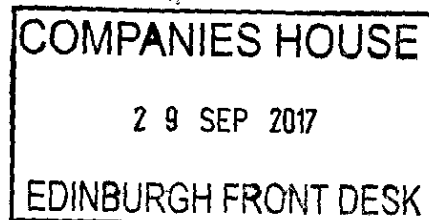


WEIR GROUP (OVERSEAS HOLDINGS) LIMITED
Report and Financial Statements

31 December 2016

Registered No: SC054821



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COMPANIES HOUSE

Company information

Registered No: SC054821

Directors

Christopher Morgan
Chris Palmer
John Heasley

Company Secretary

Gillian Kyle

Auditors

PricewaterhouseCoopers LLP
141 Bothwell Street
Glasgow
G2 7EQ

Bankers

HSBC Bank plc
2 Buchanan Street
Glasgow
G1 3LB

Registered Office

10th floor
1 West Regent Street
Glasgow
G2 1RW

Country of Incorporation

Scotland

Strategic report

The directors present their Strategic report on Weir Group (Overseas Holdings) Limited ('the Company') for the period ended 31 December 2016.

Principal activities

The Company is principally engaged in the acquisition and retention of investments, rights or interests in other companies.

Business review

The profit for the period after taxation amounted to £6,000 (2015: £53,799,000). Movement in the result for the period is primarily due to the dividends received of £7,127,000 (2015: £61,199,000). The activities of the Company are not expected to change in the near future.

The net assets of the company were £141,238,000 (2015: £141,232,000).

Financial risk management objectives & policies

The Company's principal financial instruments are shown on the balance sheet. The principal financial risks to which the Company is exposed are listed below. These risks are managed in accordance with Board approved policies.

Foreign exchange risk

As a result of the Company's business activities it is exposed to transactional currency risk. Transactional currency exposure arises when the Company enters into transactions denominated in currencies other than its functional currency which is Sterling. Foreign currency exposures are identified and managed directly by the Company within the policies and guidelines established by the Company's ultimate parent, The Weir Group PLC. The parent company enters into foreign exchange hedging transactions on behalf of the Company in accordance with those policies and procedures. The Company makes limited use of derivative financial instruments to hedge balance sheet translation exposures. Transaction exposures are hedged with the use of forward exchange rate contracts where deemed appropriate and where they can be reliably forecast. It is policy not to engage in any speculative transaction of any kind.

Credit risk

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

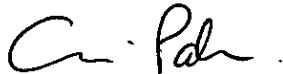
Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and inter-company trading accounts.

Interest rate risk

The Company's borrowings consist of inter group loans and these are at variable rates of interest. Based on current levels of net debt, interest rate risk is not considered to be material.

On behalf of the Board of Directors



Chris Palmer
Director

28 September 2017

Directors' report

The directors present their report and the audited financial statements of Weir Group (Overseas Holdings) Limited (Registered Number SC054821) ('the Company') for the period ended 31 December 2016.

Dividends

There were £nil dividends declared in the period (2015: £nil).

Financial instruments

The Company's principal financial instruments are shown on the balance sheet. The principal financial risks to which the Company is exposed are outlined in the Strategic report.

Going concern

The Company is ultimately owned by The Weir Group PLC ('the Group') and it participates in the Group's centralised treasury arrangements and so shares banking facilities with its parent company and fellow subsidiaries. As a consequence, the Company depends, in part, on the ability of the Group to continue as a going concern. The directors have considered the Company's funding relationship with The Weir Group PLC to date and have considered available relevant information relating to The Weir Group PLC's ability to continue as a going concern. In addition, the directors have no reason to believe that The Weir Group PLC will not continue to fund the Company, should it become necessary, to enable it to continue in operational existence.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Future developments

Future developments affecting the business are discussed in the Business review section of the Strategic report.

Directors

The directors of the Company during the period and to the date of this report were:

Christopher Morgan

Jon Stanton (resigned 3 October 2016)

Andrew Neilson (resigned 10 July 2017)

John Heasley (appointed 3 October 2016)

Chris Palmer (appointed 10 July 2017)

Directors' liabilities

The Company's Articles of Association contain a provision that every director or other officer shall be indemnified against all losses and liabilities which they may incur in the course of acting as directors (or officers as the case may be) permitted by the Companies Act 2006 (as amended). These indemnities are uncapped in amount. The Company's ultimate parent company maintained directors and officers liability insurance throughout 2016 and up to the date of approval of the financial statements in respect of the Company's directors and officers and up to the date of approval of the financial statements.

Disclosure of information to auditors

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

Auditors

PricewaterhouseCoopers LLP were appointed under section 485 of the Companies Act 2006 as the Company's auditor at the Annual General Meeting on 28 April 2016 replacing Ernst & Young and have indicated their willingness to continue in office.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable UK law and regulations. Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), comprising Financial Reporting Standard 102 *The financial reporting standard applicable in the UK and Republic of Ireland*. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Weir Group (Overseas Holdings) Limited

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.

On behalf of the Board of Directors

A handwritten signature in black ink, appearing to read 'Chris Palmer'.

Chris Palmer
Director

28 September 2017

Independent auditors' report to the members of Weir Group (Overseas Holdings) Limited

Report on the financial statements

Our opinion

In our opinion, Weir Group (Overseas Holdings) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2016;
- the income statement for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

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

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

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on pages 3 and 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Mark Hoskyns-Abraham (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
28 September 2017

Weir Group (Overseas Holdings) Limited

**Income statement
for the period ended 31 December 2016**

	Notes	Period ended 31 December 2016			Period ended 1 January 2016		
		Before exceptional items & intangibles amortisation £000	Exceptional items & intangibles amortisation (note 4) £000	Total £000	Before exceptional items & intangibles amortisation £000	Exceptional items & intangibles amortisation (note 4) £000	Total £000
Operating profit (loss)		(1,406)	(2,906)	(4,315)	(317)	(2,906)	(3,223)
Income from shares in group undertakings		7,127	-	7,127	61,199	-	61,199
Finance costs	6	(1,402)	-	(1,402)	(5,717)	-	(5,717)
Finance income	7	258	-	258	115	-	115
Profit (loss) on ordinary activities before tax		4,574	(2,906)	1,668	55,280	(2,906)	52,374
Tax on profit (loss) on ordinary activities	8	(2,106)	444	(1,662)	866	559	1,425
Profit (loss) for the period		2,468	(2,462)	6	56,146	(2,347)	53,799

The Company's results for the current and the prior period were earned from continuing operations.

The result reported above includes all income and expenses for the period.

Weir Group (Overseas Holdings) Limited

**Balance sheet
at 31 December 2016**

	Notes	2016 £000	2015 £000
ASSETS			
Non-current assets			
Intangible assets	9	34,242	37,148
Investments	10	234,327	225,808
Deferred tax asset	8	393	207
Total non-current assets		268,962	263,163
Current assets			
Trade & other receivables	11	29	1,731
Total current assets		29	1,731
Total assets		268,991	264,894
LIABILITIES			
Current liabilities			
Financial liabilities	12	(123,735)	(121,978)
Trade and other payables	13	(931)	(506)
Derivative financial instruments	14	(1,874)	(960)
Total current liabilities		(126,540)	(123,444)
Non-current liabilities			
Deferred tax liabilities	8	(1,213)	(218)
Total non-current liabilities		(1,213)	(218)
Total liabilities		(127,753)	(123,662)
NET ASSETS		141,238	141,232
Capital & reserves			
Share capital	15	12,804	12,804
Retained earnings		128,434	128,428
TOTAL EQUITY		141,238	141,232

On behalf of the Board of Directors



Chris Palmer
Director
28 September 2017

Weir Group (Overseas Holdings) Limited

**Statement of changes in equity
for the period ended 31 December 2016**

	Share capital £000	Retained earnings £000	Total equity £000
At 2 January 2015	12,804	74,629	87,433
Result for the period	-	53,799	53,799
At 1 January 2016	12,804	128,428	141,232
Result for the period	-	6	6
At 31 December 2016	12,804	128,434	141,238

Notes to the financial statements
for the 52 week period ended 31 December 2016

1. Authorisation of financial statements and statement of compliance with FRS 102

The financial statements of Weir Group (Overseas Holdings) Limited for the period ended 31 December 2016 were authorised for issue by the Board of Directors on 28 September 2017 and the balance sheet was signed on the Board's behalf by Chris Palmer.

Weir Group (Overseas Holdings) Limited is a limited company registered in Scotland.

The financial statements were prepared in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 102 *The financial reporting standard applicable in the UK and Republic of Ireland* (FRS 102).

The Company's financial statements are presented in Sterling and all values have been presented in thousands (£000) except where otherwise indicated.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group financial statements as it is a wholly owned subsidiary of The Weir Group PLC. The results of the Company are included in the consolidated financial statements of The Weir Group PLC which are publically available.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

Basis of preparation

The accounting policies which follow set out the policies which apply in preparing the financial statements for the period ended 31 December 2016 ('2016'), the comparative information is provided for the period ended 1 January 2016 ('2015'). The accounting policies are consistent with those of the previous period. The Company has adopted SI2015/980 for presentational purposes in order to align with the financial statements of its ultimate parent company.

The following exemptions from the requirements of FRS 102 have been applied in the preparation of these financial statements as equivalent disclosures are included in the consolidated statements of The Weir Group PLC:

- Section 4 *Statement of financial position* paragraph 4.12(a)(iv);
- Section 7 *Statement of cash flows* and Section 3 *Financial Statement Presentation* paragraph 3.17(d);
- Section 11 *Basic financial instruments* paragraphs 11.39 to 11.48(a) and Section 12 *Other financial instruments issues* paragraphs 12.26 to 12.29(a);
- Section 26 *Share-based payment* paragraphs 26.18(b), 26.19 to 26.21 and 26.23, because the share based payment arrangement concerns the instruments of The Weir Group PLC; and
- Section 33 *Related party disclosures* paragraph 33.7.

There are no new standards or interpretations which are considered to have a material impact on the financial statements.

Use of estimates & judgements

The Company's significant accounting policies are set out below. The preparation of the company financial statements, in conformity with FRS102, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense.

Management base these judgements, estimates and assumptions on a combination of past experience, professional expert advice and other evidence that is relevant to each individual circumstance. Actual results may differ from these estimates, judgements and assumptions, which are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The area management consider the more complex estimates, judgements and assumptions are required is in respect of deferred taxation (note 8).

Significant accounting policies

Exceptional items

Exceptional items are items of income and expense which, because of the nature, size and/or infrequency of the events giving rise to them, merit separate presentation to allow a better understanding of the elements of the Company's financial performance for the period and are presented on the face of the income statement to facilitate comparisons with prior periods and assessment of trends in financial performance. Exceptional items may include but are not restricted to: profits or losses arising on disposal or closure of businesses; the cost of significant business restructuring; significant impairments of intangible or tangible assets; adjustments to the fair value of acquisition related items such as contingent consideration and inventory; other items deemed exceptional due to their significance, size or nature; and the related exceptional taxation.

Foreign currency translation

Transactions denominated in foreign currencies are translated into the Company's functional currency at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the exchange rate ruling at the balance sheet date. Currency translation differences are recognised in the income statement.

Investments

Investments are held at historical cost less a provision for impairment when required.

Goodwill

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Company's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

Goodwill is amortised over its expected useful life. Where the Group is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding 20 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. Reversals of impairment are recognised when the reasons for the impairment no longer apply.

Impairment of non-current assets

All non-current assets are tested for impairment whenever events or circumstances indicate that their carrying values might be impaired. An impairment loss is recognised to the extent that an asset's carrying value exceeds its recoverable amount, which represents the higher of the asset's fair value less costs to sell and its value in use. An asset's value in use represents the present value of the future cash flows expected to be derived from the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is conducted for the cash generating unit to which it belongs. Similarly, the recoverable amount of goodwill is determined by reference to the discounted future cash flows of the cash generating units to which it is allocated. Impairment losses are recognised in the income statement. Impairment losses recognised in previous periods for an asset other than goodwill are reversed if there has been a change in the estimates used to determine the asset's recoverable amount. The carrying amount of an asset shall not be increased above the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. Impairment losses recognised in respect of goodwill are not reversed.

Financial assets & liabilities

The Company's principal financial assets and liabilities, other than derivatives, comprise the following:

- bank overdrafts
- short-term borrowings
- loans and fixed rate notes
- cash and short-term deposits
- trade receivables
- trade payables
- contingent consideration.

A financial asset is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Trade receivables

Trade receivables, which are generally of a short term nature, are recognised and carried at original invoice amount less an allowance for estimated irrecoverable amounts. Provision is made where there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash at bank and in hand

Cash and short term deposits in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less. Bank overdrafts are presented as current liabilities to the extent that there is no right of offset with cash balances.

Provisions

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, the obligation can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Derivative financial instruments & hedge accounting

The Company uses derivative financial instruments, principally forward foreign currency contracts and cross currency swaps, to reduce its exposure to exchange rate movements. The Company also uses foreign currency borrowings as a hedge of its exposure to foreign exchange risk on its investments in foreign subsidiaries. Additionally, the Company uses interest rate swaps to manage its exposure to interest rate risk. The Company does not hold or issue derivatives for speculative or trading purposes.

Derivative financial instruments are recognised as assets and liabilities measured at their fair values at the balance sheet date. The fair value of forward foreign currency contracts is calculated as the present value of the estimated future cash flows based on spot and forward foreign exchange rates and counterparty and the Company's own credit risk. The fair value of interest rate swaps and cross currency swaps is calculated as the present value of the estimated future cash flows based on interest rate curves, spot foreign exchange rates and counterparty and own credit risk. Changes in their fair values have been recognised in the income statement, except where hedge accounting is used, provided the conditions specified by IAS 39 are met. Hedge accounting is applied in respect of hedge relationships where it is both permissible under IAS 39 and practical to do so. When hedge accounting is used, the relevant hedging relationships will be classified as fair value hedges, cash flow hedges or net investment hedges.

Where the hedging relationship is classified as a fair value hedge, the carrying amount of the hedged asset or liability will be adjusted by the increase or decrease in its fair value attributable to the hedged risk and the resulting gain or loss will be recognised in the income statement where, to the extent that the hedge is effective, it will be offset by the change in the fair value of the hedging instrument.

Where the hedging relationship is classified as a cash flow hedge, to the extent that the hedge is effective, changes in the fair value of the hedging instrument will be recognised directly in other comprehensive income rather than in the income statement. When the hedged item is recognised in the financial statements, the accumulated gains and losses recognised in other comprehensive income will be either recycled to the income statement or, if the hedged item results in a non-financial asset, will be recognised as adjustments to its initial carrying amount.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. At that point in time, any cumulative gain or loss on the hedging instrument recognised in other comprehensive income is kept in other comprehensive income until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in other comprehensive income is transferred to net profit or loss for the period.

Derivatives embedded in non-derivative host contracts are recognised separately as derivative financial instruments when their risks and characteristics are not closely related to those of the host contract and the host contract is not stated at its fair value with changes in its fair value recognised in the income statement.

Taxation

Current tax is the amount of tax payable or recoverable in respect of the taxable profit or loss for the period.

Deferred tax is recognised on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base with the following exceptions:

- Deferred tax arising from the initial recognition of goodwill, or of an asset or liability in a transaction that is not a business combination, that, at the time of the transaction, affects neither accounting nor taxable profit or loss, is not recognised;

Weir Group (Overseas Holdings) Limited

- Deferred tax is provided on temporary differences arising on investments in subsidiaries and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future; and
- A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax liabilities represent tax payable in future periods in respect of taxable temporary differences. Deferred tax assets represent tax recoverable in future periods in respect of deductible temporary differences, the carry forward of unutilised tax losses and the carry forward of unused tax credits. Deferred tax is measured on an undiscounted basis using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Current and deferred tax is recognised in the income statement except if it relates to an item recognised directly in equity, in which case it is recognised directly in equity.

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3. Revenues & expenses

The following disclosures are given in relation to total continuing operations and include exceptional items & intangibles amortisation.

	2016 £000	2015 £000
A reconciliation of revenue to operating profit (loss) is as follows		
Administrative expenses	(4,315)	(3,223)
Operating profit (loss)	(4,315)	(3,223)
	2016 £000	2015 £000
Operating profit (loss) is stated after charging (crediting)		
Amortisation of intangible assets (note 9)	2,906	2,906
Impairment of amounts receivable from group undertakings	1,373	329
Exchange (gains) losses	36	(12)

Audit fees for the Company of £1,000 are borne by the ultimate parent company.

4. Exceptional items and intangibles amortisation

	2016 £000	2015 £000
Recognised in arriving at operating profit (loss) from continuing operations		
Intangibles amortisation	(2,906)	(2,906)
	(2,906)	(2,906)

5. Staff costs & directors' remuneration

No management charges were paid to The Weir Group PLC during the period (2015: £nil) in connection with the services of the directors. No remuneration was paid to any director during the period (2015: £nil) in respect of their services to this Company. There were no employees during the period (2015: none).

6. Finance costs

	2016 £000	2015 £000
Interest payable on bank loans, fixed rate notes & overdrafts	171	320
Interest payable to group undertakings	1,231	5,397
	1,402	5,717

7. Finance income

	2016 £000	2015 £000
Interest receivable from group undertakings	258	105
Gains on financial assets & liabilities at fair value through profit & loss	-	10
	258	115

Weir Group (Overseas Holdings) Limited

8. Taxation

Tax charged in the income statement

	2016 £000	2015 £000
The tax charge (credit) is made up as follows		
Current income tax		
UK corporation tax	(673)	(1,691)
Foreign tax	337	294
Adjustments in respect of previous years	1,189	(11)
Total current income tax	853	(1,408)
Adjustments in respect of previous years	1,226	-
Impact of change in tax rate	(157)	-
Origination & reversal of temporary differences	(280)	(17)
Total deferred tax	809	(17)
Total income tax charge (credit) in the income statement	1,662	(1,425)

Factors affecting the tax charge for the period

The standard rate of tax for the period based on the UK standard rate of corporation tax is 20.00% (2015: 20.25%). The actual tax charge for the current period is set out in the following reconciliation.

	2016 £000	2015 £000
Result from continuing operations before income tax	1,668	52,374
Tax calculated at UK standard rate of corporation tax of 20.00% (2015: 20.25%)	334	10,606
Expenses not deductible for tax purposes	266	66
Non-taxable dividend income	(1,425)	(12,393)
Grossing up of dividends	337	294
Effect of rate change	(134)	(17)
Non-taxable exchange	6	-
Adjustments in respect of previous years	2,258	(11)
Exceptional items ineligible for tax	-	30
Tax expense (income) in the income statement	1,662	(1,425)

Factors that may affect future tax charges

Legislation was enacted on 26 October 2015 such that the main rate of UK corporation tax will be 19% from 1 April 2017 and 17% from 1 April 2020. Consequently deferred tax has been provided at the prevalent rates during the periods in which the temporary differences are expected to unwind.

The deferred tax included in the balance sheet is as follows

	2016 £000	2015 £000
Tax losses carried forward	393	207
Deferred income tax assets	393	207
Intangible assets	(1,213)	(218)
Deferred income tax liabilities	(1,213)	(218)

Weir Group (Overseas Holdings) Limited

9. Intangible assets

	Goodwill £000	Total £000
Cost		
At 1 January 2016	58,121	58,121
At 31 December 2016	58,121	58,121
Accumulated amortisation		
At 1 January 2016	20,973	20,973
Charge for the period	2,906	2,906
At 31 December 2016	23,879	23,879
Net book value at 1 January 2016	37,148	37,148
Net book value at 31 December 2016	34,242	34,242

10. Investments

	Shares in Group companies £000	Joint ventures & Associates £000	Total £000
Cost			
At 1 January 2016	225,156	5,228	230,384
Exchange	8,519	-	8,519
At 31 December 2016	233,675	5,228	238,903
Impairment			
At beginning and end of the period	(4,576)	-	(4,576)
Net book value at 1 January 2016	220,580	5,228	225,808
Net book value at 31 December 2016	229,099	5,228	234,327

Weir Group (Overseas Holdings) Limited

11. Trade and other receivables

	2016 £000	2015 £000
Amounts receivable from group undertakings	20	20
Tax receivable	-	1,702
Other receivables	9	9
	29	1,731

Loans due from fellow subsidiary undertakings include eight interest bearing loans held with Weir Minerals China, totalling \$8,100,000, at the annualised 12 month London Interbank Offered Rate ("LIBOR") plus a margin of 0.7%. As it is unlikely any of these loans will be repaid, principal amounts and accrued interest balances have been provided for. The amount disclosed is the balance on a current account with a group company which is unsecured, interest-free and repayable on demand.

12. Financial liabilities

	2016 £000	2015 £000
Amounts due are repayable as follows		
Current		
- bank overdrafts	-	16,182
- loans from group undertakings	123,735	105,796
	123,735	121,978

During the period, cash balances were transferred to pooled banking resources held at The Weir Group PLC and as a result are now reflected within loans from group undertakings. Interest is charged on these amounts at a rate of 3 month GBP LIBOR plus 0.65%. All amounts are unsecured and repayable on demand.

13. Trade and other payables

	2016 £000	2015 £000
Amounts owed to group undertaking	312	403
Tax payable	516	-
Accruals	103	103
	931	506

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

14. Derivatives

	2016 £000	2015 £000
Current liabilities		
Forward foreign currency contracts	(1,874)	(960)
	(1,874)	(960)

The figures in the above table are inclusive of derivative financial instruments where the counterparty is a subsidiary of The Weir Group PLC.

15. Share capital

	2016 £000	2015 £000
Allotted, called up and fully paid		
12,804,274 ordinary shares of £1.00 each	12,804	12,804
	12,804	12,804

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16. Contingent liabilities

The Company is a member of a group UK cash pool arrangement and has jointly and severally given guarantee of the net overdraft amount of the pool up to a maximum of £5.0million (2015: £5.0million). At the year end, the net amount drawn under the facility was £nil (2015: £nil).

17. Related party disclosures

The Company has taken advantage of the exemption under paragraph 33.7 of FRS 102 not to disclose transactions with fellow wholly owned subsidiaries.

18. Ultimate group undertaking

The immediate parent undertaking is TWG Investments (No.7) Limited.

The ultimate parent undertaking is The Weir Group PLC. The Company is included within these group accounts which are available to the public and may be obtained from The Weir Group PLC, 1 West Regent Street, Glasgow, G2 1RW.

Appendix

Subsidiary undertakings

The subsidiary undertakings of the Company as at 31 December 2016 are noted below.

Legal name	Country of incorporation	Registered address	Class of shares	Percentage of shares held	Ownership
CH Warman Asia Limited	Malta	32 Sovereign Building Zaghfran Road Attard ATD 9012 Malta	Ordinary	71%	Indirect
Comercializadora TEP Limitada	Chile	San Jose 0815 San Bernardo Santiago Chile	Ordinary	51%	Indirect
Delta Industrial Valves, Inc.	USA	The Corporation Company 40600 Ann Arbor Rd E Ste 201 Plymouth MI 48170-4675 USA	Common	100%	Indirect
Duhn Oil Tool, Inc.	USA	3912 Gilmore Avenue Bakersfield California 93308 USA	Common	100%	Indirect
Energy Products LLC	USA	National Corporate Research, Ltd. 850 New Burton Road Suite 201 Dover Kent Delaware 19904 USA	Units	49%	Indirect
EnviroTech Pumpsystems, Inc.	USA	Corporation Trust Center 1209 Orange St Wilmington New Castle Delaware 19801 USA	Common	100%	Indirect

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Hurricane Investments, Inc.	USA	Corporation Trust Center 1209 Orange St Wilmington New Castle Delaware 19801 USA	Common	100%	Indirect
Seaboard Canada Ltd	Canada	5233-49 Avenue Red Deer Alberta T4N 6G5 Canada	Common	100%	Indirect
Seaboard Holdings, Inc	USA	Corporation Trust Center 1209 Orange Street Wilmington County of New Castle Delaware 19801 USA	Common	100%	Indirect
Seaboard International Holding Company (Hong Kong) Limited	Hong Kong	Level 54 Hopewell Centre 183 Queen's Road East Hong Kong	Ordinary	100%	Indirect
Seaboard International Inc.	USA	CT Corporation System 350 N. Paul Street Dallas Texas 75201 USA	Common	100%	Indirect
Seaboard Real Estate, LLC	USA	Corporation Trust Center 1209 Orange Street Wilmington County of New Castle Delaware 19801 USA	Units	100%	Indirect
Slurry Holdings Limited	Malta	32 Sovereign Building Zaghfran Road Attard ATD 9012 Malta	Ordinary	100%	Direct
Specialised Petroleum Manufacturing Limited	Scotland	SPM House Badentoy Crescent Badentoy Industrial Park Portlethen Aberdeen AB12 4YD	Ordinary	100%	Indirect
SPM Flow Control de México, S. de R.L. de C.V.	Mexico	Bosque De Ciruelos 180 Bosques De Las Lomas Bosque Hayas Y Bosque De La Reforma Miguel Hidalgo Distrito Federal CP 11700 Mexico	Common	100%	Indirect
SPM Flow Control Ltd.	Canada	5233-49 Ave Red Deer Alberta T4N 6G5 Canada	A, B, C, D Common	100%	Indirect
SPM Flow Control, Inc.	USA	601 Weir Way Fort Worth Texas 76108 USA	Common	100%	Indirect
SPM UK Limited	Cayman Islands	C/o Maples Corporate Services Limited PO Box 309 Ugland House Grand Cayman KY1-1104 Cayman Islands	Ordinary	100%	Indirect

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The Weir Group International S.A.	Switzerland	c/o Daniel Schneuwly, Rue de Romont 35 Avocat 1700 Fribourg Switzerland	Bearer	100%	Direct
Trio Engineered Products, Inc.	USA	12823 Schabarum Avenue Irwindale California 91706 USA	Common	100%	Indirect
TWG Canada Holdings Limited	Scotland	10th Floor 1 West Regent Street Glasgow Scotland G2 1RW	Ordinary	100%	Indirect
TWG Cayman Limited	Cayman Islands	M&C Corporate Services Limited PO Box 309GT Ugland House, South Church Street George Town Grand Cayman Cayman Islands	Ordinary	100%	Indirect
TWG Finance, Inc.	USA	Corporation Trust Center 1209 Orange Street City of Wilmington County of New Castle Delaware 19801 USA	Common	100%	Indirect
TWG Investments (No.6) Limited	Scotland	10th Floor 1 West Regent Street Glasgow Scotland G2 1RW	Ordinary	100%	Indirect
TWG Investments (No.8) Limited	Scotland	10th Floor 1 West Regent Street Glasgow Scotland G2 1RW	Ordinary	100%	Indirect
TWG South America Holdings Limited	Scotland	10th Floor 1 West Regent Street Glasgow Scotland G2 1RW	Preference	100%	Indirect
TWG UK Holdings Limited	Scotland	10th Floor 1 West Regent Street Glasgow Scotland G2 1RW	Ordinary	100%	Indirect
TWG US Forex Limited	Scotland	10th Floor 1 West Regent Street Glasgow Scotland G2 1RW	Ordinary	100%	Indirect
TWG US Holdings LLC	USA	Corporation Trust Center 1209 Orange Street City of Wilmington County of New Castle Delaware 19801 USA	Units	100%	Indirect
Weir Arabian Metals Company Limited	Saudi Arabia	PO Box 2724 Makkah Street Dammam Second Industrial City Al Khobar 31952 Saudi Arabia	N/A	49%	Direct

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Weir Canada, Inc.	Canada	2360 Millrace Court Mississauga ON L5N 1W2 Canada	Common Preference	100%	Indirect
Weir Canadian Investments, Inc.	Canada	2360 Millrace Court Mississauga ON L5N 1W2 Canada	Common	100%	Indirect
Weir Floway, Inc.	USA	1105 North Market Street Suite 1300 Wilmington Delaware 19899 USA	Common	100%	Indirect
Weir Group African IP Limited	Scotland	10th Floor 1 West Regent Street Glasgow Scotland G2 1RW	Ordinary	100%	Direct
Weir Group Energy Equipment (Suzhou) Co., Ltd.	China	Bin Hamoodah Towers Floor 13 Khalifa Street Abu Dhabi United Arab Emirates Wangzhuang Road Dongqiao Town Xiangcheng District Suzhou Jiangsu Province China	n/a	100%	Direct
Weir Group Inc.	USA	Corporation Trust Center 1209 Orange Street City of Wilmington County of New Castle Delaware 19801 USA	Common Preference	100%	Direct
Weir Group Trading (Shanghai) Co., Ltd.	China	Longlife Level 17 No. 1566 West Yan'an Road Shanghai China	N/A	100%	Direct
Weir HBF (Pty) Ltd	Republic of South Africa	5 Clarke Street Alrode Alberton Gauteng 1449 South Africa	Ordinary	67%	Indirect
Weir Investments Three Limited	Scotland	10th Floor 1 West Regent Street Glasgow Scotland G2 1RW	Ordinary	100%	Indirect
Weir Minerals Africa (Proprietary) Limited	Republic of South Africa	5 Clarke Road Alrode 1541 PO Box 17872 Randhart 1457 South Africa	Ordinary	67%	Direct
Weir Minerals Botswana (Pty) Limited	Botswana	Plot 5039/5040 Somerset East Industrial Francistown Botswana	Ordinary	71%	Indirect

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Weir Minerals Central Africa Limited	Republic of Zambia	Plot 3655 Chimbuluma Road Kitwe Zambia	Ordinary	71%	Indirect
Weir Minerals Central Africa SPRL	Democratic Republic of Congo	Avenue de la – 8412 Katanga Province Lubumbashi Democratic Republic of Congo	Ordinary	50%	Direct
Weir Minerals Central Africa SPRL	Democratic Republic of Congo	Avenue de la – 8412 Katanga Province Lubumbashi Democratic Republic of Congo	Ordinary	35%	Indirect
Weir Minerals China Co., Limited	China	Factory #27 158 Hua Shan Road Suzhou New District Suzhou 215011 China	N/A	100%	Direct
Weir Minerals East Africa Limited	Tanzania	Plot No. 137 Capri Point Mwanza Tanzania	Ordinary	50%	Direct
Weir Minerals East Africa Limited	Tanzania	Plot No. 137 Capri Point Mwanza Tanzania	Ordinary	35%	Indirect
Weir Minerals Mozambique Ltd	Mozambique	Mozambique Maputo Cidade Distrito urban1 Bairro Central AV. Zedequias Manganhela	Ordinary	64%	Indirect
Weir Minerals North Africa SARL	Morocco	Boulevard Sidi Mohamed Ben Abdellad IM B 1ER Etage N 29, 10160 Casablanca Morocco	Ordinary	71%	Indirect
Weir Minerals Pump & Mining Solutions Namibia (Pty) Ltd	Namibia	54 Hidipo Hamutenya Ave Swakopmund 9000 Namibia	Ordinary	71%	Indirect
Weir Minerals West Africa Limited	Ghana	Plot #IND/9/1A Industrial Area, Tema PO Box CT 3170. Cantonments, Accra Ghana	Ordinary	71%	Indirect
Weir Power & Industrial Singapore Private Limited	Republic of Singapore	15 Tukang Innovation Drive Singapore 618299	Ordinary	100%	Indirect
Weir Slurry Group Inc.	USA	CT Corporation System 8020 Excelsior Drive Suite 200 Madison Wisconsin 53717 USA	Common Preferred	100%	Indirect
Weir Solutions FZE	United Arab Emirates	Office no. W 312 West Side 1 Dubai Airport Free Zone Dubai United Arab Emirates	Ordinary	71%	Indirect
Weir Solutions LLC	Oman	PO Box 168 Postal Code 1202 Muscat Sultanate of Oman	Common	100%	Indirect

Weir Group (Overseas Holdings) Limited

Weir SPM Singapore Pte Limited	Republic of Singapore	30 Cecil Street #19-08 Prudential Tower 049712 Singapore	Ordinary	100%	Direct
Weir US Holdings Inc	USA	Corporation Trust Center 1209 Orange Street Wilmington County of New Castle Delaware 19801 USA	Common	100%	Indirect
Weir USA Holdings, LLC	USA	29 Old Right Road Ipswich Massachusetts 01938 USA	Units	100%	Indirect
Weir Valves & Controls USA Inc.	USA	155 Federal Street Suite 700 Boston Massachusetts 02110 USA	Common Preferred	100%	Indirect
Weir YES Africa (Pty) Ltd	Republic of South Africa	5 Clarke Street Airode Alberton Gauteng 1449 South Africa	Ordinary	67%	Indirect
WHW Group, Inc.	USA	Corporation Trust Center 1209 Orange Street City of Wilmington County of New Castle Delaware 19801 USA	Common	100%	Indirect
Wesco LLC	United Arab Emirates	Bin Hamoodah Towers Floor 13 Khalifa Street Abu Dhabi United Arab Emirates	Ordinary	49%	Direct