

Bachmann Europe Plc

**Directors' report and consolidated
financial statements**

Registered number 02392907

31 December 2013

Registered number 02392907

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Directors' report

The directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2013

Principal activities

The principal activity of the company is the sale of model railway products to retail outlets

Results for the year

2013 has been another profitable year. The performance is set out on page 2

Directors

The directors who held office during the year, together with their interests in the share capital of the company, were as follows

	Interest at beginning and end of year
Kenneth Ting	-
Ivan Ting	-
Graham Hubbard (as nominee for Kader Holdings Company Limited)	1
Colin Plester	-

Kenneth Ting and Ivan Ting are also directors of the ultimate parent company and their interests in the issued share capital of that company are shown in its directors' report

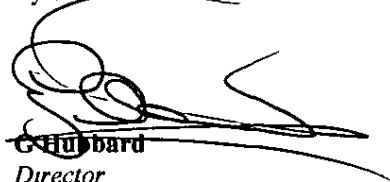
Disclosure of information to auditor

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

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP therefore continues in office

By order of the board



G. Hubbard
Director

Moat Way
Barwell
Leicestershire
LE9 8EY
Dated 3 June 2014

Strategic report

Business review

Bachmann Europe Plc enjoyed success once again by winning many awards from the RM Web, Model Rail and the MRE Magazine competition

Bachmann Germany's Liliput brand has also received two awards for the best new N scale items

We are pleased to report that Bachmann Europe Plc has been crowned overall manufacturer of the year for the sixth year running with over 59% of the public vote. This award relates specifically to our Branchline and Graham Farish products

During the prior year sales and profits were boosted by the success of the iconic Midland Pullman Multiple Unit release. The directors are pleased that the company has continued to generate substantial sales and profitability in the current year despite not having a similar Limited Edition release in 2013. Other brands within the Bachmann Europe portfolio have performed well, including the Woodland Scenics increasing its UK sales by 15% and W Britain by 7%.

Principal risks and uncertainties facing the company

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Future development

The eagerly awaited Branchline E4 and IF locomotives will arrive in the UK accompanied by the Graham Farish Princess Coronation model.

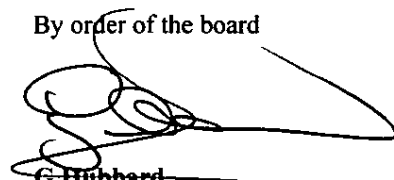
To complement our rolling stock a new upgraded version of the highly successful Dymamis digital control system is under development and is forecast for an autumn release in to the market.

The new Bachmann Collectors Club website has been successfully launched, and early results indicate a positive increase in revenue due to the much improved service to our consumers.

Research and development

Development expenditure is incurred in relation to the design of artwork for models of British and European outlined model trains to enable expansion in the UK and European market.

By order of the board



G. Hubbard
Director

Moat Way
Barwell
Leicestershire
LE9 8EY

Dated 3 June 2014

Statement of directors' responsibilities in respect of the directors' report, the strategic report and the financial statements

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 they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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

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

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

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



Independent auditor's report to the members of Bachmann Europe Plc

We have audited the financial statements of Bachmann Europe Plc for the year ended 31 December 2013 set out on pages 5 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2013 and of the group's profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic and Directors' Reports for the financial year for 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 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.

Mark Flanagan (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
St Nicholas House
Park Row
Nottingham
NG1 6FQ

Dated 3 June 2014

Consolidated profit and loss account
for the year ended 31 December 2013

	<i>Note</i>	2013 £	2012 £
Turnover	2	15,039,375	17,467,710
Cost of sales		(10,909,550)	(12,093,771)
Gross profit		<u>4,129,825</u>	<u>5,373,939</u>
Distribution costs		(269,606)	(322,714)
Administrative expenses		(3,563,110)	(3,654,713)
(Loss)/gain on foreign exchange		(21,063)	54,401
Operating profit	3	<u>276,046</u>	<u>1,450,913</u>
Interest receivable and similar income	6	2,523	2,474
Interest payable and similar charges	7	(18,077)	(32,230)
Profit on ordinary activities before taxation		<u>260,492</u>	<u>1,421,157</u>
Tax on profit on ordinary activities	8	(83,539)	(367,043)
Profit on ordinary activities after taxation	17	<u><u>176,953</u></u>	<u><u>1,054,114</u></u>

The group had no recognised gains or losses other than the profit for the year

The turnover and profit for both years all relate to continuing activities

Consolidated balance sheet
at 31 December 2013

	Note	£	2013	£	£	2012	£
Fixed assets							
Intangible assets	9		250,986			330,986	
Tangible assets	10		1,029,016			1,175,266	
			<u>1,280,002</u>			<u>1,506,252</u>	
Current assets							
Stocks	12	7,903,854		8,943,882			
Debtors	13	2,017,056		1,600,098			
Cash at bank and in hand		2,032,729		2,031,666			
			<u>11,953,639</u>		<u>12,575,646</u>		
Creditors: amounts falling due within one year	14	(2,753,405)		(3,661,744)			
Net current assets			<u>9,200,234</u>			<u>8,913,902</u>	
Total assets less current liabilities			<u>10,480,236</u>			<u>10,420,154</u>	
Creditors: amounts falling due after more than one year	15		(256,408)			(373,279)	
Net assets			<u>10,223,828</u>			<u>10,046,875</u>	
Capital and reserves							
Called up share capital	16		2,050,000			2,050,000	
Profit and loss account	17		8,173,828			7,996,875	
Shareholders' funds			<u>10,223,828</u>			<u>10,046,875</u>	

The notes on pages 10 to 19 form an integral part of the financial statements

These financial statements were approved by the board of directors on 3 June 2014 and were signed on its behalf by

G Hubbard

Director

Registered company number 02392907

Company balance sheet
at 31 December 2013

	Note	£	2013	£	£	2012	£
Fixed assets							
Intangible assets	9		250,986			330,986	
Tangible assets	10		1,029,016			1,175,266	
Investments	11		625,645			625,645	
			<hr/>			<hr/>	
			1,905,647			2,131,897	
Current assets							
Stocks	12	7,903,854		8,943,882			
Debtors	13	2,017,056		1,600,098			
Cash at bank and in hand		2,032,729		2,031,666			
		<hr/>		<hr/>			
			11,953,639		12,575,646		
Creditors, amounts falling due within one year	14	(3,379,050)		(4,287,389)			
		<hr/>		<hr/>			
Net current assets			8,574,589			8,288,257	
			<hr/>			<hr/>	
Total assets less current liabilities			10,480,236			10,420,154	
Creditors, amounts falling due after more than one year	15	(256,408)		(373,279)			
		<hr/>		<hr/>			
Net assets			10,223,828			10,046,875	
			<hr/>			<hr/>	
Capital and reserves							
Called up share capital	16	2,050,000		2,050,000			
Profit and loss account	17	8,173,828		7,996,875			
		<hr/>		<hr/>			
			10,223,828			10,046,875	
			<hr/>			<hr/>	

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These financial statements were approved by the board of directors on 3 June 2014 and were signed on its behalf by

G Hubbard
Director

Registered company number 02392907

Consolidated cash flow statement
for the year ended 31 December 2013

	<i>Note</i>	2013 £	2012 £
Cash flow statement			
Cash flow from operating activities	<i>18</i>	392,463	1,475,974
Returns on investments and servicing of finance	<i>19</i>	(15,554)	(30,656)
Taxation		(235,104)	(430,986)
Capital expenditure and financial investment	<i>19</i>	(23,871)	(513,216)
		<hr/>	<hr/>
Cash inflow before financing		117,934	501,116
Financing	<i>19</i>	(116,871)	(111,221)
		<hr/>	<hr/>
Increase in cash in the year		1,063	389,895
		<hr/>	<hr/>
Reconciliation of net cash flow with movement in net funds			
Increase in cash in the year		1,063	389,895
Cash flow from movement in funds financing		116,871	111,221
		<hr/>	<hr/>
Movement in net cash in the year		117,934	501,116
Net cash at the start of the year		1,538,387	1,037,271
		<hr/>	<hr/>
Net cash at the end of the year	<i>20</i>	1,656,321	1,538,387
		<hr/>	<hr/>

The notes on pages 10 to 19 form an integral part of the financial statements

Reconciliation of movements in shareholders' funds
for the year ended 31 December 2013

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Profit for the financial year	176,953	1,054,114	176,953	1,054,114
Net movement in shareholders' funds	<u>176,953</u>	<u>1,054,114</u>	<u>176,953</u>	<u>1,054,114</u>
Opening shareholders' funds	10,046,875	8,992,761	10,046,875	8,992,761
Closing shareholders' funds	<u>10,223,828</u>	<u>10,046,875</u>	<u>10,223,828</u>	<u>10,046,875</u>

Notes

(forming part of the financial statements)

1 Accounting policies

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

Basis of preparation

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

Going concern

The directors have prepared forecasts for at least twelve months from the date of approval of these financial statements and are satisfied that the group has sufficient financial reserves to enable the financial statements to be prepared on a going concern basis

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31 December 2013. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired, or disposed of, in the year are included in the consolidated profit and loss account, either from the date of acquisition or up to the date of disposal.

Under section 408(4) of the Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account. The profit for the financial year dealt with in the accounts of the holding company is £176,953 (2012: £1,054,114).

Tangible fixed assets and depreciation

Depreciation is provided by the company in order to write off the cost, less the estimated residual value, of tangible fixed assets over their estimated useful economic lives as follows:

Freehold buildings	-	2% on cost
Plant and machinery	-	25% on book value, maximum 8 years
Tooling	-	between 10% and 25% on cost
Fixtures and fittings	-	25% on book value, maximum 8 years
Motor vehicles	-	33 1/3% on cost
Computer equipment	-	20% on cost

No depreciation is provided on freehold land.

Distribution agreements

Payments made for exclusive distribution agreements are capitalised and amortised over the period of the agreement.

Investments

Fixed asset investments are stated at the lower of cost and net realisable value.

Research and development expenditure

Expenditure on research and development is written off against profits in the year in which it is incurred.

Foreign currencies

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

Notes (continued)

1 Accounting policies (continued)

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease

Post retirement benefits

The company contributes to a money purchase defined contribution scheme for a number of its employees. The assets of the scheme are held separately from those of the company in separately administered funds. The pension cost for the year represents contributions paid by the company.

Stock

Stock is valued at the lower of cost and net realisable value based on rates of duty and exchange at the time of importation.

Taxation

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 otherwise required by FRS 19.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

2 Turnover

	2013 £	2012 £
Geographical analysis (by destination)		
United Kingdom	10,934,186	13,550,509
Rest of the world	4,105,189	3,917,201
	<u>15,039,375</u>	<u>17,467,710</u>

3 Operating profit

	2013 £	2012 £
<i>Operating profit is stated after charging/(crediting)</i>		
Depreciation and other amounts written off tangible fixed assets	170,121	198,037
Amortisation of intangible assets	80,000	80,000
Development expenditure	84,566	97,482
Operating lease rentals - equipment	4,368	4,368
- property	30,000	30,000
Profit on disposal of tangible fixed assets	-	(7,403)
Foreign exchange	21,063	(54,401)
Auditor's remuneration		
Audit	17,550	16,750
Other services relating to taxation	6,130	7,020
	<u>17,550</u>	<u>16,750</u>
	<u>6,130</u>	<u>7,020</u>

Notes (continued)

4 Remuneration of directors

	2013 £	2012 £
Directors' emoluments	200,666	196,642
Company contributions to money purchase pension schemes	11,465	11,241
	<u>212,131</u>	<u>207,883</u>

Two of the company's directors are members of money purchase pension schemes (2012 *two*). The highest paid director received emoluments totalling £118,383 (2012 £116,686) and company pension contributions of £11,465 (2012 £6,897) were made to a money purchase scheme on their behalf.

5 Staff numbers and costs

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

	Number of employees 2013	2012
Management and administration	56	52
Development	13	12
	<u>69</u>	<u>64</u>

The aggregate payroll costs of these persons were as follows:

	2013 £	2012 £
Wages and salaries	1,915,985	1,909,138
Social security costs	268,965	260,183
Other pension costs	182,380	181,112
	<u>2,367,330</u>	<u>2,350,433</u>

6 Interest receivable and similar income

	2013 £	2012 £
Bank interest receivable	1,523	1,774
Other income	1,000	700
	<u>2,523</u>	<u>2,474</u>

Notes (continued)

7 Interest payable and similar charges

	2013 £	2012 £
On bank loans and overdrafts	18,077	32,230

8 Taxation

Analysis of charge in year

	2013 £	2012 £
<i>UK corporation tax</i>		
Corporation tax on income for the year	88,714	375,602
Adjustments in respect of prior years	-	849
Total current tax	88,714	376,451
<i>Deferred tax</i>		
Reversal of timing differences	(6,970)	-
Effect of tax change	1,795	(9,408)
Tax on profit on ordinary activities	83,539	367,043

Factors affecting the tax charge for the current year

The current tax charge for the year is higher (2012 higher) than the standard rate of corporation tax in the UK of 23.25% (2012 24.5%). The differences are explained below

	2013 £	2012 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	260,492	1,421,157
Current tax at 23.25% (2012 24.5%)	60,564	348,183
<i>Effects of</i>		
Expenses not deductible for tax purposes	3,384	2,035
Depreciation on ineligible	16,665	14,991
Capital allowances lower than depreciation	6,863	8,264
Adjustments to tax charge in respect of previous years	-	849
Other short term timing differences	1,238	2,129
Total current tax charge (see above)	88,714	376,451

Notes (continued)

9 Intangible fixed assets

Group and company	Distribution agreements £
<i>Cost</i>	
At beginning of year	599,869
Additions	-
	<hr/>
At end of year	599,869
	<hr/>
<i>Accumulated amortisation</i>	
At beginning of year	268,883
Charge for the year	80,000
	<hr/>
At end of year	348,883
	<hr/>
<i>Net book value</i>	
At 31 December 2013	250,986
	<hr/> <hr/>
At 31 December 2012	330,986
	<hr/> <hr/>

10 Tangible fixed assets

Group and company	Freehold land and buildings £	Plant, machinery, computer equipment and tooling £	Fixtures and fittings £	Motor vehicles £	Total £
<i>Cost</i>					
At beginning of year	1,661,651	1,723,834	99,226	273,135	3,757,846
Additions	-	21,994	1,877	-	23,871
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	1,661,651	1,745,828	101,103	273,135	3,781,717
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Accumulated depreciation</i>					
At beginning of year	681,409	1,610,314	92,874	197,983	2,582,580
Charge for year	71,684	40,027	2,498	55,912	170,121
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	753,093	1,650,341	95,372	253,895	2,752,701
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 31 December 2013	908,558	95,487	5,731	19,240	1,029,016
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2012	980,242	113,520	6,352	75,152	1,175,266
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

10 Tangible fixed assets (continued)

The net book value of freehold land and buildings includes the following amount in respect of buildings

	2013 £	2012 £
Cost	1,272,217	1,272,217
Accumulated depreciation	(753,093)	(681,409)
Net book value	<u>519,124</u>	<u>590,808</u>

11 Investments

Company	Investments in subsidiary undertaking £
<i>Cost</i>	
At beginning and end of year	<u>749,938</u>
<i>Provisions</i>	
At beginning and end of year	<u>124,293</u>
<i>Net book value</i>	
At 31 December 2013	<u>625,645</u>
At 31 December 2012	<u>625,645</u>

The company owns the entire share capital of Graham Farish Limited, a company which has wholly owned subsidiary undertakings, being Grafar Limited and Intertrans 148 Limited. All three companies are incorporated and registered in England, and were dormant throughout the year.

12 Stock

Group and company	2013 £	2012 £
Goods for resale	<u>7,903,854</u>	<u>8,943,882</u>

In the directors' opinion, the replacement cost of the stocks is not materially different from the historical cost stated above.

Notes (continued)

13 Debtors

	2013 £	2012 £
Group and company		
Trade debtors	1,835,962	1,388,446
Other debtors	46,875	26,533
Deferred tax asset	18,941	13,766
Prepayments and accrued income	115,278	171,353
	<u>2,017,056</u>	<u>1,600,098</u>

Deferred taxation £

Group and company	
Asset at beginning of year	13,766
Movement for the year	5,175
	<u>18,941</u>
Asset at end of year	<u>18,941</u>

The elements of deferred taxation are as follows

	2013 £	2012 £
Differences between accumulated depreciation and capital allowances	<u>18,941</u>	<u>13,766</u>

14 Creditors: amounts falling due within one year

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Bank loans and overdraft	120,000	120,000	120,000	120,000
Trade creditors	269,596	386,743	269,596	386,743
Amounts owed to group undertakings	1,445,879	1,869,032	2,071,524	2,494,677
Corporation tax	28,713	175,103	28,713	175,103
Other taxation and social security	466,672	705,626	466,672	705,626
Accruals and deferred income	422,545	405,240	422,545	405,240
	<u>2,753,405</u>	<u>3,661,744</u>	<u>3,379,050</u>	<u>4,287,389</u>

The bank loans and overdraft were secured by way of fixed charges over the company's freehold properties and fixed and floating charges over the assets and undertakings of the company

Notes (continued)

15 Creditors: amounts falling due after more than one year

Group and company	2013 £	2012 £
Bank loans	256,408	373,279
Analysis of debt		
	2013 £	2012 £
Amounts payable within one year	120,000	120,000
Amounts payable within one to two years	120,000	120,000
Amounts payable within two to five years	136,408	253,279
	<u>376,408</u>	<u>493,279</u>

16 Called up share capital

	2013 £	2012 £
<i>Allotted, called up and fully paid</i>		
2,050,000 ordinary shares of £1 each	2,050,000	2,050,000

17 Reserves

Group and company	Profit and loss account £
At beginning of year	7,996,875
Profit for the year	176,953
At end of year	<u>8,173,828</u>

18 Reconciliation of operating profit with operating cash flows

	2013 £	2012 £
Operating profit	276,046	1,450,913
Depreciation, amortisation and impairment charges	250,121	278,037
Profit on disposal of fixed assets	-	(7,403)
Decrease/(increase) in stocks	1,040,028	(4,740)
(Increase)/decrease in debtors	(411,783)	474,976
Decrease in creditors	(761,949)	(715,809)
Net cash inflow from operating activities	<u>392,463</u>	<u>1,475,974</u>

Notes (continued)

19 Analysis of cash flows

	2013 £	2012 £
Returns on investment and servicing of finance		
Interest received	2,523	1,574
Interest paid	(18,077)	(32,230)
	<u>(15,554)</u>	<u>(30,656)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(23,871)	(114,817)
Sales proceeds from tangible fixed assets	-	12,587
Purchase of intangible fixed assets	-	(410,986)
	<u>(23,871)</u>	<u>(513,216)</u>
Financing		
Repayment of loan	(116,871)	(111,221)
	<u>(116,871)</u>	<u>(111,221)</u>

20 Analysis of net funds

	Balance at beginning of year £	Cash flow £	Non cash movement £	Balance at end of year £
Cash at bank and in hand	2,031,666	1,063	-	2,032,729
Debt due within one year	(120,000)	116,871	(116,871)	(120,000)
Debt due after one year	(373,279)	-	116,871	(256,408)
	<u>1,538,387</u>	<u>117,934</u>	<u>-</u>	<u>1,656,321</u>

21 Commitments

Group and company

- a) There are no unprovided commitments at 31 December 2013 (2012 none)
- b) Annual commitments under non-cancellable operating leases are as follows

	2013		2012
	Land and buildings £	Other £	Land and buildings £
Operating leases which expire			
Within one year	-	-	-
In the second to fifth years inclusive	30,000	4,368	30,000
	<u>30,000</u>	<u>4,368</u>	<u>30,000</u>
	<u>30,000</u>	<u>4,368</u>	<u>30,000</u>

Notes *(continued)*

22 Parent company

The company is a member of a group, the ultimate parent company of which is Kader Holdings Company Limited, a company incorporated in Bermuda. The consolidated accounts of Kader Holdings Company Limited are available from Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda.

The company is taking advantage of the exemption provided by FRS 8(3) not to disclose related party transactions with other group companies as it is 100% owned by the parent company.