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Brady Technologies Limited

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2020**

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Company No. 02164768

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Company Information

Registered Office: Centennium House
100 Lower Thames Street
London
EC3R 6DL
UK

Board of Directors: Anthony Greatorex
Jason Carley
Michael Comish
Daniel Look
Matthew Peacock
Bernard Delahaye
Andrew Woolley

Auditor: Ernst and Young LLP,
Cambridge Business Park,
Cowley Road, Cambridge,
CB4 0WZ

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Directors' Report

The Directors present their Directors' Report together with the audited financial statements for the year ended 31 December 2020.

Directors

The Directors who served the Company during the year and to the date of this report, except as stated otherwise, were as follows:

Anthony Greatorex

Jason Carley (appointed 24 March 2021)

Michael Comish (appointed 24 March 2021)

Iain Greig (resigned 31 July 2021)

Daniel Look

Matthew Peacock

Andrew Woolley (appointed 24 February 2021)

Nadya Bentley (appointed 27 January 2020, resigned 18 June 2020)

Carmen Carey (appointed 13 March 2017, resigned 31 March 2021)

Jog Dhody (appointed 21 November 2019, resigned 24 March 2021)

Ian Powell (appointed 06 March 2020, resigned 24 March 2021)

Rebecca Roberts (appointed 18 June 2020, resigned 24 February 2021)

Bernard Delahaye (appointed 20 August 2021)

Principal activity

The principal activity of the Company is as a provider of commodities trading and risk management software.

Results and dividends

The Company made a loss £4,762,000 for the year ended 31 December 2020 (2019: £21,287,000). No dividends were declared or paid in the year (2019: £nil).

Future developments

The Company continues to support all its customers through the development and expansion of its products and relationships. It is well placed to deliver the requirements demanded by its customers and the marketplace in which they operate.

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Directors' Report (continued)

Qualifying third party indemnity provisions

The Company has entered into qualifying third party indemnity arrangements for the benefit of the Company and its Directors in a form and scope that comply with the requirements of the Companies Act 2006. The arrangements in place were in force throughout the year and remain in force.

Going concern

The Company made a loss before tax in the year ended 31 December 2020 of £4.8 million and at 31 December 2020 had net current liabilities of £5.7 million. The Directors have reviewed the cash flow forecasts of the Company for the going concern period through to 30 September 2022. The Directors have also considered the current market conditions, trading activity post-year end and the liquid resources available to the Company, and has obtained a letter of support from its ultimate controlling party, Hanover Active Equity Fund II, S.C.A. SICAV-RAIF. The letter of financial support demonstrates that the Company will be provided with the necessary financial support for the foreseeable future, being at least 12 months from the date of approval of the financial statements. In assessing the future cash flows, the Directors have applied sensitivities to the assumptions on new business, new product launch and also to the cost base.

Based on the Directors' assessment of the Company's financial position and of the enquires made of the ultimate controlling party, the Directors have a reasonable expectation that the Company will continue in operational existence and meets its liabilities as they fall due for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing these financial statements.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 101 'Reduced Disclosure Framework'). Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that year. 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;
- state whether applicable UK Accounting Standards has 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.

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Directors' Report (continued)

Statement of Directors' responsibilities (continued)

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

The Directors confirm that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors 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 auditor is aware of that information.

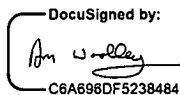
Small company provision

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies, being s414B allowing for exemption in relation to the strategic report and s415A allowing exemption of Principle risks in the Directors' report.

Auditor

Pursuant to Section 485 of the Companies Act 2006, a resolution to appoint Ernst and Young LLP as the auditor will be proposed at the forthcoming Annual General Meeting.

By order of the Board

DocuSigned by:

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Andrew Woolley, Director

17-Sep-2021

Independent Auditor's Report to the Members of Brady Technologies Limited

Opinion

We have audited the financial statements of Brady Technologies Limited for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and the Statement of Changes in Equity and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 30 September 2022.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent Auditor's Report to the Members of Brady Technologies Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 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; or
- the directors were entitled to take advantage of the small companies exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Independent Auditor's Report to the Members of Brady Technologies Limited (continued)

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (UK GAAP), the Companies Act 2006 and the relevant tax compliance regulations in the UK.
- We understood how Brady Technologies Limited is complying with those frameworks by making enquiries of management and those responsible for legal and compliance. We corroborated these enquiries through our review of board meeting minutes. We understood management's entity level controls to understand the company culture of honest and ethical behaviour, including the emphasis on fraud prevention.

Independent Auditor's Report to the Members of Brady Technologies Limited (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur through our discussions with management to understand where there is susceptibility for fraud. We also considered management performance targets and how these could influence any attempts to manage earnings. We also gained an understanding and tested internal controls designed by the group to prevent, deter and detect fraud.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journal entries, with an emphasis placed on manual journal entries recorded to revenue and any other large or unusual transactions to gain reasonable assurance that the financial statements were free from fraud and error. Furthermore, we performed procedures to conclude on the compliance of disclosures made in the annual report and accounts with all applicable requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Ruth Logan (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Cambridge
17 September 2021

BRADY.**Statement of Comprehensive Income**

	Notes	2020 £'000	2019 £'000
Revenue	5	3,300	3,925
Cost of sales		-	-
Gross profit		3,300	3,925
Administrative expenses		(7,992)	(6,021)
Investment impairment charge	20	-	(19,016)
Operating loss	6	(4,692)	(21,112)
Net finance cost	9	(70)	(175)
Loss before tax		(4,762)	(21,287)
Tax on loss on ordinary activities	10	-	-
Total comprehensive loss for the year		(4,762)	(21,287)

All of the activities of the Company in the current and prior year are classed as continuing.

The Company has no recognised gains or losses other than the loss for the current and preceding year as set out above.

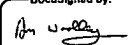
The accompanying accounting policies and notes form part of these financial statements.

BRADY.**Statement of Financial Position**

	Notes	2020 £'000	2019 £'000
Fixed assets			
Intangible assets	11	337	337
Tangible assets	12	12	26
Right of use assets	13	816	1,032
Investments	20	13,173	13,173
		14,338	14,568
Current assets			
Debtors	14	890	2,567
Contract assets	14	58	-
Cash at bank and in hand	15	217	51
		1,165	2,618
Creditors falling due within one year			
Trade and other creditors	16	(5,700)	(2,487)
Contract liabilities	16	(822)	(746)
Lease liabilities	13	(369)	(471)
Net current liabilities		(5,726)	(1,086)
Total assets less current liabilities		8,612	13,482
Creditors falling due after one year			
Lease liabilities	13	(534)	(625)
Provision for liabilities	17	(51)	(68)
Net assets		8,027	12,789
Share capital	18	834	834
Share premium	18	37,283	37,283
Other reserves	19	1,214	1,286
Retained earnings	19	(31,304)	(26,614)
Equity in shareholder funds		8,027	12,789

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

The financial statements were approved by the Board of Directors and authorised for issue on 17 September 2021 and signed on its behalf by:

DocuSigned by:

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 Andrew Woolley, Director

Company Number: 02164768

BRADY.**Statement of Changes in Equity**

	Share capital £'000	Share premium £'000	Other equity £'000	Other reserves £'000	Retained earnings £'000	Total £'000
At 1 January 2019	837	37,283	(3)	1,347	(5,380)	34,084
Total comprehensive loss for the year	-	-	-	-	(21,287)	(21,287)
Release of credit to equity for share-based payments	-	-	-	(8)	-	(8)
Transfer for exercised & forfeited share options	-	-	-	(53)	53	-
Cancellation of treasury shares	(3)	-	3	-	-	-
At 31 December 2019	834	37,283	-	1,286	(26,614)	12,789
Transfer of expired share options	-	-	-	(72)	72	-
Total comprehensive loss for the year	-	-	-	-	(4,762)	(4,762)
At 31 December 2020	834	37,283	-	1,214	(31,304)	8,027

A reconciliation of the components of other reserves is given in note 19.

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Notes to the Financial Statements

1. General information

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office, which is also its principal place of business, is 100 Lower Thames Street, London, EC3R 6DL.

2. Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and in accordance with the Financial Reporting Standard 101 'The Reduced Disclosure Framework' (FRS 101). The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have all been applied consistently throughout the year unless otherwise stated. All amounts in the financial statements and notes have been rounded off to the nearest Pound Sterling, unless otherwise stated.

These financial statements have been authorised for issue and approved by the Directors on 17 September 2021.

Basis of consolidation

The Company has taken advantage of section 400 of the Companies Act 2006 to be exempt from preparing consolidated accounts, as taken with its subsidiary undertakings (see note 18), this Company is consolidated into the Group accounts headed by Brady Acquisition Limited, which are publicly available from Companies House.

These financial statements present information about the Company as an individual undertaking and not about its group.

Going concern

The Company made a loss before tax in the year ended 31 December 2020 of £4.8 million and at 31 December 2020 had net current liabilities of £5.7 million. The Directors have reviewed the cash flow forecasts of the Company for the going concern period through to 30 September 2022. The Directors have also considered the current market conditions, trading activity post-year end and the liquid resources available to the Company, and has obtained a letter of support from its ultimate controlling party, Hanover Active Equity Fund II, S.C.A. SICAV-RAIF. The letter of financial support demonstrates that the Company will be provided with the necessary financial support for the foreseeable future, being at least 12 months from the date of approval of the financial statements. In assessing the future cash flows, the Directors have applied sensitivities to the assumptions on new business, new product launch and also to the cost base.

Based on the Directors' assessment of the Company's financial position and of the enquires made of the ultimate controlling party, the Directors have a reasonable expectation that the Company will continue in operational existence and meets its liabilities as they fall due for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing these financial statements.

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Principal accounting policies (continued)

Revenue recognition

Revenue comprises the value of sales (excluding trade discounts and VAT) of goods and services in the normal course of business. The Company has multiple revenue streams and the policy for each is detailed below. The Company acts as the principal in all sales.

To determine whether to recognise revenue, the Company follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as the performance obligation(s) are satisfied.

Contracts typically contain a number of revenue streams and, depending on the contractual terms, may not be distinct and therefore considered to be one performance obligation. The total contract transaction price is allocated to the various performance obligations based on their relative stand alone selling prices.

Subscription of software, term licences and associated installation services

Revenue from subscription of software is recognised evenly over the period from the date the customer can benefit from using the software, typically the point when the customer has the ability to 'go-live', until the contract end date. Software subscription contracts are under a 'right to access' model and the Group retains control of the intellectual property throughout the contract term.

Revenue from sale of software term licences is recognised at a point in time when the customer has control of the asset, which is typically at the point when the customer has the ability to 'go-live'. Software term licence contracts are under a 'right to use' model and the customer is entitled to the intellectual property as it stands at a point in time.

Due to the nature of the Group's software offerings, there is typically a period of installation before the customer can benefit from the asset. Revenue from installation services is recognised over time where there is a contractual right to payment for services completed to date. Where the contractual right to payment does not exist, revenue for installation services is recognised on completion of the related performance obligations, which is when the customer has the ability to 'go-live' on the installed software.

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Principal accounting policies (continued)

Revenue Recognition (continued)

Consulting and professional service fee revenues

Revenue from consulting and professional service fees is recognised over time as the work is performed as this reflects when control is considered to be transferred. The customer receives and consumes the benefit of the service as it is performed, and the Group has an enforceable right to payment for work completed to date on a time and materials basis.

The Group performs some bespoke development work on its software products at client request. Revenue from bespoke development work is recognised at a point in time when contractual commitments have been delivered, which is when the customer has the ability to 'go-live'.

Support, maintenance and hosting

Revenue from support, maintenance and hosting is recognised evenly over the period to which it relates in line with contractual terms. As the amount of work required under these contract elements does not vary significantly from month-to-month, the straight-line method provides a faithful depiction of the transfer of goods or services.

Contract asset and liabilities

The Company recognises the following contract assets in the Statement of Financial Position:

- Amounts recoverable on contracts, if the Company satisfies a performance obligation before it invoices the customer. The asset is derecognised at the point in time when the Company invoices the customer.
- Contract fulfilment costs, if the costs are not within the scope of another Standard, then the following criteria have to be met
 - The costs directly relate to a contractual performance obligation;
 - The costs relate to satisfaction of a performance obligation in the future; and
 - The costs are expected to be recovered.

The contract fulfilment asset is amortised over the period in which the revenue from the related performance obligation is recognised.

At each reporting date, contract assets are assessed for impairment by comparing the carrying amount of the asset to the remaining consideration that the Company expects to receive under the contract, less future costs to complete.

No contract assets are recognised for incremental costs of obtaining customer contracts as assessment of whether such costs are recoverable is not probable.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as 'contract liabilities' in the Statement of Financial Position. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer)

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Principal accounting policies (continued)

Revenue Recognition (continued)

Financing elements

The Company does not expect to have any contracts where the period between revenue recognition and payment by the customer exceeds one year. Consequently, the Company applies the practical expedient in IFRS 15.63 and does not adjust the transaction price for the time value of money.

Contract modifications

From time to time, there is a change in scope of the original contract between the Company and a customer. All contract modifications are supported by contractual change orders. Change orders are accounted for as a separate contract when:

- The change order includes distinct goods or services; and
- The price changes relative to the stand alone prices of the goods or services.

If both criteria are not met, the change order is not accounted for as a separate contract and the Company accounts for the change order as if it were part of the performance obligations in the existing contract. The effect of the change order on contract value and progress to date is assessed at the contract modification date and a cumulative catch-up adjustment to revenue is recognised at this point.

Employee benefits

Short-term employee benefits

Short term employee benefits, including salaries, bonuses, social security contributions, paid annual leave and paid sick leave, are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employee renders the related service. Liabilities are presented within trade and other payables in the consolidated statement of financial position.

Retirement benefits

The Company operates a defined contribution pension arrangement. The amount charged to the Statement of Comprehensive Income represents the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than twelve months after the reporting date, then they are discounted to their present value.

Interest income and expense

Interest income and expense is included in the Statement of Comprehensive Income on a time basis, using the effective interest method by reference to the principal outstanding.

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Principal accounting policies (continued)

Tax

The tax charge or credit comprises current tax payable and deferred tax:

Current tax

The current tax charge represents an estimate of the amounts payable to tax authorities in respect of the Company's taxable profits and is based on an interpretation of existing tax laws. Taxable profit differs from profit before tax as reported in the Statement of Comprehensive Income because it excludes certain items of income and expense that are taxable or deductible in other years or are never taxable or deductible.

Deferred tax

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the financial statements with the tax base. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided in full. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the reporting date. Deferred tax is recognised as a component of tax expense in the Statement of Comprehensive Income, except where it relates to items charged or credited directly to other comprehensive income or equity when it is recognised in other comprehensive income or equity.

Foreign currencies

The functional and presentational currency of the Company is Sterling.

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated at rates ruling at the period end date. Such exchange differences are included in the income statement within "operating expenses". Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Non-recurring items

Material, non-recurring and incremental costs and income are identified and reported as exceptional items separately from the underlying operating expenses and income in the notes to the financial statements. They comprise material amounts outside of the course of normal trading activities which are one off/non-recurring.

Investments

Investment in the subsidiary is held at cost less accumulated impairment losses. An assessment for impairment is undertaken at least each reporting date and, if required, an impairment loss is recognised in the Statement of Comprehensive Income for the amount by which the asset's carrying amount exceeds its recoverable amount.

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Principal accounting policies (continued)

Intangible assets and amortisation

Goodwill

Goodwill arising on an acquisition of a business is the difference between the fair value of the consideration paid and the net fair value of the assets and liabilities acquired. Goodwill is carried at cost less accumulated impairment losses. Goodwill is derecognised at the point of disposal of a subsidiary or disposal group.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged to the Statement of Comprehensive Income so as to write off the cost or valuation less estimated residual values over their expected useful lives on a straight-line basis over the following periods:

- Leasehold improvements: four years, or period of the lease if shorter
- Computer equipment: three years
- Fixtures, fittings & equipment: five years

Residual values and useful economic lives are assessed annually. The gain or loss on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in operating expenses.

Leased assets

Identification of a lease

For any new contracts entered into on or after 1 January 2019, the Company considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identifiable asset, which is either explicitly identified in the contract or implicitly specified as being identified at the time the asset is made available to the Company;
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights defined within the scope of the contract; and
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Initial measurement

At the lease commencement date, the Company recognises a right-of-use (RoU) asset and a lease liability on the Statement of Financial Position.

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Principal accounting policies (continued)

Leased assets (continued)

The RoU asset is measured at cost, which is made up of:

- the initial measurement of the lease liability;
- any initial direct costs incurred by the Company;
- an estimate of cost to dismantle, restoration costs or cost to remove the asset at the end of the lease; and
- any lease payments made in advance of the lease commencement date, net of any incentives received.

At the lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Company's incremental borrowing rate. To determine the incremental borrowing rate, the Company uses recent third party financing arrangements as a starting point, adjusted to reflect changes in the Company's position since the financing was received and for any lease-specific factors such as term, country, currency or security.

Lease payments included in the measurement of the lease liability are made up of:

- fixed payments (including in-substance fixed);
- variable payments based on an index or rate;
- amounts expected to be paid under a residual guarantee; and
- payments arising from options reasonably certain to be exercised.

Subsequent measurement

The Company depreciates the RoU asset on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the RoU asset or the end of the lease term. The Company also assesses the RoU asset for impairment when indicators exist.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the profit and loss so as to produce a constant periodic rate of interest of the remaining balance of the liability for each period. The lease liability will be reduced for payments made and be increased for finance costs. It is remeasured to reflect any reassessment or modification, or if there are changes to the in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the RoU asset, or profit and loss if the RoU asset is already reduced to zero.

Practical expedients

The Company has elected to account for short-term leases (leases with a term of under 12 months) except for property and leases of low-value assets (leases with initial lease liability of under £5,000) using the practical expedients in IFRS 16. Instead of recognising a RoU asset and a lease liability, the payments in relation to these are recognised as an expense in the profit or loss on a straight line basis over the lease term.

BRADY.

Principal accounting policies (continued)

Impairment of non-financial assets

Assets that have an indefinite useful life – for example intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Trade receivables

Trade receivables are amounts due from customers for products sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method less loss allowance.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which use a lifetime expected credit loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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

BRADY.

Principal accounting policies (continued)

Provisions

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. The nominal value of shares issued is classified as share capital and the amounts paid over the nominal value in respect of share issues, net of related costs, is classified as share premium.

3. Critical accounting judgements and key sources of estimation uncertainty

Preparation of these financial statements in accordance with FRS 101 requires the Directors to make certain accounting judgements and estimates that affect the amounts reported in the financial statements and accompanying notes. The resulting estimates will, by definition, seldom equal the actual result.

The Directors consider the following to be critical accounting judgements or key sources of estimation uncertainty affecting the results of the Company in the current and preceding financial years:

Revenue recognition

Significant management judgement is applied in determining the allocation and timing of the recognition of revenue on contracts. Contracts can include both the sale of licences and provision of services including integration and development. The Directors consider recognition of their separable components of revenue is appropriate based on the analysis of individual contracts, as this indicates the substance of the transaction as viewed by the customer. The point at which performance obligations are completed is dependent on the contractual terms and an analysis is made of each separable component of revenue. In respect of a licence, this would usually be at the point control is passed on to the customer, typically on functional acceptance tests. Client development and other customisation work may be subject to user acceptance tests. Revenue for these services is generally recognised on the basis of work done but where issues of client acceptance are identified, then revenue is deferred until issues are resolved.

Impairment of goodwill and intangible assets

The Group tests goodwill for impairment annually and other intangible assets when an indicator of impairment exists. This requires an estimation of the value in use and the fair value less costs of disposal of the cash-generating units to which the goodwill and intangible assets are allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash

BRADY.

Critical accounting judgements and key sources of estimation uncertainty (continued)

flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

4. Disclosure exemptions

In preparing these financial statements the Company, as a wholly owned subsidiary of Brady Acquisition Limited, has taken advantage of the disclosure exemptions conferred by FRS 101 as follows:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement of paragraphs 10(d), 10(f) 39(c) and 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18(a) of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets.

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5. Revenue

The revenue is attributable to the principal activities of the Company.

An analysis of sales revenues split between external customers and other Group companies is given below:

	2020 £'000	2019 £'000
Revenue to external customers	2,317	2,222
Revenue to other group companies	983	1,703
Total revenues	3,300	3,925

Revenues from three customers of Brady Technologies Ltd contributed more than 10% individually to the company's external revenues and amounted to £1,263,000 (2019: £1,124,000).

An analysis of external sales revenue by activity and time of revenue recognition is given below:

	Recurring support, maintenance and rentals £'000	Services including development £'000	Software licences £'000	Other £'000	Total £'000
Year ended 31 December 2020					
Total revenues	1,965	251	91	10	2,317
Timing of revenue recognition					
At a point in time	-	-	91	10	101
Over time	1,965	251	-	-	2,216

	Recurring support, maintenance and rentals £'000	Services including development £'000	Software licences £'000	Other £'000	Total £'000
Year ended 31 December 2019					
Total revenues	2,133	2	87	-	2,222
Timing of revenue recognition					
At a point in time	-	-	87	-	87
Over time	2,133	2	-	-	2,135

Other revenue comprises management re-charges to other Group companies.

Assets and liabilities related to contracts with customers

The Company has recognised the following assets and liabilities related to contracts with customers:

	2020 £'000	2019 £'000
Current contract assets relating to:		
Services including development	58	-
Current contract liabilities relating to:		
Recurring maintenance, hosting and rentals	822	746

BRADY.

Revenue (continued)

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current year relates to carried-forward contract liabilities:

	2020 £'000	2019 £'000
Revenue recognised that was included in the contract liability at the beginning of the year:		
Advanced billing for recurring revenue	640	562
Completion of contractual obligations in relation to professional services, development and licences	106	5

Assets recognised from costs to fulfil a contract

The Company has not recognised any assets in relation to costs to fulfil a long-term contract at either 31 December 2020 or 2019.

6. Operating loss

The following items have been charged/(credited) to the Statement of Comprehensive Income in arriving at operating loss for the year.

	Notes	2020 £'000	2019 £'000
Depreciation of owned tangible fixed assets	12	14	14
Depreciation of right of use assets	13	426	403
Amortisation of intangible fixed assets		-	(86)
Net foreign exchange losses		85	3
Non-recurring items	7	791	1,416

Auditor's remuneration in respect of audit services for the Company for the current year was £35,000 (2019: £40,000).

BRADY.

7. Non-recurring items

	2020	2019
	£'000	£'000
Functional transformation costs	791	1,416
Non-recurring items charged to operating loss	791	1,416

Functional transformation costs

During 2020, the Company incurred functional transformation costs totalling £791,000 (2019: £1,416,000) relating to restructuring activities.

8. Directors and employees

	2020	2019
	£'000	£'000
Wages and salaries	834	851
Social security costs	56	69
Post-employment benefits, defined contribution pension arrangements	11	21
Share-based payments credit	-	(5)
Total aggregate employee benefits	901	936

The average number of staff employed by the Company (including Executive Directors) during the financial year amounted to:

	2020	2019
	No.	No.
Management	4	6
	4	6

During the year, the Directors of the Company received emoluments of £778,000 (2019: £936,000) directly from the Company. Other Directors, being employees of Brady Trading Limited, received emoluments of £203,000 (2019: £nil).

The highest paid Director received a total salary of £231,000 (2019: £224,000), performance-related payments of £90,000 (2019: £19,000), pension contributions of £nil (2019: £8,000) and other benefits of £1,000 (2019: £1,000).

9. Net finance cost

		2020	2019
	Notes	£'000	£'000
Interest payable to fellow Group undertakings		(20)	(9)
Lease liability interest payable	13	(49)	(84)
Bank interest payable		(1)	25
Investor loans		-	(107)
		(70)	(175)

BRADY.

10. Tax on loss on ordinary activities

Analysis of tax charge in year

	2020	2019
	£'000	£'000
Current tax		
UK corporation tax based on loss for the year at 19% (2019: 19%)	-	-
Tax on loss on ordinary activities	-	-

Factors affecting tax credit

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained as follows:

	2020	2019
	£'000	£'000
Loss on ordinary activities before taxation	(4,762)	(21,287)
Loss on ordinary activities multiplied by standard rate of tax	(905)	(4,045)
Expenses not deductible for tax purposes	96	3,539
Tax losses not recognised	809	506
Tax credit on loss on ordinary activities	-	-

Factors affecting future tax charge

The Company has tax losses of £19.7 million (2019: £15.4 million) that are available for offset against future taxable profits. A deferred tax asset of £3.7 million (2019: £2.9 million) has not been recognised in respect of these losses as future taxable profits are uncertain.

The UK government announced in the 2021 budget (3 March 2021) that corporation tax rate would remain at 19% from 1 April 2021, rising to 25% after 1 April 2023. The increase in corporation tax rate was not substantively enacted at the Statement of Financial Position date. 19% is the rate used to measure deferred taxes at the period-end.

11. Intangible fixed assets

	Purchased goodwill
	£'000
Cost	
At 1 January 2020 and 31 December 2020	337
Net book value	
At 1 January 2020 and 31 December 2020	337
At 31 December 2019	337

The goodwill held by the Company relates to the product Opval, which is part of the Trinity+ cash-generating unit. The carrying value of the goodwill was assessed and no impairment deemed necessary (2019: nil).

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12. Tangible fixed assets

	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At 1 January 2020	16	51	67
Additions	-	-	-
At 31 December 2020	16	51	67
Depreciation			
At 1 January 2020	(16)	(25)	(41)
Charge for year	-	(14)	(14)
At 31 December 2020	(16)	(39)	(55)
Net book value			
At 31 December 2020	-	12	12
At 31 December 2019	-	26	26

13. Right of use assets

The Company has a lease contract for an office and lease contracts for computer equipment and software.

	Property £'000	Computer equipment £'000	Software £'000	Total £'000
Cost				
At 1 January 2020	1,015	367	342	1,724
Additions	210	-	-	210
At 31 December 2020	1,225	367	342	1,934
Depreciation, amortisation and impairment				
At 1 January 2020	(247)	(245)	(200)	(692)
Charge for the year	(190)	(122)	(114)	(426)
At 31 December 2020	(437)	(367)	(314)	(1,118)
Net book value				
At 31 December 2020	788	-	28	816
At 31 December 2019	768	122	142	1,032

Property leases are leases for office space in various locations. Hardware and software leases relate to various assets. The total cash outflow for leases in the period was £192,000.

All additions to the right of use property assets in the period relate to existing lease remeasurements.

BRADY.

Right of use assets (continued)

The Statement of Financial Position includes the following amounts relating to these leases:

	2020	2019
	£'000	£'000
Right of use assets		
Property	788	768
Computer equipment	-	122
Software	28	142
	816	1,032
Lease liabilities		
Current	369	471
Non-current	534	625
	903	1,096

The undiscounted future cash flows associated with the lease liability at 31 December 2020 were as follows:

	2020
	£'000
Within 12 months	400
Between 12 months and 5 years	566
More than 5 years	-
	966

The Comprehensive Income includes following amounts relating to these leases:

	2020	2019
Notes	£'000	£'000
Depreciation charge relating to right of use assets		
Property	189	167
Computer equipment	123	122
Software	114	114
	6	403
Included in other operating costs		
Expense relating to short-term leases	-	-
Expense relating to low-value assets	1	1
Expense relating to variable lease payments not included in lease liabilities	-	-
	1	1
Included in net finance expense		
Interest expense	9	84

BRADY.

14. Debtors

	Note	2020 £'000	2019 £'000
Trade debtors		354	298
Amounts owed by Group undertakings		41	1,908
VAT recoverable		269	144
Other debtors		115	115
Prepayments and accrued income		111	102
Contract assets	5	58	-
		948	2,567

Amounts owed by Group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

All amounts disclosed are short term. The carrying value of trade receivables is considered a reasonable approximation of fair value. Standard credit terms extended to the majority of trade receivables is 30 days.

Due to having effective credit control procedures, the Group is not significantly exposed to the risk of bad debt.

Trade debtors are stated after provisions for impairment of £nil (2019: £nil). The loss allowance as at 31 December 2020 and 31 December 2019 was determined as follows:

31 December 2020	Current	More than 30 days	More than 60 days	More than 90 days	Total
Expected loss rate	0.0%	0.0%	0.0%	0.0%	0.0%
Gross carrying amount - trade debtors £'000	352	-	-	2	354
Gross carrying amount - contract assets £'000	58	-	-	-	58
Loss allowance £'000	-	-	-	-	-

31 December 2019	Current	More than 30 days	More than 60 days	More than 90 days	Total
Expected loss rate	0.0%	0.0%	0.0%	0.0%	0.0%
Gross carrying amount - trade debtors £'000	95	203	-	-	298
Gross carrying amount - contract assets £'000	-	-	-	-	-
Loss allowance £'000	-	-	-	-	-

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15. Cash and cash equivalents

The carrying amount approximates to fair value because of the short-term maturity of these instruments. Cash at bank earns no interest.

	2020 £'000	2019 £'000
Cash and cash equivalents at bank and in hand	217	51
	217	51

16. Trade and other payables

All amounts disclosed are short term. The carrying value of trade payables is considered a reasonable approximation of fair value.

	Notes	2020 £'000	2019 £'000
Trade creditors		298	686
Amounts owed to Group undertakings		4,569	1,309
Taxation and social security		15	34
Contract liabilities	5	822	746
Accruals		818	458
		6,522	3,233

Amounts owed to Group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

Trade payables are unsecured and are usually paid within 30 days of recognition.

17. Provision for liabilities

	Dilapidations £'000	Total £'000
At January 2020	68	68
Amount used during the year	(17)	(17)
At 31 December 2020	51	51

The provision relates to a dilapidations provision on the right of use property asset, which is expected to be utilised when the lease ends in 2024, and therefore is presented as a non-current liability.

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18. Share capital and premium

Allotted, called up and fully paid:

	Number of ordinary shares of £0.01 each	Share capital £'000	Share premium £'000	Total £'000
At 1 January 2019	83,367,887	834	37,283	38,117
Cancellation of treasury shares	(4,306)	-	-	-
At 31 December 2019	83,363,581	834	37,283	38,117
At 1 January and 31 December 2020	83,363,581	834	37,283	38,117

The Company has one class of ordinary shares which carry no right to fixed income. The share capital of Brady Technologies Limited consists only of fully paid ordinary shares with a nominal value of £0.01 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of Brady Technologies Limited.

In the year ended 31 December 2019 the treasury shares were bought back at a premium.

19. Other Reserves

	Merger Reserve £'000	Merger relief reserve £'000	Share-based payments reserve £'000	Capital reserve £'000	Other reserves £'000
Balance at 1 January 2019	680	530	133	4	1,347
Release of credit for equity- settled share-based payments	-	-	(8)	-	(8)
Transfer for exercised & forfeited share options	-	-	(53)	-	(53)
Transaction with owners	-	-	(61)	-	(61)
At 31 December 2019	680	530	72	4	1,286
Transfer for expired share options	-	-	(72)	-	(72)
Transaction with owners	-	-	(72)	-	(72)
At 31 December 2020	680	530	-	4	1,214

Merger reserve

The merger reserve represents the merger reserve set up in relation to the accounting for the acquisition of Colplan Systems Limited in 2004 that was presented under UK GAAP and exempt from reclassification on transition to IFRS.

Merger relief reserve

The merger relief reserve represents the premium on shares issued as part of the acquisition consideration of other companies.

Share-based payment reserve

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Other Reserves (continued)

The share-based payment reserve related to the cumulative charge made in respect of share options granted by the Company to the Group's employees under Capital reserve.

Retained Earnings

Retained earnings are the cumulative profit and loss of the Company, net of any distribution to owners.

20. Investments in subsidiaries

	£'000
Cost	
At 1 January 2019	35,480
Reversal of capital contribution relating to share-based payment credit	(3)
At 31 December 2019 and 31 December 2020	35,477
Accumulated impairment	
At 1 January 2019	3,288
Impairment charge for the year	19,016
At 31 December 2019 and 31 December 2020	22,304
Net book Value	
At 31 December 2019 and 31 December 2020	13,173

Unless otherwise stated, all subsidiaries have equity capital consisting solely of ordinary shares that are wholly owned either directly or indirectly by the Company, and the proportion of ownership interests held equals the voting rights held by the Group.

Impairment review

The carrying value of investments in subsidiaries is assessed annually to determine if there are any indicators of impairment. The Directors have undertaken an impairment review by comparing value in use to the carrying value of the related investment. The recoverable amounts for the CGU were determined based on value-in-use calculations, at a level where there are largely independent cash inflows. It is not possible to determine the fair value less costs of disposal of the CGU as there is no basis for making a reliable estimate of price at which a sale of the CGU would take place between market participants under market conditions and therefore value-in-use is used. In order to calculate value-in-use, management prepares five-year cash flow forecasts, based initially on the latest 2021 and 2022 forecast which is extended for a further 3 years with a terminal value, then applies a pre-tax discount rate to calculate the present value of such cash flows which represents the recoverable amount. No impairment of the investment was indicated.

The Board has considered reasonably possible sensitivities in key assumptions, particularly revenue growth rate and indexation rate, on which the value-in-use (VIU) calculations are based.

Principal assumptions.

The company has applied the following key assumptions in calculating the value-in-use.

- Pre-tax discount rate 15.4%

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Investments in subsidiaries (continued)

- Contractual revenue indexation 2% p.a.
- Annual revenue growth 3.2% p.a.
- Cost growth rate -1% p.a. average over the period
- Growth applied beyond the approved forecast period 5%

Impairment review results

Management ran two sensitivities, reducing indexation rate and revenue growth rate down to 1% and 2% respectively. This indicates a potential impairment of £200,000 in investment in Brady Energy Norway AS. However, as there are no other indicators of impairment, management have not made an impairment charge.

At 31 December 2019, it was identified that there were indicators of impairment as a result of the loss of market value of the Group when it was previously listed on AIM. As a result the Group evaluated the future discounted cash flows for each of the subsidiaries used to derive the related value in use and determined that they were below the carrying value of the related investment, and consequently an impairment charge of £19,016,000 was recognised in the year.

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Investments in subsidiaries (continued)

The Company's subsidiaries at 31 December 2020 and 2019 are set out below:

Subsidiary	Address of the registered office	Place of business/ country of incorporation	Principal activity	Ownership interest held by the group
Held directly by Brady Technologies Limited (formerly Brady plc)				
Brady Trading Limited	First Floor, Victory House, Vision Park, Histon, Cambridge CB24 9ZR	England & Wales	Software & services	100
Brady Energy Norway AS	Dronning Eufemias gt 16 0191 – Oslo Norway	Norway	Software & services	100
Brady Energy AG	Gubelstrasse 11, CH-6300 – Zug Switzerland	Switzerland	Software & services	100
Brady Switzerland SA	18, rue Francois-Perréard, CH 1225-Geneva, Switzerland	Switzerland	Software & services	100
Brady USA, Inc.	700 Louisiana St, Suite 3950, Houston, TX 77002, USA	USA	Software & services	100
Brady Asia Service Company PTE Limited	Level 30, Six Battery Road, Singapore 049909	Singapore	Software & services	100
Commodities Software (UK) Limited	First Floor, Victory House Vision Park, Histon, Cambridge, England, CB24 9ZR	England & Wales	Dormant	100
Brady Credit Limited	Centennium House, 100 Lower Thames Street, London, England, EC3R 6DL	England & Wales	Holding company	100
Held indirectly by Brady Technologies Limited (formerly Brady Plc)				
Brady Energy UK Limited	40 Torphichen Street, Edinburgh, EH3 8JB, Scotland	England & Wales	Software & services	100
Brady Energy Canada, Inc.	251 Consumers Road, 12th Floor, Toronto, ON M2J 4R3, Canada	Canada	Software & services	100
Brady Credit Trading Limited	Centennium House, 100 Lower Thames Street, London, England, EC3R 6DL	England & Wales	Software & services	100
Brady Credit, Inc.	700 Louisiana St, Suite 3950, Houston, TX 77002, USA	USA	Software & services	100
Energy Credit Software Services Private Limited	WeWork Galaxy, 43 Residency Road, Bengaluru 560 025, Karnataka	India	Software & services	100
Brady Credit Holding Limited	Centennium House, 100 Lower Thames Street, London, England, EC3R 6DL	England & Wales	Holding company	100
Coastdata Limited	First Floor, Victory House Vision Park, Histon, Cambridge, CB24 9ZR	England & Wales	Dormant	100
Colplan Systems Limited	First Floor, Victory House Vision Park, Histon, Cambridge, CB24 9ZR	England & Wales	Holding company	100

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21. Related party transactions

The Directors remuneration is disclosed in note 8.

As a wholly owned subsidiary of Brady Acquisition Limited, the Company is exempt from the requirements of FRS 101 to disclose transactions with other members of the group headed by Brady Acquisition Limited on the grounds that the Group accounts are publicly available from Companies House.

22. Controlling party

As at 31 December 2020, the immediate parent undertaking is Brady Acquisition Limited, a company incorporated in England and Wales.

Brady Acquisition (Holding) Limited, a company incorporated in England and Wales, and a wholly owned subsidiary of Hanover Active Equity Fund II, S.C.A. SICAV-RAIF, is the ultimate parent undertaking. The ultimate controlling party became Hanover Active Equity Fund II, S.C.A. SICAV-RAIF, a fund registered in Luxembourg.

The smallest and largest group in which the results of the Company are consolidated for the year ended 31 December 2020 is that headed by Brady Acquisition Limited. Copies of these financial statements may be obtained from Companies House.