



**CAMBRIDGE ELECTRONIC INDUSTRIES LIMITED**

**FILLETED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020**

**CAMBRIDGE ELECTRONIC INDUSTRIES LIMITED**  
**REGISTERED NUMBER: 02106752**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MAY 2020**

	<b>Note</b>	<b>2020</b>		<b>2019</b>
		<b>£</b>		<b>£</b>
<b>Fixed assets</b>				
Intangible Assets	5	<b>13,444</b>		<i>15,588</i>
Tangible assets	6	<b>27,978</b>		<i>35,668</i>
		<u><b>41,422</b></u>		<u><i>51,256</i></u>
<b>Current assets</b>				
Stocks		<b>253,746</b>	<i>291,195</i>	
Debtors: amounts falling due within one year	7	<b>439,040</b>	<i>498,923</i>	
Current asset investments	8	<b>87,003</b>	-	
Cash at bank and in hand	9	<b>911,546</b>	<i>1,043,740</i>	
		<u><b>1,691,335</b></u>	<u><i>1,833,858</i></u>	
Creditors: amounts falling due within one year	10	<b>(321,733)</b>	<i>(331,247)</i>	
<b>Net current assets</b>		<u><b>1,369,602</b></u>		<u><i>1,502,611</i></u>
<b>Total assets less current liabilities</b>		<u><b>1,411,024</b></u>		<u><i>1,553,867</i></u>
<b>Provisions for liabilities</b>				
Deferred tax	11	<b>(5,383)</b>	<i>(6,222)</i>	
		<u><b>(5,383)</b></u>	<u><i>(6,222)</i></u>	
<b>Net assets</b>		<u><b>1,405,641</b></u>		<u><i>1,547,645</i></u>
<b>Capital and reserves</b>				
Called up share capital		<b>1,000</b>	<i>1,000</i>	
Profit and loss account		<b>1,404,641</b>	<i>1,546,645</i>	
		<u><b>1,405,641</b></u>	<u><i>1,547,645</i></u>	

---

**CAMBRIDGE ELECTRONIC INDUSTRIES LIMITED**  
**REGISTERED NUMBER: 02106752**

---

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MAY 2020**

---

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**Mr M J Cosham**  
Director

**Mrs C D Bazlinton**  
Director

Date: 11 December 2020

The notes on pages 3 to 12 form part of these financial statements.

---

**CAMBRIDGE ELECTRONIC INDUSTRIES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020**

---

**1. General information**

Cambridge Electronic Industries Limited is a private limited company registered in the United Kingdom.

Registered office:  
Unit 4  
Denny Industrial Centre  
Pembroke Avenue  
Waterbeach  
CB25 9QR

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### **2.3 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020**

---

**2. Accounting policies (continued)**

**2.4 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**2.5 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

**2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.7 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020

---

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that: Page 4

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.



**2. Accounting policies (continued)****2.11 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 3 - 5 years
Office equipment	- 3 - 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.12 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.13 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.14 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Deposits with notice periods greater than three months are classified as current asset investments.

**2.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## 2. Accounting policies (continued)

### 2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

### 2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

### 2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## 3. Employees

The average monthly number of employees, including directors, during the year was 30 (2019 - 31).

## 4. Exceptional items

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
Foreign currency fluctuations	<b>11,472</b>	<i>(54,470)</i>
	<b><u>11,472</u></b>	<i><u>(54,470)</u></i>

---

CAMBRIDGE ELECTRONIC INDUSTRIES LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020

---

5. Intangible assets

	Computer software £
<b>Cost</b>	
Prior Year Adjustment	<u>32,481</u>
At 1 June 2019 (as restated)	32,481
Additions	7,446
Disposals	(3,643)
At 31 May 2020	<u>36,284</u>
<b>Amortisation</b>	
Prior Year Adjustment	<u>16,893</u>
At 1 June 2019 (as restated)	16,893
Charge for the year on owned assets	9,590
On disposals	(3,643)
At 31 May 2020	<u>22,840</u>
<b>Net book value</b>	
At 31 May 2020	<u>13,444</u>
<b>At 31 May 2019 (as restated)</b>	<u>15,588</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020**

**6. Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 June 2019 (as previously stated)	112,526	-	54,594	167,120
Prior Year Adjustment	-	-	(32,481)	(32,481)
At 1 June 2019 (as restated)	112,526	-	22,113	134,639
Additions	2,000	1,190	4,392	7,582
Disposals	(20,600)	-	(1,220)	(21,820)
At 31 May 2020	93,926	1,190	25,285	120,401
<b>Depreciation</b>				
At 1 June 2019 (as previously stated)	86,728	-	29,136	115,864
Prior Year Adjustment	-	-	(16,893)	(16,893)
At 1 June 2019 (as restated)	86,728	-	12,243	98,971
Charge for the year on owned assets	9,847	119	4,797	14,763
Disposals	(20,600)	-	(711)	(21,311)
At 31 May 2020	75,975	119	16,329	92,423
<b>Net book value</b>				
At 31 May 2020	17,951	1,071	8,956	27,978
<i>At 31 May 2019 (as restated)</i>	<i>25,798</i>	<i>-</i>	<i>9,870</i>	<i>35,668</i>

**7. Debtors**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Trade debtors	<b>401,044</b>	<i>446,588</i>
Amounts owed by group undertakings	<b>-</b>	<i>28,287</i>
Other debtors	<b>339</b>	<i>4,248</i>
Prepayments and accrued income	<b>37,657</b>	<i>21,820</i>
	<b><u>439,040</u></b>	<i><u>498,923</u></i>

**8. Current asset investments**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Cash term deposits	<b>87,003</b>	<i>-</i>
	<b><u>87,003</u></b>	<i><u>-</u></i>

**9. Cash and cash equivalents**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Cash at bank and in hand	<b>911,546</b>	<i>1,043,740</i>
	<b><u>911,546</u></b>	<i><u>1,043,740</u></i>

**10. Creditors: Amounts falling due within one year**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Trade creditors	<b>137,706</b>	<i>154,953</i>
Amounts owed to group undertakings	<b>1,002</b>	<i>1,002</i>
Taxation and social security	<b>75,819</b>	<i>87,809</i>
Other creditors	<b>6,852</b>	<i>3,980</i>
Accruals and deferred income	<b>100,354</b>	<i>83,503</i>
	<b><u>321,733</u></b>	<i><u>331,247</u></i>

---

**CAMBRIDGE ELECTRONIC INDUSTRIES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020**

---

**11. Deferred taxation**

	<b>2020</b>
	<b>£</b>
At beginning of year	<b>(6,222)</b>
Charged to profit or loss	<b>839</b>
<b>At end of year</b>	<b><u>(5,383)</u></b>

The provision for deferred taxation is made up as follows:

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Accelerated capital allowances	<b>(5,383)</b>	<i>(6,222)</i>
	<b><u>(5,383)</u></b>	<i><u>(6,222)</u></i>

**12. Financial commitments**

The company had financial commitments of £250,871 (2019 - £499,757) for unfulfilled purchase orders and £182,000 (2019 - £210,000) for operating lease obligations at the balance sheet date.

**13. Controlling party**

The company's immediate parent undertaking is Cambridge Connectors Limited, a company incorporated in England and Wales with registered number 01693589 and who shares a registered office with the company.  
The company's ultimate parent undertaking is Wilson-Mottaz Limited a company incorporated in England and Wales with registered number 01464977 whose registered office is 290 Milton Road, Cambridge, CB4 1LH.  
The company's ultimate controlling party is Mrs A. S. Wilson by virtue of her holding a majority of the voting shares in Wilson-Mottaz Limited.





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020**

---

**14. Restatement of comparatives**

Balance sheet:

Software with a net book value of £15,588 at 31 May 2019 has been reclassified from tangible fixed assets to intangible fixed assets to more accurately reflect its nature.

Statement of income and retained earnings:

The company has adopted a new enterprise resource planning system from 1 June 2019. This has led to a proportion of premises costs that were previously in administration expenses to be absorbed into stock valuation and hence into cost of sales. Certain equipment costs are now also treated as cost of sales. In order to make the comparatives a fair comparison, certain costs for the year ended 31 May 2019 have been reanalysed. The net effect of these adjustments has been to increase cost of sales by £47,280 in the comparative year and to reduce administrative expenses by the same amount. There is no change to overall profit.

**15. Effect of Covid-19**

The company has continued to operate throughout the Covid-19 crisis and expects to continue to do so. Total government support receivable towards the cost of staff furloughed under the Coronavirus Job Retention Scheme totalled £1,615 (2019 - Nil) which has been included under other operating income.