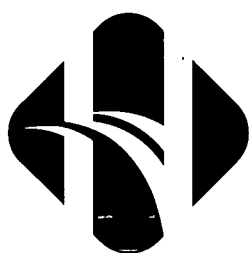
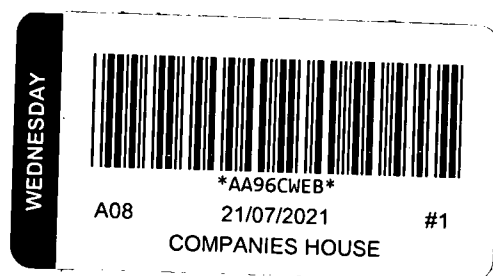


Registration number: 01536810

Cloud Electronics Limited

Unaudited Financial Statements
for the Year Ended 31 December 2020



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Cloud Electronics Limited

(Registration number: 01536810)

Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	3	496,336	502,892
Current assets			
Stocks		1,773,006	1,942,022
Debtors	4	2,618,035	2,877,868
Cash at bank and in hand		1,193,884	663,355
		<u>5,584,925</u>	<u>5,483,245</u>
Creditors: Amounts falling due within one year	5	<u>(244,113)</u>	<u>(365,218)</u>
Net current assets		<u>5,340,812</u>	<u>5,118,027</u>
Total assets less current liabilities		5,837,148	5,620,919
Creditors: Amounts falling due after more than one year	5	(186,089)	(150,735)
Provisions for liabilities		<u>(34,000)</u>	<u>(34,000)</u>
Net assets		<u>5,617,059</u>	<u>5,436,184</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>5,616,959</u>	<u>5,436,084</u>
Total equity		<u>5,617,059</u>	<u>5,436,184</u>

For the financial year ending 31 December 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.

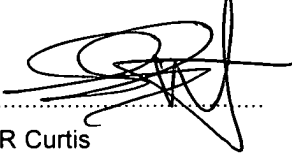
These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Directors' Report and the Profit and Loss Account has been taken.

Cloud Electronics Limited

(Registration number: 01536810)

Balance Sheet as at 31 December 2020 (continued)

These financial statements, which 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 and in accordance with the provisions of FRS 102 Section 1A Small Entities, were approved and authorised for issue by the Board on 5 July 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'S R Curtis', written over a horizontal dotted line.

S R Curtis

Company secretary and director

Cloud Electronics Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

Statutory information

Cloud Electronics Limited is a private company, limited by shares, domiciled in England and Wales, company number 01536810. The registered office is at 140 Staniforth Road, Darnall, Sheffield, S9 3HF.

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. There has been no material departure from this standard.

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. The presentation currency is United Kingdom pounds sterling. The financial statements are those of the company as an individual entity.

Going concern

After due consideration of all relevant factors, including the ongoing COVID-19 pandemic, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

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. Turnover is recognised when goods and services are provided to clients.

Government grants

Grants that do not impose specified future performance-related conditions are recognised in income when the grant proceeds are received or receivable. Grants that impose specified future performance-related conditions are recognised in income only when the performance-related conditions are met. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Cloud Electronics Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

1 Accounting policies (continued)

Tax

The tax expense for the period comprises current 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.

Tangible assets

Tangible assets are stated in the statement of financial position 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, less their estimated residual values, over their estimated useful lives as follows:

Asset class	Depreciation method and rate
Freehold buildings	2% straight line
Fixtures, fittings and equipment	15% reducing balance
Motor vehicles	25% reducing balance

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Cloud Electronics Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

1 Accounting policies (continued)

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charges as interest expense in the statement of comprehensive income.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 24 (2019 - 27).

3 Tangible assets

	Land and buildings £	Furniture, fixture and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2020	440,208	262,252	7,700	710,160
Additions	-	5,635	16,255	21,890
At 31 December 2020	<u>440,208</u>	<u>267,887</u>	<u>23,955</u>	<u>732,050</u>
Depreciation				
At 1 January 2020	34,844	165,765	6,659	207,268
Charge for the year	<u>8,804</u>	<u>15,318</u>	<u>4,324</u>	<u>28,446</u>
At 31 December 2020	<u>43,648</u>	<u>181,083</u>	<u>10,983</u>	<u>235,714</u>
Carrying amount				
At 31 December 2020	<u>396,560</u>	<u>86,804</u>	<u>12,972</u>	<u>496,336</u>
At 31 December 2019	<u>405,364</u>	<u>96,487</u>	<u>1,041</u>	<u>502,892</u>

Included within the net book value of land and buildings above is £396,560 (2019 - £405,364) in respect of long leasehold land and buildings.

Cloud Electronics Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

4 Debtors

	Note	2020 £	2019 £
Trade debtors		260,126	432,327
Amounts owed by group undertakings	7	2,242,596	2,354,808
Prepayments		95,594	85,410
Other debtors		19,719	5,323
		<u>2,618,035</u>	<u>2,877,868</u>

5 Creditors

	2020 £	2019 £
Due within one year		
Bank loans	23,382	17,070
Trade creditors	109,997	160,701
Taxation and social security	71,695	26,697
Accruals and deferred income	23,575	26,367
Other creditors	15,464	134,383
	<u>244,113</u>	<u>365,218</u>

	2020 £	2019 £
Due after one year		
Bank borrowings	<u>186,089</u>	<u>150,735</u>

Bank loans are secured over the assets of the company.

6 Financial commitments, guarantees and contingencies

Operating leases

As at the balance sheet date, the company had total commitments under non-cancellable operating leases over the remaining term of those leases of £30,835 (2019 - £19,921).

Cloud Electronics Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

6 Financial commitments, guarantees and contingencies (continued)

Guarantees

The total amount of guarantees is £159,471 (2019 - £167,805). The guarantee relates to the cross guarantee between the company and Cloud Electronics Holdings Limited guaranteeing all amounts due to the Royal Bank of Scotland plc.

7 Related party transactions

Summary of transactions with other related parties

Cloud Electronics Holdings Limited (Controlling party)

Management charges payable amounted to £264,000 (2019 - £264,000). At the balance sheet date the amount due from Cloud Electronics Holdings Limited was £2,242,596 (2019 - £2,354,808).

No interest is charged on group balances.