

Company Registration No. 00909536 (England and Wales)

Cecil Instruments Limited

**Unaudited financial statements
for the year ended 31 July 2020**

Pages for filing with the Registrar

Cecil Instruments Limited

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Statement of financial position

As at 31 July 2020

		2020	2019
	Notes	£	£
Fixed assets			
Tangible assets	3	-	33,949
Investment properties	4	3,750,000	2,500,000
		<u>3,750,000</u>	<u>2,533,949</u>
Current assets			
Stocks		-	35,150
Debtors	5	121,096	177,998
Cash at bank and in hand		13,750	41,474
		<u>134,846</u>	<u>254,622</u>
Creditors: amounts falling due within one year	6	(1,545,895)	(1,613,528)
Net current liabilities		<u>(1,411,049)</u>	<u>(1,358,906)</u>
Total assets less current liabilities		<u>2,338,951</u>	<u>1,175,043</u>
Provisions for liabilities - Deferred Tax	7	(413,629)	(179,821)
Net assets		<u>1,925,322</u>	<u>995,222</u>
Capital and reserves			
Called up share capital	8	15,300	15,300
Share premium account		25,200	25,200
Profit and loss reserves			
- Investment property fair value reserve		3,287,130	2,059,651
- Other profit & loss reserve		(1,402,308)	(1,104,929)
		<u>1,884,822</u>	<u>954,722</u>
Total equity		<u>1,925,322</u>	<u>995,222</u>

Cecil Instruments Limited

Statement of financial position (continued)

As at 31 July 2020

The director of the company has elected not to include a copy of the income statement within the financial statements.

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

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved and signed by the director and authorised for issue on 13 January 2021

Grenville Chamberlain

Director

Company Registration No. 00909536

Cecil Instruments Limited

**Statement of changes in equity
For the year ended 31 July 2020**

	Share capital	Share premium account	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 August 2018	15,300	25,200	2,059,651	(1,065,117)	1,035,034
Year ended 31 July 2019:					
Loss and total comprehensive income for the year	-	-	-	(39,812)	(39,812)
Balance at 31 July 2019	15,300	25,200	2,059,651	(1,104,929)	995,222
Year ended 31 July 2020:					
Profit and total comprehensive income for the year	-	-	-	930,100	930,100
Transfers	-	-	1,227,479	(1,227,479)	-
Balance at 31 July 2020	15,300	25,200	3,287,130	(1,402,308)	1,925,322

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Notes to the financial statements For the year ended 31 July 2020

1 Accounting policies

Company information

Cecil Instruments Limited is a private company limited by shares incorporated in England and Wales. The registered office is Suite C, Unex House, Bourges Boulevard, Peterborough, Cambridgeshire, PE1 1NG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The company is financed through a shareholder loan of £952k, held by the CSC Tarbet Will Trust. The loan is repayable on demand and has been included within current liabilities. The trustees have confirmed that they will not demand repayment for a period of at least 12 months from the date of signing of the accounts. In addition to the loan there is an unpaid balance of accrued interest of £517k (2019: £478k) which is included in current liabilities. Accordingly the financial statements have been prepared on a going concern basis.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Revenue arising from sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, this is in accordance with the contract and delivery conditions. Revenue from services is recognised at the point at which the service is performed.

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.

Revenue from service contracts is recognised on a straight line basis over the period of the contract.

Rental turnover represents rental receipts and recharges excluding VAT. Rental turnover is recognised on an accruals basis over the term of the lease.

1 Accounting policies (continued)

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Plant and machinery	10% straight line
Fixtures, fittings & equipment	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. 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.

1 Accounting policies (continued)

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. Latest cost is used for valuing the stock.

Work in progress is valued on the basis of direct costs plus attributable overhead based on normal levels of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

1.8 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position 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, when 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, 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.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, 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.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

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Notes to the financial statements (continued)

For the year ended 31 July 2020

1 Accounting policies (continued)

1.12 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 benefits.

1.13 Government grants

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020	2019
	Number	Number
Total	1	3
	==	==

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Notes to the financial statements (continued)

For the year ended 31 July 2020

3 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
Cost			
At 1 August 2019	137,307	47,563	184,870
Disposals	-	(27,158)	(27,158)
Transfers	(137,307)	(20,405)	(157,712)
	<hr/>	<hr/>	<hr/>
At 31 July 2020	-	-	-
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 August 2019	120,776	30,145	150,921
Depreciation charged in the year	2,546	4,647	7,193
Eliminated in respect of disposals	-	(22,923)	(22,923)
Transfers	(123,322)	(11,869)	(135,191)
	<hr/>	<hr/>	<hr/>
At 31 July 2020	-	-	-
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 July 2020	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 July 2019	16,531	17,418	33,949
	<hr/>	<hr/>	<hr/>

4 Investment property

	2020 £
Fair value	
At 1 August 2019	2,500,000
Transfers from tangible fixed assets	22,521
Revaluations	1,227,479
	<hr/>
At 31 July 2020	3,750,000
	<hr/>

The fair value of the investment property at 31 July 2020 has been determined by the director based on a valuation given by an independent valuer at 31 May 2017 by reference to market evidence of expected rental yields for similar properties. The director has updated the valuation this year using local market knowledge.

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Notes to the financial statements (continued)

For the year ended 31 July 2020

5 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	26,149	91,213
Other debtors	94,947	86,785
	<u>121,096</u>	<u>177,998</u>

6 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	47,405	33,089
Other taxation and social security	7,494	20,411
Other creditors	415,577	498,162
Debtenture loans	500,000	500,000
Accruals and deferred income	575,419	561,856
	<u>1,545,895</u>	<u>1,613,528</u>

The debtenture loan is secured by a charge on the freehold property and other assets of the company.

Included in other creditors is a loan with a fixed and floating charge over the assets of the company amounting to £397,025 (2019: £451,610).

7 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities	Liabilities
	2020	2019
	£	£
Balances:		
Investment property	<u>413,629</u>	<u>179,821</u>

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Notes to the financial statements (continued)

For the year ended 31 July 2020

7 Deferred taxation (continued)

	2020
	£
Movements in the year:	
Liability at 1 August 2019	179,821
Charge to profit or loss	233,808
	<u> </u>
Liability at 31 July 2020	413,629
	<u> </u>

The deferred tax liability set out above is not expected to reverse within 12 months and relates to the revaluation of investment properties that are not expected to be sold within 12 months.

8 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
30,400 Ordinary 'A' shares of 50p each	15,200	15,200
100 Ordinary 'B' shares of £1 each	100	100
	<u> </u>	<u> </u>
	15,300	15,300
	<u> </u>	<u> </u>

Each share of both classes is entitled to one vote and to rank pari passu as regards dividends irrespective of the nominal value of the shares but on winding up each issued fully paid up share shall be repaid at its nominal value.

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.