

Prism Electronics Limited

Filleted Accounts

30 September 2021

PRISM ELECTRONICS LIMITED

Registered number: 02562215

**Balance Sheet**

as at 30 September 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	3	321,594	180,748
<b>Current assets</b>			
Stocks		661,261	483,829
Debtors	4	2,613,205	503,846
Cash at bank and in hand		182,210	624,734
		<u>3,456,676</u>	<u>1,612,409</u>
<b>Creditors: amounts falling due within one year</b>	5	(1,340,071)	(540,648)
<b>Net current assets</b>		<u>2,116,605</u>	<u>1,071,761</u>
<b>Total assets less current liabilities</b>		<u>2,438,199</u>	<u>1,252,509</u>
<b>Creditors: amounts falling due after more than one year</b>	6	(1,006,887)	-
<b>Provisions for liabilities</b>		(56,246)	(25,491)
<b>Net assets</b>		<u><u>1,375,066</u></u>	<u><u>1,227,018</u></u>
<b>Capital and reserves</b>			
Called up share capital		21,000	21,000
Share premium		8,037	8,037
Capital redemption reserve	8	500	500
Profit and loss account		1,345,529	1,197,481
<b>Shareholders' funds</b>		<u><u>1,375,066</u></u>	<u><u>1,227,018</u></u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Richard Vyse

Approved by the board on 11 January 2022

## Notes to the Accounts

### for the year ended 30 September 2021

#### 1 Accounting policies

##### ***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

##### ***Turnover***

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### ***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Leasehold land and buildings	over the period of the lease
Plant and machinery, etc.	25% to 33% reducing balance

##### ***Stocks***

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

In respect of work in progress and finished goods, costs include a relevant proportion of overheads according to the stage of manufacturing/completion.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

##### ***Financial instruments***

Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, then there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Taxation***

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

***Employee benefits***

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination

**Foreign currency translation**

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

**Leased assets**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

**Pensions**

Contributions to defined contribution plans are expensed in the period to which they relate.

<b>2 Employees</b>	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Average number of persons employed by the company	<u>36</u>	<u>34</u>

<b>3 Tangible fixed assets</b>		<b>Plant and machinery etc</b>	<b>Total</b>
	<b>Land and buildings</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 October 2020	19,480	1,180,768	1,200,248
Additions	-	239,782	239,782
Disposals	(828)	(196,814)	(197,642)
At 30 September 2021	<u>18,652</u>	<u>1,223,736</u>	<u>1,242,388</u>
<b>Depreciation</b>			
At 1 October 2020	13,381	1,006,119	1,019,500
Charge for the year	2,001	92,133	94,134
On disposals	(828)	(192,012)	(192,840)
At 30 September 2021	<u>14,554</u>	<u>906,240</u>	<u>920,794</u>
<b>Net book value</b>			
At 30 September 2021	<u>4,098</u>	<u>317,496</u>	<u>321,594</u>
At 30 September 2020	6,099	174,649	180,748

<b>4 Debtors</b>	<b>2021</b>	<b>2020</b>
	£	£
Trade debtors	564,208	476,154
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,012,027	-
Other debtors	36,970	27,692
	<u>2,613,205</u>	<u>503,846</u>

<b>5 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	£	£
Bank and other loans	435,500	-
Obligations under finance lease and hire purchase contracts	36,645	-
Trade creditors	525,692	389,772
Taxation and social security costs	131,756	80,447
Other creditors	210,478	70,429
	<u>1,340,071</u>	<u>540,648</u>

<b>6 Creditors: amounts falling due after one year</b>	<b>2021</b>	<b>2020</b>
	£	£
Bank loans	868,000	-
Obligations under finance lease and hire purchase contracts	138,887	-
	<u>1,006,887</u>	<u>-</u>

<b>7 Loans</b>	<b>2021</b>	<b>2020</b>
	£	£
Creditors include:		
Secured bank loans	<u>1,050,000</u>	<u>-</u>

The bank loan is secured by a fixed charge and a floating charge over all assets of the company.

<b>8 Capital redemption reserve</b>	<b>2021</b>	<b>2020</b>
	£	£
At 1 October 2020	500	500
At 30 September 2021	<u>500</u>	<u>500</u>

<b>9 Other financial commitments</b>	<b>2021</b>	<b>2020</b>
	£	£

cancellable operating leases	<u>32,890</u>	<u>17,940</u>
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## 10 Controlling party

The company is wholly owned by FCG Investment 1 Limited, of 7 Bell Yard, London WC2A 2JR.

## 11 Other information

Prism Electronics Limited is a private company limited by shares and incorporated in England. Its registered office is:

30 Burrel Road  
Burrel Road Industrial Estate  
St Ives  
Cambridgeshire  
PE27 3NF