

Electronic Terminations Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 July 2020

Electronic Terminations Limited

Contents

Balance Sheet	<u>1</u>
Notes to the Unaudited Financial Statements	<u>2</u> to <u>5</u>

Electronic Terminations Limited

(Registration number: 01309058)

Balance Sheet as at 31 July 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	36,681	45,116
Current assets			
Stocks	<u>5</u>	88,278	59,863
Debtors	<u>6</u>	303,231	306,761
Cash at bank and in hand		551,778	392,173
		<u>943,287</u>	<u>758,797</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(463,576)</u>	<u>(330,300)</u>
Net current assets		<u>479,711</u>	<u>428,497</u>
Total assets less current liabilities		516,392	473,613
Provisions for liabilities		<u>(6,969)</u>	<u>(8,572)</u>
Net assets		<u><u>509,423</u></u>	<u><u>465,041</u></u>
Capital and reserves			
Called up share capital		137	137
Share premium reserve		19,973	19,973
Profit and loss account		<u>489,313</u>	<u>444,931</u>
Shareholders' funds		<u><u>509,423</u></u>	<u><u>465,041</u></u>

For the financial year ending 31 July 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 30 April 2021 and signed on its behalf by:

B R Emerson
Director

Electronic Terminations Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2020

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

High Street
Wickham Market
Woodbridge
Suffolk
IP13 0RF

These financial statements were authorised for issue by the Board on 30 April 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

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

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 taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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.

Electronic Terminations Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2020

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	10% straight line per annum
Fixtures and fittings	25% reducing balance per annum
Plant and machinery	25% reducing balance per annum
Motor vehicles	25% reducing balance per annum
Computer equipment	25% reducing balance per annum

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Electronic Terminations Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2020

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 7 (2019 - 7).

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 August 2019	56,623	77,908	51,250	62,804	248,585
Additions	-	3,791	-	-	3,791
At 31 July 2020	56,623	81,699	51,250	62,804	252,376
Depreciation					
At 1 August 2019	56,622	70,473	25,820	50,554	203,469
Charge for the year	-	2,806	6,360	3,060	12,226
At 31 July 2020	56,622	73,279	32,180	53,614	215,695
Carrying amount					
At 31 July 2020	1	8,420	19,070	9,190	36,681
At 31 July 2019	1	7,435	25,430	12,250	45,116

Electronic Terminations Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2020

5 Stocks

	2020 £	2019 £
Other inventories	88,278	59,863

6 Debtors

	2020 £	2019 £
Trade debtors	74,424	77,803
Amounts owed by associates	209,000	200,000
Other debtors	19,807	28,958
	303,231	306,761

7 Creditors

Creditors: amounts falling due within one year

	2020 £	2019 £
Due within one year		
Trade creditors	50,388	67,432
Amounts owed to group undertakings	321,881	185,881
Taxation and social security	47,247	34,934
Accruals and deferred income	34,922	32,921
Other creditors	9,138	9,132
	463,576	330,300

8 Parent and ultimate parent undertaking

The company's immediate parent is Electronic Terminations UK Ltd, incorporated in England & Wales.
The ultimate controlling party is B R Emerson.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.