

Registered number:

01261602

England and Wales

## **BRIGADE ELECTRONICS PLC**

### **Financial Statements**

**For the year ended 31 January 2014**

THURSDAY



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## **Directors, officers and advisers**

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### **Directors**

Mr C P Hanson-Abbott  
Mr P J Hanson-Abbott  
Mr I W Sillars  
Mr T C Brett  
Mr S A Matthews  
Mr N P Moody

### **Secretary and registered office**

Mr I W Sillars  
Brigade House  
The Mills  
Station Road  
South Darenth  
Kent DA4 9BD

### **Registered number**

01261602

### **Auditors**

BDO LLP  
2 City Place  
Beehive Ring Road  
Gatwick, West Sussex  
RH6 0PA

### **Bankers**

HSBC Bank plc  
90 Baker Street  
London, W1U 6AX

## **Strategic Report for the year ended 31 January 2014**

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The principal activity of the Brigade Group is the design, development, marketing and distribution of vehicle and mobile machinery safety systems.

The company is part of the Brigade Group of companies and shares the vision of a world in which technology has eliminated vehicle and mobile machinery collisions. To work towards this vision the Brigade Group's mission is to use current and emergent new technology in the development, global marketing and distribution of products that will reduce commercial vehicle and mobile machinery collisions.

The strategy includes investment in our own R&D and general engineering capabilities and also maintaining and developing partnerships with technology specialists so as to deliver innovative new solutions to safety problems faced by vehicle and mobile machinery operators.

Details of the research and development activities are given in the directors' report.

The directors believe that striving for these strategic objectives in a commercial way will make the group economically successful for the benefit of the shareholders and our staff. The commitment of the staff is crucial and they are rewarded by a performance bonus scheme applicable to all.

### **Risks and uncertainties**

#### Market and credit risk

The company supplies safety products to a wide range of customers and markets minimising the risk in any one market or failure of any one customer.

#### Supply and currency risk

The company diversifies purchases over a number of Far Eastern countries to minimise the risk of any disruption to supply. Purchases and sales are in different currencies with consequent vulnerability to exchange rate fluctuations, however the impact on margins is minimised by the relatively short timescales and ability to rapidly change prices.

### **Review of the business**

Market conditions recovered slightly in the UK which, combined with an increasing realisation of the benefits of our products, lifted UK sales by 15%. This reflects the relatively long marketing time scale needed. Overseas markets were challenging, particularly in parts of Europe, making an increase in overseas sales of 11% satisfactory in the circumstances. Margins dropped slightly reflecting the difficult conditions overseas. The company's strategy of developing overseas markets remains the best long term option.

The company paid higher management charges to the parent company this year, which together with an increase in investment in research and development reduced the operating profit. Despite this, there has been sufficient retained profit to strengthen the balance sheet and allow for future expansion. The continued development and expansion of the product range ensures the company's future in a rapidly changing and highly technical market.

#### Key performance indicators (KPIs)

The company uses a variety of key performance indicators, calculated monthly to monitor the business. These KPIs include the monitoring of sales, margins, debtors, stock, cash and breakeven turnover; which allows immediate action if required.

#### Financial KPIs

Turnover increased by 13% over the past year, with solid growth in the UK and progress overseas. The policy of increased sales through expansion of the market place and development of new products continues.

Gross profit margin - the company strives to improve efficiency and control the gross margin. The gross margin increased slightly to 43% (2013 - 42%) reflecting exchange rate movements and market pressures during the year.

## **Strategic Report for the year ended 31 January 2014 (continued)**

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### **Non Financial KPIs**

**Product Quality** - The company has a commitment to quality and the warranty return rates of our products are measured and used to identify any areas requiring action to sustain the high quality of the company's products.

**Customer Satisfaction** – The company is committed to providing exceptional customer service and records issues and all manner of feedback to provide a measure of customer satisfaction.

**Sales of bbs-tek' BBS Broadband Sound** - bbs-tek Broadband Sound (aka white sound) alarms are demonstrably safer than old style tonal alarms, so the company is committed to increasing its sales volumes of these products.

### **Future developments**

**New Product Introduction** – The company is known for its innovation in the industry and is committed to introducing one new technology or product group per year specifically targeted at improving vehicle safety.

**Signed on behalf of the Board by:**



**MR I W SILLARS**

Company Secretary and Director

Approved by the Board on 15 July 2014.

## **Directors' report for the year ended 31 January 2014**

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The Directors present their report and the audited financial statements for the year ended 31 January 2014.

### **Results and dividends**

The results for the year are shown on the profit and loss account on page 8. Company profit for the year after taxation was £781,453 (2013 - £996,895).

The wider group has a policy of ensuring adequate retained earnings to finance the business after which the retained profit for the year is used to finance expansion and pay dividends to the immediate parent, the latter to normally be at least 25% of the yearly post-tax profit. Accordingly, an interim dividend of £200,000 (34.4p per share) was paid in the year (2013 - £250,000; 43.0p per share).

### **Directors**

The Directors who served during the year were:

Mr C P Hanson-Abbott	Chairman
Mr P J Hanson-Abbott	Managing Director
Mr I W Sillars	Financial Director
Mr T C Brett	Deputy Managing Director
Mr S A Matthews	Engineering Director
Mr N P Moody	Sales Director

### **Directors' responsibilities**

The directors are responsible for preparing the directors' report, the strategic 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 the company's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

### **Research and development**

The company is committed to the development of its product range and therefore conducts a continuous programme of product research and development. Expenditure incurred in the year increased to £674,255 (2013 - £501,885) reflecting the importance given to this activity.

**Creditor payment policy**

The company agrees terms and conditions for business transactions with its suppliers and payment is then made accordingly. The number of supplier days represented by trade creditors was calculated as 26 at 31 January 2014 (2013 - 76 days).

**Employees**

Arrangements exist to keep all employees informed on matters of concern to them and information on the performance of the Company and is disseminated widely. Employees are encouraged to be concerned with the performance of the Company and a profit-related bonus scheme operates to emphasise this.

**Disabled employees**

The Company gives full consideration to the applications for employment by disabled persons.

**Political and charitable contributions**

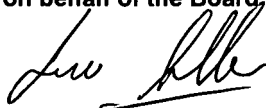
The Company made charitable donations of £45,749 (2013 - £48,243) during the year. No political contributions were made during the year.

**Auditors**

All of the current directors have taken every step that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487 (2) they will be automatically reappointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their reappointment.

**Signed on behalf of the Board, by:**



**MR I W SILLARS**

Company Secretary and Director

Approved by the Board on 24 July 2014.

## **Independent auditor's report to the members of Brigade Electronics Plc**

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We have audited the financial statements of Brigade Electronics plc for the year ended 31 January 2014 which comprise the profit and loss account, the balance sheet, the cash flow statement, and the relevant notes. 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 statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st January 2014 and of the profit for the year to 31 January 2014 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.

**Independent auditor's report to the members of Brigade Electronics Plc (continued)**

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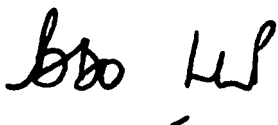
**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and the directors' report for the financial year ended 31 January 2014 which the financial statements are prepared is consistent with the 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, or returns adequate for our audit have not been received from branches not visited by us, or
- the company's 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.



John Everingham (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick  
United Kingdom

**25** July 2014

BDO LLP is a limited liability partnership registered in England and Wales  
(with registered number OC305127).

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**Profit and loss account for the year ended 31 January 2014**

	Notes	<u>2014</u> £	<u>2013</u> £
<b>Turnover</b>	2	<b>14,919,921</b>	13,231,719
Cost of sales		(8,536,249)	(7,639,439)
<b>Gross profit</b>		<u>6,383,672</u>	<u>5,592,280</u>
Distribution costs		(3,130,177)	(2,657,708)
Administrative expenses		<u>(2,468,742)</u>	<u>(1,880,304)</u>
		(5,598,919)	(4,538,012)
<b>Operating profit</b>	3	<b>784,753</b>	1,054,268
Other interest receivable and similar income		4,246	278
Interest payable and similar charges	6	<u>(19,031)</u>	<u>(37,800)</u>
<b>Profit on ordinary activities before taxation</b>		<b>769,968</b>	1,016,746
Taxation recovery/charge on profit on ordinary activities	7	<u>11,485</u>	<u>(19,851)</u>
<b>Profit for the financial year</b>		<u><b>781,453</b></u>	<u>996,895</u>

All amounts relate to continuing activities.

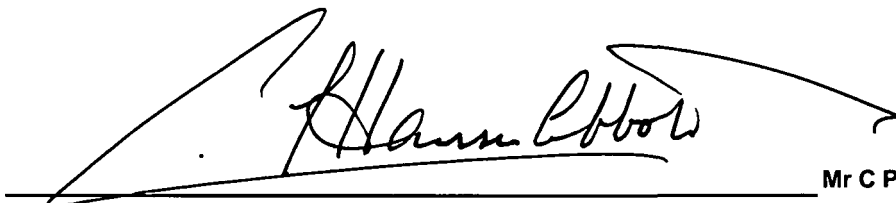
All recognised gains and losses in the current and prior year are included in the profit and loss account.

The notes on page 11 to 16 form part of these financial statements.

**Balance sheet at 31 January 2014**

Registered number 01261602

	Notes	<u>2014</u> £	<u>2013</u> £
<b>Fixed assets</b>			
Tangible assets	8	410,328	412,909
<b>Current assets</b>			
Stock	9	2,417,382	2,918,357
Debtors	10	3,070,563	2,822,106
Cash at bank and in hand		323,576	564,791
		<u>5,811,521</u>	<u>6,305,254</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,407,789)</u>	<u>(2,485,556)</u>
<b>Net current assets</b>		<u>4,403,732</u>	<u>3,819,698</u>
<b>Total assets less current liabilities</b>		<u>4,814,060</u>	<u>4,232,607</u>
<b>Capital and reserves</b>			
Share capital	12	581,200	581,200
Profit and loss account	13	4,212,860	3,631,407
Capital redemption reserve		20,000	20,000
<b>Shareholders' funds</b>	15	<u>4,814,060</u>	<u>4,232,607</u>

Approved by the board of directors on <sup>25</sup>July 2014 and signed on its behalf by:

Mr C P Hanson-Abbott - Director

The notes on pages 11 to 16 form part of these financial statements.

# **Cash flow statement for the year ended 31 January 2014**

	Notes	<u>2014</u> £	<u>2013</u> £
<b>Operating activities</b>			
<b>Net cash flow from operating activities</b>	16a	131,197	229,963
<b>Returns on investments and servicing of finance</b>			
Interest and similar income received	4,246		278
Interest and similar charges paid	<u>(19,031)</u>		(37,800)
<b>Net cash flow from returns on investment and servicing of finance</b>		(14,785)	(37,522)
<b>Taxation</b>			
Corporation tax paid		(18,457)	(103,913)
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets	(144,870)		(154,466)
Receipts from sale of tangible fixed assets	<u>5,700</u>		15,350
		(139,170)	(139,116)
<b>Equity dividends paid</b>		(200,000)	(250,000)
<b>Net cash (outflow) before financing</b>		<u>(241,215)</u>	<u>(300,588)</u>
<b>Financing</b>			
		-	-
<b>(Decrease) in cash</b>	16c	<u><u>(241,215)</u></u>	<u><u>(300,588)</u></u>

The notes on pages 11 to 16 form part of these financial statements.

**1 Accounting Practices****a) Basis of accounting**

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with applicable accounting standards.

**b) Turnover**

Turnover represents net invoiced sales of goods and services, excluding value added tax, and similar levies. The revenue is recognised once goods are dispatched and services rendered.

**c) Depreciation of tangible fixed assets**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Motor Vehicles	25% on cost
Equipment, fixtures and fittings - computer equipment	25% reducing balance
Equipment, fixtures and fittings - other	15% reducing balance
Plant and machinery	25% reducing balance
Tooling	33% on cost

**d) Stock**

Stock and work in progress are valued at the lower of cost and estimated net realisable value.

Cost of raw materials is determined on the first in first out basis. In the case of work in progress and finished goods, cost includes all direct expenditure and product overheads based on the normal level of activity. Net realisable value is the price at which the stock can be realised in the normal course of business, less further costs to completion of sale.

**e) Foreign currency translation**

All gains and losses on exchange are dealt with in the profit and loss account.

Transactions expressed in foreign currencies are translated into sterling and recorded at the rates of exchange approximating to those ruling at the rate of exchange ruling at the balance sheet date. Other exchange differences are included in operating profit.

**f) Pension scheme**

The company provides a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund. Contributions to this scheme are charged to the profit and loss account as they become payable.

**g) Operating leases**

Operating leases are charged on a straight-line basis over the term of the lease.

**h) Research and development**

Expenditure on research and development is written off in the year of expenditure through the profit and loss account.

**2 Turnover**

The turnover and profit before taxation is attributable to the one principal activity of the group

	<u>2014</u>	<u>2013</u>
Turnover analysed by geographical area:	£	£
Sales - UK	6,463,520	5,640,193
Sales - Overseas	8,456,401	7,591,526
	<u>14,919,921</u>	<u>13,231,719</u>

# BRIGADE ELECTRONICS PLC

## Notes to the statements for the year ended 31 January 2014 (continued)

### 3 Operating profit on ordinary activities before taxation

This is stated after charging:

	<u>2014</u>	<u>2013</u>
	£	£
Depreciation of owned assets	144,265	144,578
(Profit) on disposal of tangible fixed assets	(2,514)	(12,768)
Loss on foreign exchange	58,863	4,130
Payment to auditors	15,000	15,000
- audit fee		
- non-audit services	4,630	10,780
	<u>4,630</u>	<u>10,780</u>

### 4 Employee information

Staff costs:	<u>2014</u>	<u>2013</u>
	£	£
Wages & Salaries	2,343,458	1,959,833
Social security costs	244,884	208,894
Other pension costs	187,058	146,412
	<u>2,775,400</u>	<u>2,315,139</u>

The average number of persons employed during the year, including executive directors, was made up as follows

	<u>2014</u>	<u>2013</u>
	Number	Number
Operations	12	11
Sales & marketing	24	24
Administration & technical	26	22
Total	<u>62</u>	<u>57</u>

### 5 Directors' emoluments

	<u>2014</u>	<u>2013</u>
	£	£
Emoluments	545,765	474,894
Company contributions to pension schemes	94,694	81,697
	<u>640,459</u>	<u>556,591</u>

	<u>2014</u>	<u>2013</u>
	£	£
Amounts paid in respect of the highest paid Director are as follows		
Emoluments	141,391	120,398
Company contributions to money purchase pension schemes	6,105	5,401
	<u>147,496</u>	<u>125,799</u>

### 6 Interest payable and similar charges

	<u>2014</u>	<u>2013</u>
	£	£
On bank loans and overdrafts	<u>19,031</u>	<u>37,800</u>

**BRIGADE ELECTRONICS PLC**
**Notes to the statements for the year ended 31 January 2014 (continued)**
**7 Tax on profit on ordinary activities**

	<u>2014</u>	<u>2013</u>
	£	£
<b>Analysis of tax charge</b>		
United Kingdom corporation tax at 20% (2013 - 24.3%)	-	22,590
Adjustment in respect of previous year	<u>(11,485)</u>	<u>(2,739)</u>
(Tax recoverable) / tax payable	<u>(11,485)</u>	<u>19,851</u>
<b>Factors affecting the tax charge for the year</b>		
Pre-tax profit	769,968	1,016,746
Enhanced R&D expenditure	(749,262)	(538,037)
Disallowable expenses	155,842	146,225
Patent box relief	(77,746)	
Group relief surrendered /(received)	-	(420,457)
Capital allowances etc.	<u>(148,535)</u>	<u>(104,931)</u>
(Tax loss carried forward) / Taxable profit	<u>(49,733)</u>	<u>99,545</u>
United Kingdom corporation tax at 20% (2013 - 24.3%)	-	24,219
Marginal relief	-	(1,630)
Total current tax charge	<u>-</u>	<u>22,590</u>

**8 Tangible fixed assets**

	<u>Tooling</u>	<u>Motor vehicles</u>	<u>Equipment fixtures and fittings</u>	<u>Plant and machinery</u>	<u>Total</u>
	£	£	£	£	£
<b>Cost:</b>					
At 01 February 2013	58,345	291,730	676,077	75,329	1,101,481
Additions	-	112,742	32,128	-	144,870
Disposals	-	(29,989)	-	-	(29,989)
At 31 January 2014	<u>58,345</u>	<u>374,483</u>	<u>708,205</u>	<u>75,329</u>	<u>1,216,362</u>
<b>Depreciation :</b>					
At 01 February 2013	37,126	152,084	478,571	20,791	688,572
Provision for the year	15,455	68,541	46,635	13,634	144,265
Adjustment for disposals	-	(26,803)	-	-	(26,803)
At 31 January 2014	<u>52,581</u>	<u>193,822</u>	<u>525,206</u>	<u>34,425</u>	<u>806,034</u>
<b>Net book value:</b>					
At 31 January 2014	<u>5,764</u>	<u>180,661</u>	<u>182,999</u>	<u>40,904</u>	<u>410,328</u>
At 31 January 2013	<u>21,219</u>	<u>139,646</u>	<u>197,506</u>	<u>54,538</u>	<u>412,909</u>

**9 Stock**

	<u>2014</u>	<u>2013</u>
	£	£
Finished goods and goods for resale	<u>2,417,382</u>	<u>2,918,357</u>

**10 Debtors**

	<u>2014</u>	<u>2013</u>
	£	£
Trade debtors	2,076,665	1,575,918
Other debtors	35,806	17,865
Other tax and social security	54,333	121,018
Amounts owed by group undertakings	786,786	937,071
Prepaid expenses and accrued income	<u>116,973</u>	<u>170,234</u>
	<u>3,070,563</u>	<u>2,822,106</u>

# BRIGADE ELECTRONICS PLC

## Notes to the statements for the year ended 31 January 2014 (continued)

<b>11</b>	<b>Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Trade creditors	612,407	1,588,123
	Other creditors	12,501	14,693
	Pension creditor	11,979	9,433
	Corporation tax	-	0
	Other tax and social security	109,603	42,891
	Accruals and deferred income	661,299	830,416
		<u>1,407,789</u>	<u>2,485,556</u>
	Other creditors include hire purchase creditor of £12,500 of which £7,500 is repayable between two to five years.		
<b>12</b>	<b>Share capital</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Allotted, called up and fully paid</b>		
	<b>Equity shares:</b>		
	Ordinary shares of £1 each	<u>581,200</u>	<u>581,200</u>
<b>13</b>	<b>Reserves</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
		<b>Profit and</b>	<b>Profit and</b>
		<b>loss</b>	<b>loss</b>
		<b>account</b>	<b>account</b>
	At 01 February	3,631,407	2,884,512
	Profit for the year	781,453	996,895
	Dividends paid (note 14)	(200,000)	(250,000)
	At 31 January	<u>4,212,860</u>	<u>3,631,407</u>
<b>14</b>	<b>Dividends</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	On equity shares:		
	Interim dividends in respect of the year ended 31 January	<u>200,000</u>	<u>250,000</u>
<b>15</b>	<b>Reconciliation of movement in shareholders' fund</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Profit for the year	781,453	996,895
	Dividends paid	(200,000)	(250,000)
	Net additions to shareholders' funds	581,453	746,895
	Shareholders' funds at 01 February	4,232,607	3,485,712
	Shareholders' funds at 31 January	<u>4,814,060</u>	<u>4,232,607</u>

# BRIGADE ELECTRONICS PLC

Notes to the statements for the year ended 31 January 2014 (continued)

## 16 Notes to the cash flow statement

### a) Reconciliation of operating profit to net cash flow from operating activities

	<u>2014</u> £	<u>2013</u> £
Operating profit	784,753	1,054,268
Depreciation charge	144,265	144,578
(Profit) on sale of fixed assets	(2,514)	(12,768)
Decrease / (increase) in stock	500,975	(860,461)
(Increase) in debtors	(218,515)	(231,634)
(Decrease) / increase in creditors	(1,077,767)	135,980
Net cash inflow from operating activities	<u>131,197</u>	<u>229,963</u>

### b) Analysis of change in net debt

	<u>Brought forward</u> £	<u>Cash flows</u> £	<u>Other Changes</u> £	<u>Carried forward</u> £
Cash at bank	564,791	(241,215)	-	323,576
	<u>564,791</u>	<u>(241,215)</u>	<u>-</u>	<u>323,576</u>

### c) Reconciliation of net cash flow to movement in debt

	<u>2014</u> £	<u>2013</u> £
Net (decrease) in cash	(241,215)	(300,588)
Changes in (net debt)	(241,215)	(300,588)
Net funds at 1 February	564,791	865,379
Net funds at 31 January	<u>323,576</u>	<u>564,791</u>

## 17 Related party transactions

### Group companies

At the balance sheet date, sales to and amounts due to/(from) Brigade Electronics Plc and fellow group companies were as follows:

	<u>Sales</u> <u>2014</u> £	<u>Sales</u> <u>2013</u> £	<u>Balance</u> <u>2014</u> £	<u>Balance</u> <u>2013</u> £
Brigade Electronics Inc	213,194	107,274	69,111	105,266
Brigade Elektronik GmbH	1,929,938	1,429,131	249,055	200,710
Brigade Elettronica SRL	881,655	609,287	196,389	98,581
Brigade Electronique SARL*	637,370	639,306	82,270	72,376
Brigade (bbs-tek) Limited	-	-	14,205	-
Brigade Automotives Ltd*	125,865	20,367	39,719	10,968
Browns Auto Electrical Ltd	42,013	-	8,656	-
Brigade (Holdings) Limited	-	-	70,009	534,625
Brigade Electronics BV	209,676	93,430	31,242	15,497
Brigade Elektronika (Pty) Ltd	246,460	296,900	108,400	160,016

\* full year figures

### Material interests of directors

At 02 August 2013 Brigade (Holdings) Limited acquired a majority interest in Brigade Automotive Ltd by the transfer of shares previously held by Mr C P Hanson-Abbott and Mr P J Hanson-Abbott. The goods sold in the ordinary course of business are shown above.

At 15 October 2013 Brigade (Holdings) Limited acquired a majority interest in Brigade Electronique SARL by the transfer of shares previously held by Mr C P Hanson-Abbott and Mr P J Hanson-Abbott. The goods sold in the ordinary course of business are shown above.

## BRIGADE ELECTRONICS PLC

### Notes to the statements for the year ended 31 January 2014 (continued)

#### 18 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:

Land and buildings	<u>2014</u> £	<u>2013</u> £
Operating leases which expire		
In two to five years	50,000	50,000
After five years	<u>52,000</u>	<u>52,000</u>
	<u>102,000</u>	<u>102,000</u>

Operating leases are charged on a straight line basis over the term of the lease.

#### 19 Capital commitments

The company had capital commitments of £17,512 as at 31 January 2014 (2013 - £ nil).

#### 20 Contingent liabilities

The company is a party to the group's funding and credit facilities, under which there are cross guarantees, a fixed and floating charge and indemnities. At the 31 January 2014 the company's liability for other group companies was £ nil (2013 - £ nil). The company's contingent liabilities under documentary credits as at 31 January was £ nil (31 January 2013 - £165,284).

#### 21 Holding company

The company is a wholly owned subsidiary of Brigade Electronics Group Limited, formerly Brigade (Holdings) Limited.

The ultimate controlling party is Mr C P Hanson-Abbott.