

Registration number: 04213327

Controls Direct Limited

Annual Report and Consolidated Financial Statements

for the Period from 1 July 2013 to 11 July 2014

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Pegasus House, 463a Glossop Road, Sheffield S10 2QD Telephone (0114) 266 7141

Controls Direct Limited

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Controls Direct Limited
Company Information

Directors	L D Boardman J G Heiken P Murray T H Roberts
Company secretary	L D Boardman
Registered office	Clive House 12 - 18 Queens Road Weybridge Surrey KT13 9XB
Bankers	The Bank of Scotland plc The Mound Edinburgh EH1 1YZ
Auditors	Hawsons Chartered Accountants Statutory Auditor Pegasus House 463a Glossop Road Sheffield S10 2QD

Controls Direct Limited
Strategic Report for the Period from 1 July 2013 to 11 July 2014

The directors present their Strategic Report on the group for the period from 1 July 2013 to 11 July 2014.

Review of the business

Fair review of the business

The directors consider that the results for the period and the financial position at the end of the period were satisfactory.

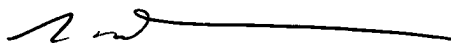
The directors expect the external commercial environment to remain difficult but remain confident that the group will maintain and improve its current level of performance in the future.

Given the straightforward nature of the business, the directors are of the opinion that analysis using Key Performance Indicators is not necessary for the reader of the accounts to gain an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The key business risks and uncertainties facing the group are considered to be continued investment in the manufacturing and engineering sectors, the impact of government legislation and the state of the wider economic climate.

Approved by the Board on 11/12/14 and signed on its behalf by:


.....
L D Boardman
Company secretary

Controls Direct Limited

Directors' Report for the Period from 1 July 2013 to 11 July 2014

The directors present their report and the audited consolidated financial statements for the period from 1 July 2013 to 11 July 2014.

Directors of the company

The directors who held office during the period were as follows:

M C Graham (resigned 11 July 2014)
G M Swindell (resigned 11 July 2014)
Mrs L T Swindell (resigned 11 July 2014)
L D Boardman (appointed 11 July 2014)
J G Heiken (appointed 11 July 2014)
P Murray (appointed 11 July 2014)
T H Roberts (appointed 11 July 2014)

Principal activity

The principal activity of the company is that of a parent company. The principal activity of the main subsidiary undertaking, Roxspur Measurement and Control Limited is the manufacture and sale of temperature, flow, pressure and level measuring instruments and associated equipment, and acting as selling agents and distributors in the United Kingdom and overseas on behalf of a number of manufacturing companies.

On 11 July 2014, the whole of the issued ordinary share capital of the company was sold to TT Electronics plc.

Disclosure of information to the auditors

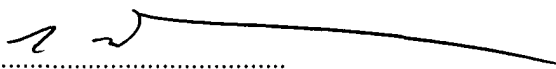
The directors of the company who held office at the date of the approval of this Annual Report as set out above each confirm that:

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all the 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 company's auditors are aware of that information.

Reappointment of auditors

The auditors, Hawsons Chartered Accountants, are not expected to be re-appointed as a result of the change in ownership of the company.

Approved by the Board on 11/12/14 and signed on its behalf by:


.....
L D Boardman
Company secretary

Controls Direct Limited

Statement of Directors' Responsibilities

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 the 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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of Controls Direct Limited

We have audited the financial statements of Controls Direct Limited for the period from 1 July 2013 to 11 July 2014, set out on pages 7 to 27. 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 (set out on page 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). 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

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. In addition, we read all the financial and non-financial information in the Directors' Report and Strategic 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 11 July 2014 and of the group's profit for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

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

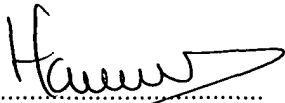
**Independent Auditor's Report to the Members of
Controls Direct Limited**

..... continued

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.



.....
Christopher Hill (Senior Statutory Auditor)

For and on behalf of Hawsons Chartered Accountants, Statutory Auditor

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Date: 12/12/14

Controls Direct Limited
Consolidated Profit and Loss Account for the Period from 1 July 2013 to 11
July 2014

	Note	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Turnover	2	8,498,640	8,106,494
Cost of sales		<u>(4,914,342)</u>	<u>(4,843,557)</u>
Gross profit		3,584,298	3,262,937
Distribution costs		(661,291)	(577,855)
Administrative expenses		<u>(2,148,579)</u>	<u>(2,710,805)</u>
Group operating profit/(loss)	3	774,428	(25,723)
Other interest receivable and similar income		-	29
Interest payable and similar charges	6	<u>(3,858)</u>	<u>(8,585)</u>
Profit/(loss) on ordinary activities before taxation		770,570	(34,279)
Tax on profit/(loss) on ordinary activities	7	<u>(142,492)</u>	<u>(5,283)</u>
Profit/(loss) for the financial period attributable to members of the parent company	17	<u><u>628,078</u></u>	<u><u>(39,562)</u></u>

Turnover and operating profit/(loss) derive wholly from continuing operations.

Controls Direct Limited

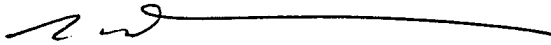
Note of Historical Cost Profits and Losses for the Period from 1 July 2013 to 11 July 2014

	2014 £	Year ended 30 June 2013 £
Reported profit/(loss) on ordinary activities before taxation	770,570	(34,279)
Difference between historical cost depreciation charge and the actual depreciation charge on the revalued amount	-	1,562
Historical cost profit/(loss) on ordinary activities before taxation	<u>770,570</u>	<u>(32,717)</u>
Historical cost profit/(loss) for the period retained after taxation	<u>628,078</u>	<u>(38,000)</u>

Controls Direct Limited
(Registration number: 04213327)
Consolidated Balance Sheet at 11 July 2014

		11 July 2014		30 June 2013	
	Note	£	£	£	£
Fixed assets					
Intangible fixed assets	8		1,596,219		1,787,636
Tangible fixed assets	9		234,511		1,039,206
Current assets					
Stocks	11	829,164		826,745	
Debtors	12	2,262,619		1,495,333	
Cash at bank and in hand		<u>397,756</u>		<u>1,046,361</u>	
		3,489,539		3,368,439	
Creditors: Amounts falling due within one year	13	<u>(1,160,570)</u>		<u>(1,069,438)</u>	
Net current assets			<u>2,328,969</u>		<u>2,299,001</u>
Total assets less current liabilities			4,159,699		5,125,843
Creditors: Amounts falling due after more than one year	14		-		(583,714)
Provisions for liabilities	15		<u>(21,500)</u>		<u>(2,008)</u>
Net assets			<u>4,138,199</u>		<u>4,540,121</u>
Capital and reserves					
Called up share capital	16	3,400		1,033,400	
Capital redemption reserve	17	214,652		214,652	
Revaluation reserve	17	-		273,021	
Profit and loss account	17	<u>3,920,147</u>		<u>3,019,048</u>	
Shareholders' funds	18		<u>4,138,199</u>		<u>4,540,121</u>

These financial statements were approved and authorised for issue by the Board on 11/12/14 and signed on its behalf by:



.....
L D Boardman
Director

The notes on pages 12 to 27 form an integral part of these financial statements.

Controls Direct Limited
(Registration number: 04213327)
Balance Sheet at 11 July 2014

	Note	11 July 2014 £	30 June 2013 £
Fixed assets			
Investments	10	6,954,883	6,954,883
Creditors: Amounts falling due within one year	13	<u>(5,883,866)</u>	<u>(4,853,866)</u>
Net assets		<u>1,071,017</u>	<u>2,101,017</u>
Capital and reserves			
Called up share capital	16	3,400	1,033,400
Capital redemption reserve	17	214,652	214,652
Profit and loss account	17	<u>852,965</u>	<u>852,965</u>
Shareholders' funds	18	<u>1,071,017</u>	<u>2,101,017</u>

These financial statements were approved and authorised for issue by the Board on 11/07/14 and signed on its behalf by:



 L D Boardman
 Director

Controls Direct Limited
Consolidated Cash Flow Statement for the Period from 1 July 2013 to 11 July
2014

		1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
	Note		
Net cash inflow from operating activities	22	402,288	421,964
Returns on investments and servicing of finance			
Interest received		-	29
Interest paid		(3,298)	(10,411)
		(3,298)	(10,382)
Tax paid		(12,414)	(271,052)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(141,167)	(28,666)
Sale of tangible fixed assets		786,260	3,541
		645,093	(25,125)
Net cash inflow before management of liquid resources and financing		1,031,669	115,405
Financing			
Repayment of loans and borrowings		(650,274)	(564,387)
Purchase of own shares		(1,030,000)	-
		(1,680,274)	(564,387)
Decrease in cash	23	(648,605)	(448,982)
Reconciliation of net cash flows to movement in net debt			
		1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
	Note		
Decrease in cash		(648,605)	(448,982)
Cash outflow from repayment of loans		650,274	564,387
Change in net debt resulting from cash flows	23	1,669	115,405
Movement in net debt	23	1,669	115,405
Net funds at start of period	23	396,087	280,682
Net funds at end of period	23	397,756	396,087

The notes on pages 12 to 27 form an integral part of these financial statements.

Controls Direct Limited
Notes to the Financial Statements for the Period from 1 July 2013 to 11 July
2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 11 July 2014.

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its profit for the financial year was £nil (2013- nil).

Turnover

Turnover represents amounts chargeable in respect of the sale of goods and services to customers exclusive of VAT and trade discounts.

Goodwill

Goodwill is the difference between fair value of consideration paid for an acquired entity and the aggregate of fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	5% per annum

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold buildings	2% per annum
Plant and machinery	Between 10% and 25% per annum
Motor vehicles	25% per annum
Equipment, fixtures and fittings	Between 10% and 25% per annum

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

..... continued

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the group is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Employee Benefit Trust ("EBT")

The group has an EBT. In accordance with UITF 32, assets which vest unconditionally beyond the control of the group with no right of access to future economic benefits cease to be recognised as assets of the group. Any income or expenditure incurred by the trust is recognised in the group's accounts.

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

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Employer Financed Retirement Benefit Scheme ("EFRBS")

The group has established trusts for the benefit of employees and persons connected with them. Monies held in these trusts are held by independent trustees and managed at their discretion. The trustees are empowered to provide both retirement and other employee benefits.

Where the group retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the group until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the group on the basis of employees' past services to the business and the group can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the group are charged to the profit and loss account in the period to which they relate.

Where monies held in a trust are determined by the group on the basis of employees' past services to the business and are payable after completion of the employment, such monies are charged to the profit and loss account in the period during which services are rendered by employees.

Pensions

The group operates a defined contribution pension scheme and has historically also made payments into an Employer Funded Retirement Benefit Scheme ("EFRBS") on a money purchase basis. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the schemes. The assets of the schemes are held separately from those of the group.

2 Turnover

An analysis of turnover by geographical location is given below:

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Sales - UK	6,122,780	6,442,563
Sales - Europe	1,347,743	1,059,918
Sales - Rest of world	1,028,117	604,013
	<u>8,498,640</u>	<u>8,106,494</u>

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

..... continued

3 Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Operating lease rentals - plant and machinery	61,892	57,448
Other operating leases	121,000	121,000
Foreign currency losses	18,832	9,167
Loss/(profit) on sale of tangible fixed assets	55,466	(1,817)
Depreciation of owned assets	104,136	102,235
Amortisation of goodwill	191,417	183,762
Auditor's remuneration	10,000	9,600
Exceptional item - contribution to EFRBS	-	800,000

The exceptional item represents pension contributions made during the prior period by the group into the Roxspur Measurement and Control Limited Employer Financed Retirement Benefit Scheme 2013.

4 Particulars of employees

The average number of persons employed by the group (including directors) during the period, analysed by category was as follows:

	1 July 2013 to 11 July 2014 No.	Year ended 30 June 2013 No.
Administration	21	18
Production	88	87
Sales	12	12
	<u>121</u>	<u>117</u>

The aggregate payroll costs were as follows:

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Wages and salaries	2,766,121	2,619,731
Social security costs	283,702	253,148
Staff pensions	193,380	850,945
	<u>3,243,203</u>	<u>3,723,824</u>

Controls Direct Limited
Notes to the Financial Statements for the Period from 1 July 2013 to 11 July
2014

..... continued

5 Directors' remuneration

The directors' remuneration for the period was as follows:

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Remuneration (including benefits in kind)	55,912	213,083
Contributions to money purchase pension schemes	145,051	15,051
	<u>200,963</u>	<u>228,134</u>

During the period the number of directors who were receiving benefits and share incentives was as follows:

	1 July 2013 to 11 July 2014 No.	Year ended 30 June 2013 No.
Accruing benefits under money purchase pension schemes	<u>2</u>	<u>1</u>

In respect of the highest paid director:

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Remuneration	15,419	113,949
Company contributions to money purchase pension schemes	130,000	-
	<u>145,419</u>	<u>113,949</u>

6 Interest payable and similar charges

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Interest on bank borrowings	<u>3,858</u>	<u>8,585</u>

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

..... continued

7 Taxation

Tax on profit/(loss) on ordinary activities

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Current tax		
Corporation tax charge	123,000	12,414
Adjustments in respect of previous years	-	1,052
UK Corporation tax	123,000	13,466
Deferred tax		
Origination and reversal of timing differences	19,492	(8,183)
Total tax on profit/(loss) on ordinary activities	142,492	5,283

Factors affecting current tax charge for the period

Tax on profit/loss on ordinary activities for the year is lower than (2013 - higher than) the standard rate of corporation tax in the UK of 22.09% (2013 - 20%).

The differences are reconciled below:

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Profit/(loss) on ordinary activities before taxation	770,570	(34,279)
Corporation tax at standard rate	170,219	(6,856)
Accelerated capital allowances	41,753	47,438
Movement in short term timing differences	(2,209)	20
Expenses deductible for tax purposes	(35,903)	(31,589)
Expenses not deductible for tax purposes	(44,881)	3,401
Prior year adjustment	-	1,052
Marginal relief	(5,979)	-
Total current tax	123,000	13,466

Controls Direct Limited
Notes to the Financial Statements for the Period from 1 July 2013 to 11 July
2014

..... continued

8 Intangible fixed assets

Group

	Goodwill £
Cost	
At 1 July 2013	<u>4,066,889</u>
At 11 July 2014	<u>4,066,889</u>
Amortisation	
At 1 July 2013	2,279,253
Charge for the period	<u>191,417</u>
At 11 July 2014	<u>2,470,670</u>
Net book value	
At 11 July 2014	<u>1,596,219</u>
At 30 June 2013	<u>1,787,636</u>

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

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9 Tangible fixed assets

Group

	Long leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 July 2013	915,000	995,262	1,104,908	54,827	3,069,997
Additions	-	7,000	134,167	-	141,167
Disposals	(915,000)	-	(9,989)	(13,797)	(938,786)
At 11 July 2014	-	1,002,262	1,229,086	41,030	2,272,378
Depreciation					
At 1 July 2013	54,246	962,787	976,467	37,291	2,030,791
Charge for the period	19,063	13,357	61,031	10,685	104,136
Eliminated on disposals	(73,309)	-	(9,954)	(13,797)	(97,060)
At 11 July 2014	-	976,144	1,027,544	34,179	2,037,867
Net book value					
At 11 July 2014	-	26,118	201,542	6,851	234,511
At 30 June 2013	860,754	32,475	128,441	17,536	1,039,206

Revaluations

The long leasehold land and buildings class of fixed assets was revalued on 6 September 2010 by Mr T Young BSc (Hons) MRICS of Romans Surveyors and Valuers who is external to the company. The basis of this valuation was open market value. This class of assets has a current value of £nil (2013 - £860,754) and a carrying amount at historical cost of £nil (2013 - £836,905). The depreciation on this historical cost is £nil (2013 - £249,172).

Controls Direct Limited
Notes to the Financial Statements for the Period from 1 July 2013 to 11 July
2014

..... *continued*

10 Investments held as fixed assets

Company

	Subsidiary undertakings £
Cost	
At 1 July 2013	<u>6,962,851</u>
At 11 July 2014	<u>6,962,851</u>
Provision for impairment	
At 1 July 2013	<u>(7,968)</u>
At 11 July 2014	<u>(7,968)</u>
Net book value	
At 30 June 2013 and at 11 July 2014	<u><u>6,954,883</u></u>

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
Roxspur Measurement and Control Limited	Ordinary shares	100%	Trading
Nulectrohms Limited	Ordinary shares	100%	Non-trading
Sensit Limited	Ordinary shares	100%	Non-trading
The Brearley Group Limited	Ordinary shares	100%	Non-trading

In the opinion of the directors the company's investments in subsidiary undertakings have a recoverable value which is in excess of their carrying value in the financial statements.

The above subsidiaries are included within the consolidated financial statements.

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

..... continued

11 Stocks

	Group		Company	
	11 July 2014	30 June 2013	11 July 2014	30 June 2013
	£	£	£	£
Raw materials	484,817	479,305	-	-
Work in progress	222,758	199,609	-	-
Finished goods	121,589	147,831	-	-
	<u>829,164</u>	<u>826,745</u>	<u>-</u>	<u>-</u>

12 Debtors

	Group		Company	
	11 July 2014	30 June 2013	11 July 2014	30 June 2013
	£	£	£	£
Trade debtors	1,356,569	1,396,253	-	-
Other debtors	800,170	215	-	-
Prepayments and accrued income	105,880	98,865	-	-
	<u>2,262,619</u>	<u>1,495,333</u>	<u>-</u>	<u>-</u>

13 Creditors: Amounts falling due within one year

	Group		Company	
	11 July 2014	30 June 2013	11 July 2014	30 June 2013
	£	£	£	£
Trade creditors	495,483	653,398	-	-
Bank loans and overdrafts	-	66,560	-	-
Amounts owed to group undertaking	-	-	5,883,866	4,853,866
Corporation tax	123,000	12,414	-	-
Other taxes and social security	208,023	167,855	-	-
Other creditors	1,170	4,648	-	-
Accruals and deferred income	332,894	164,563	-	-
	<u>1,160,570</u>	<u>1,069,438</u>	<u>5,883,866</u>	<u>4,853,866</u>

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

..... continued

14 Creditors: Amounts falling due after more than one year

	Group		Company	
	11 July 2014 £	30 June 2013 £	11 July 2014 £	30 June 2013 £
Bank loans and overdrafts	-	583,714	-	-

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given:

	Group		Company	
	11 July 2014 £	30 June 2013 £	11 July 2014 £	30 June 2013 £
After more than five years by instalments	-	302,458	-	-

Bank loans and overdrafts were secured by a fixed charge over the assets of the group.

15 Provisions

Group

	Deferred tax £
At 1 July 2013	2,008
Charged to the profit and loss account	19,492
At 11 July 2014	21,500

Analysis of deferred tax

	11 July 2014 £	30 June 2013 £
Difference between accumulated depreciation and amortisation and capital allowances	21,500	3,026
Other timing differences	-	(1,018)
	21,500	2,008

Controls Direct Limited
Notes to the Financial Statements for the Period from 1 July 2013 to 11 July
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16 Share capital

Allotted, called up and fully paid shares

	11 July 2014		30 June 2013	
	No.	£	No.	£
Ordinary shares of £0.01 each	340,000	3,400	340,000	3,400
Preference shares of £1 each	-	-	1,030,000	1,030,000
	<u>340,000</u>	<u>3,400</u>	<u>1,370,000</u>	<u>1,033,400</u>

The preference shareholders have the right to receive notice and attend but not to vote at any general meeting of the company. The preference shares are non-interest bearing. The nature of these shares has been considered in accordance with Financial Reporting Standard 25 "Financial Instruments: Disclosure and presentation" and they are deemed to be equity rather than debt.

On 11 July 2014, the whole of the issued ordinary share capital was sold to TT Electronics plc and the whole of the issued preference shares were repaid at par.

17 Reserves

Group

	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 1 July 2013	214,652	273,021	3,019,048	3,506,721
Profit for the period	-	-	628,078	628,078
Transfer of realised profits	-	(273,021)	273,021	-
At 11 July 2014	<u>214,652</u>	<u>-</u>	<u>3,920,147</u>	<u>4,134,799</u>

Company

	Share premium account £	Profit and loss account £	Total £
At 1 July 2013 and at 11 July 2014	<u>214,652</u>	<u>852,965</u>	<u>1,067,617</u>

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

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18 Reconciliation of movement in shareholders' funds

Group

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Profit/(loss) attributable to the members of the group	628,078	(39,562)
Purchase of own share capital	(1,030,000)	-
Net reduction to shareholders' funds	(401,922)	(39,562)
Shareholders' funds at start of period	4,540,121	4,579,683
Shareholders' funds at end of period	4,138,199	4,540,121

Company

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Purchase of own share capital	(1,030,000)	-
Net reduction to shareholders' funds	(1,030,000)	-
Shareholders' funds at start of period	2,101,017	2,101,017
Shareholders' funds at end of period	1,071,017	2,101,017

19 Pension schemes

Defined contributions pension scheme

The group operates a defined contribution pension scheme and has historically also made payments into an Employer Funded Retirement Benefit Scheme ("EFRBS"). The pension cost charge for the period represents contributions payable by the group to the schemes and amounted to £193,380 (2013 - £850,945).

Contributions totalling £nil (2013 - £7,281) were payable to the schemes at the end of the period and are included in creditors.

20 Contingent liabilities

The group has appointed assets to an Employer Financed Retirement Benefit Scheme. The group is liable for PAYE/NIC that may arise on awards made by the Trustees. The Directors are of the opinion that the Trustees will award most of the benefits in a way that will not result in a PAYE/NIC liability.

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

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21 Commitments

Operating lease commitments

As at 11 July 2014 the group had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	11 July 2014 £	30 June 2013 £
Land and buildings		
Within one year	99,000	-
Within two and five years	-	99,000
Over five years	22,000	22,000
	<u>121,000</u>	<u>121,000</u>
Other		
Within one year	8,775	19,562
Within two and five years	19,712	49,007
	<u>28,487</u>	<u>68,569</u>

22 Reconciliation of operating profit to operating cash flows

	1 July 2013 to 11 July 2014 £	Year ended 30 June 2013 £
Operating profit/(loss)	774,428	(25,723)
Depreciation, amortisation and impairment charges	295,553	285,997
Loss/(profit) on disposal of fixed assets	55,466	(1,817)
Increase in stocks	(2,419)	(4,399)
(Increase)/decrease in debtors	(767,286)	266,932
Increase/(decrease) in creditors	46,546	(99,026)
Net cash inflow from operating activities	<u>402,288</u>	<u>421,964</u>

Controls Direct Limited
Notes to the Financial Statements for the Period from 1 July 2013 to 11 July
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23 Analysis of net debt

	At 1 July 2013 £	Cash flow £	At 11 July 2014 £
Cash at bank and in hand	1,046,361	(648,605)	397,756
Debt due within one year	(66,560)	66,560	-
Debt due after more than one year	(583,714)	583,714	-
Net funds	<u>396,087</u>	<u>1,669</u>	<u>397,756</u>

Controls Direct Limited

Notes to the Financial Statements for the Period from 1 July 2013 to 11 July 2014

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24 Related party transactions

Directors' advances and credits

	1 July 2013 to 11 July 2014 Advance/ Credit £	1 July 2013 to 11 July 2014 Repaid £	Year ended 30 June 2013 Advance/ Credit £	Year ended 30 June 2013 Repaid £
G M Swindell				
Aggregate private expenditure paid by the company in the year	84,088	84,088	236,941	236,941
Advances repayable on demand	273,707	273,707	594,000	594,000
	<u>357,795</u>	<u>357,795</u>	<u>830,941</u>	<u>830,941</u>
M C Graham				
Aggregate private expenditure paid by the company in the year	6,629	6,629	29,014	29,014
Advances repayable on demand	125,000	125,000	198,000	198,000
	<u>131,629</u>	<u>131,629</u>	<u>227,014</u>	<u>227,014</u>

No interest was charged on the directors' advances during the period.

Long leasehold land and buildings owned by the group were sold during the period to the group directors, Messrs Graham and Swindell, at their market value of £800,000.

The company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" from disclosing transactions with other members of the group.

The group leases premises from the Roxspur Measurement and Control Limited Small Self Administered Scheme. During the period the group was charged £20,000 in respect of rent for these premises. At the balance sheet date the amount due to Roxspur Measurement and Control Limited Small Self Administered Scheme was £nil (2013 - £46,667).

Employee Benefit Trust

During the financial year ending 30 June 2010, the group established the Roxspur Measurement and Control Limited Employee Benefit Trust ("the EBT") as part of the group's employee incentive arrangements. The potential beneficiaries of the EBT include the employees and former employees of the group, and their dependants.

At the balance sheet date the group no longer had control of the funds contributed to the EBT and had no right to future economic benefits, therefore, in accordance with UITF 32 the contributions have been treated historically as an expense of the group.

25 Control

The company is controlled by TT Electronics plc a company incorporated in the United Kingdom and registered in England and Wales.