layer polyethylene pipe systems. The innovative jointing system is patented worldwide and continues to attract considerable interest.

www.redmanfittings.com





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