

---

**BOURNS ELECTRONICS LIMITED**

---

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**



---

**BOURNS ELECTRONICS LIMITED**

---

**COMPANY INFORMATION**

---

**Directors**

L. Erik G. Meijer  
Gordon L Bourns

**Company secretary**

Ana Laura Rojo De La Vega Reyes

**Registered number**

00860907

**Registered office**

Manton Lane  
Bedford  
Bedfordshire  
MK41 7BJ

**Independent auditor**

Grant Thornton UK LLP  
Chartered Accountants & Statutory Auditor  
Victoria House  
199 Avebury Boulevard  
Milton Keynes  
MK9 1AU

**Bankers**

Royal Bank of Scotland  
Unit 9 Bay Centre  
Regents Way  
Dalgety Bay  
Fife  
KY11 5YD

**Solicitors**

Dundas & Wilson CS LLP  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EN

---

**BOURNS ELECTRONICS LIMITED**

---

**CONTENTS**

---

	Page
<b>Directors' Report</b>	1 - 2
<b>Independent Auditor's Report</b>	3 - 6
<b>Statement of Comprehensive Income</b>	7
<b>Balance Sheet</b>	8
<b>Notes to the Financial Statements</b>	9 - 18

---

**BOURNS ELECTRONICS LIMITED**

---

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

The directors present their report and the financial statements for the year ended 31 December 2019.

**Principal activity**

The principal activity of the company is an agent for the distribution of passive electronic components.

**Results and dividends**

The profit for the year, after taxation, amounted to £23,994 (2018 - £29,755).

The directors do not recommend the payment of a dividend.

**Future developments**

The directors do not anticipate any significant change to the company's business in the near future.

**Post balance sheet events**

Since 31 December 2019, the Covid-19 pandemic has severely impacted many local economies around the globe. The company has determined that this event is a non-adjusting post balance sheet event. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact. The company is unable to make a reasonable estimate of the financial impact of the non-adjusting event.

**Going concern**

In preparing these financial statements, the directors have assessed the ability of the company to continue to operate for the period of at least twelve months from the date of signing the financial statements.

In December 2019 the Covid-19 virus broke out in China and reached Northern European countries in the second half of February 2020 with a pandemic impact on people's health, daily life and businesses. As in many other countries worldwide, the UK government implemented during March 2020 measures to limit further spreading of the virus as much as possible.

In response to the Covid-19 pandemic, group management undertook a risk assessment and forecasting exercise to assess the group and parent company's liquidity position. The assessment included performing cashflow sensitivity analysis focusing on sales and costs levels. In addition, reverse stress testing was performed to assess the levels of performance where cash availability would breach. The results of this sensitivity analysis demonstrated that there was sufficient cash availability.

The impact of Covid-19 on the group and parent company has been in relation to its supply chain which has been challenged, this has had a detrimental effect on committed delivery schedules and planned freight costs. By the end of October cumulative revenue and profit before tax for the year was in-line with the prior year.

The company is a trading subsidiary of the group headed up by the immediate parent undertaking and has net current assets as at 31 December 2019. Based on the results of the group's going concern procedures and additional considerations undertaken by the company, the directors believe that preparing the financial statements on a going concern basis is appropriate.

**Directors**

The directors who served during the year were:

L. Erik G. Meijer  
Gordon L Bourns

---

**BOURNS ELECTRONICS LIMITED**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**Directors' responsibilities statement**

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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that period. 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

**Disclosure of information to auditor**

The directors confirm that:

- so far as each director is 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.

**Auditor**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 16/12/2020

and signed on its behalf.

*L. Erik G. Meijer*

**L. Erik G. Meijer**  
Director



---

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOURNS ELECTRONICS LIMITED

---

### Opinion

We have audited the financial statements of Bourns Electronics Limited (the 'company') for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet and notes to the financial statements, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit 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.

### The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOURNS ELECTRONICS LIMITED  
(CONTINUED)**

---

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business model, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOURNS ELECTRONICS LIMITED  
(CONTINUED)**

---

**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.

**Matter on which we are required to report under the Companies Act 2006**

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.

**Matters on which we are required to report by exception**

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 not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.

**Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOURNS ELECTRONICS LIMITED  
(CONTINUED)**

---

**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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

*Grant Thornton UK LLP*

Tim Broadway  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Milton Keynes  
Date: 16/12/2020

---

**BOURNS ELECTRONICS LIMITED**


---

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**


---

	Note	2019 £	2018 £
Turnover		384,291	442,965
<b>Gross profit</b>		<b>384,291</b>	<b>442,965</b>
Administrative expenses		(356,222)	(404,158)
<b>Operating profit</b>	4	<b>28,069</b>	<b>38,807</b>
Tax on profit	7	(4,075)	(9,052)
<b>Profit for the financial year</b>		<b>23,994</b>	<b>29,755</b>

There were no recognised gains and losses for 2019 or 2018 other than those included in the Statement of Comprehensive Income.

There was no other comprehensive income for 2019 (2018: £Nil).

The notes on pages 9 to 18 form part of these financial statements.

**BOURNS ELECTRONICS LIMITED**  
**REGISTERED NUMBER:00860907**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	8	10,050	22,072
		<u>10,050</u>	<u>22,072</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	77,569	83,088
Cash at bank and in hand		213,736	169,835
		<u>291,305</u>	<u>252,923</u>
Creditors: amounts falling due within one year	10	(43,135)	(40,769)
<b>Net current assets</b>		<u>248,170</u>	<u>212,154</u>
<b>Total assets less current liabilities</b>		<u>258,220</u>	<u>234,226</u>
<b>Net assets</b>		<u>258,220</u>	<u>234,226</u>
<b>Capital and reserves</b>			
Share capital	11	25,000	25,000
Profit and loss account		233,220	209,226
		<u>258,220</u>	<u>234,226</u>

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 were approved and authorised for issue by the board and were signed on its behalf on 16/12/2020

*L. Erik G. Meijer*

**L. Erik G. Meijer**  
 Director

The notes on pages 9 to 18 form part of these financial statements.

---

**BOURNS ELECTRONICS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**1. General information**

Bourns Electronics Limited is a private company limited by shares & incorporated in England and Wales, registration number 00860907, with its registered office at:

Manton Lane  
BEDFORD  
MK41 7BJ

The principal activity of the company is as agent for the distribution of passive electronic components.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, 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 Going concern**

In preparing these financial statements, the directors have assessed the ability of the company to continue to operate for the period of at least twelve months from the date of signing the financial statements.

In December 2019 the Covid-19 virus broke out in China and reached Northern European countries in the second half of February 2020 with a pandemic impact on people's health, daily life and businesses. As in many other countries worldwide, the UK government implemented during March 2020 measures to limit further spreading of the virus as much as possible.

In response to the Covid-19 pandemic, group management undertook a risk assessment and forecasting exercise to assess the group and parent company's liquidity position. The assessment included performing cashflow sensitivity analysis focusing on sales and costs levels. In addition, reverse stress testing was performed to assess the levels of performance where cash availability would breach. The results of this sensitivity analysis demonstrated that there was sufficient cash availability.

The impact of Covid-19 on the group and parent company has been in relation to its supply chain which has been challenged, this has had a detrimental effect on committed delivery schedules and planned freight costs. By the end of October cumulative revenue and profit before tax for the year was in-line with the prior year.

The company is a trading subsidiary of the group headed up by the immediate parent undertaking and has net current assets as at 31 December 2019. Based on the results of the group's going concern procedures and additional considerations undertaken by the company, the directors believe that preparing the financial statements on a going concern basis is appropriate.

---

**BOURNS ELECTRONICS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)****2.3 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.

Sales of goods are recognised on sale to the customer, which is considered to be the point of delivery. At the point of delivery an invoice is raised and the revenue recognised.

**2.4 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:

Motor vehicles	-	25% straight line
----------------	---	-------------------

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 the Statement of Comprehensive Income.

**2.5 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.

---

**BOURNS ELECTRONICS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)****2.6 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.

**2.7 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

**2.8 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.

---

**BOURNS ELECTRONICS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)****2.9 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2.10 Foreign currency translation****Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

**2.11 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 the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

**2.12 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

---

**BOURNS ELECTRONICS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**2. Accounting policies (continued)**

**2.13 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 balance sheet 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 Balance Sheet date, except that:

- 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 balance sheet date.

Deferred tax is measured on a non-discounted basis.

**2.14 Related party transactions**

The company discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the financial statements.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The directors do not believe that there are any key judgements in the preparation of these financial statements (and related areas of estimation uncertainty).

**4. Operating profit**

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation of tangible fixed assets	12,022	19,418
Exchange differences	428	823
	428	823

---

**BOURNS ELECTRONICS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**5. Auditor's remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<b>6,600</b>	<b>6,400</b>
Other services relating to taxation	<b>2,500</b>	<b>2,500</b>

**6. Employees**

The average monthly number of employees, including directors, during the year was 3 (2018 - 3).

The directors did not receive any remuneration (2018: £Nil) as their services to the company were merely incidental to their services to other group companies.

---

**BOURNS ELECTRONICS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**7. Tax on profit**

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	6,212	10,673
Adjustments in respect of previous periods	(1,351)	122
<b>Total current tax</b>	<b>4,861</b>	<b>10,795</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(786)	(1,743)
<b>Total deferred tax</b>	<b>(786)</b>	<b>(1,743)</b>
<b>Tax on profit</b>	<b>4,075</b>	<b>9,052</b>

**Factors that may affect future tax charges**

The tax assessed for the year is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit before tax	<b>28,069</b>	<b>38,807</b>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	5,333	7,373
<b>Effects of:</b>		
Expenses not deductible for tax purposes	-	1,351
Adjustments to tax charge in respect of prior periods	(1,351)	123
Change in tax rate	93	205
<b>Total tax charge for the year</b>	<b>4,075</b>	<b>9,052</b>

---

**BOURNS ELECTRONICS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**7. Tax on profit (continued)**

**Factors that may affect future tax charges**

The closing deferred tax assets and liabilities have been calculated at 17%, being the substantively enacted rate as at the balance sheet date, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

However, the UK government announced, in their budget held on 11 March 2020, that the corporation tax rate applicable from 1 April 2020 is now to remain at 19%. This change was substantively enacted on 17 March 2020. This change in the corporation tax rate should not have a material future effect on the deferred tax balances recognised in these financial statements.

**8. Tangible assets**

	<b>Motor vehicles £</b>
<b>Cost</b>	
At 1 January 2019	78,082
At 31 December 2019	78,082
<b>Depreciation</b>	
At 1 January 2019	56,010
Charge for the year	12,022
At 31 December 2019	68,032
<b>Net book value</b>	
At 31 December 2019	10,050
At 31 December 2018	22,072

---

**BOURNS ELECTRONICS LIMITED**


---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**


---

**9. Debtors: amounts falling due within one year**

	2019 £	2018 £
Amounts owed by group undertakings	68,830	70,077
Other debtors	546	6,478
Prepayments and accrued income	2,113	1,239
Deferred taxation	6,080	5,294
	<u>77,569</u>	<u>83,088</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

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

	2019 £	2018 £
Bank overdrafts	-	34
Trade creditors	2,953	1,578
Amounts owed to group undertakings	29,351	18,911
Corporation tax	-	10,673
Other taxation and social security	2,429	-
Accruals and deferred income	8,402	9,573
	<u>43,135</u>	<u>40,769</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

---

**BOURNS ELECTRONICS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**11. Share capital**

	2019	2018
	£	£
<b>Authorised, allotted, called up and fully paid</b>		
25,000 (2018 - 25,000) Ordinary shares of £1 each	<b>25,000</b>	<b>25,000</b>
	<u>          </u>	<u>          </u>

There is a single class of ordinary shares. The ordinary shares hold full voting, dividend and capital distribution rights.

**12. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £25,194 (2018: £30,708). Contributions totalling £Nil (2018: £Nil) were payable to the fund at the Balance Sheet date and are included in creditors.

**13. Post balance sheet events**

Since 31 December 2019, the Covid-19 pandemic has severely impacted many local economies around the globe. The company has determined that this event is a non-adjusting post balance sheet event. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact. The company is unable to make a reasonable estimate of the financial impact of the non-adjusting event.

**14. Related party transactions**

The company has taken advantage of the exemptions in FRS 102 and has not disclosed transactions with other members of the group headed by Bourns (UK) Acquisition Limited.

**15. Controlling party**

The ultimate parent undertaking of this company is Bourns (UK) Acquisition Limited by virtue of its 100% ownership of the share capital of this company. The ultimate parent undertaking of this company is Bourns, Inc., incorporated in the state of California, USA.

There is no overall controlling party.

The smallest group in which the results of the company are consolidated is Bourns (UK) Acquisition Limited. The consolidated accounts for Bourns (UK) Acquisition Limited are available from the Registrar of Companies, Companies House, Cardiff, CF14 3UZ.

The largest group in which the results are consolidated is Bourns, Inc. Copies of the consolidated financial statements of Bourns, Inc, are not generally available to the public.