

Registered number: 08207441

RASPBERRY PI (TRADING) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

TUESDAY



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COMPANIES HOUSE

RASPBERRY PI (TRADING) LIMITED

COMPANY INFORMATION

DIRECTORS	Dr D D Cleevely (resigned 28 February 2019) Mrs S L Coutu Mr J A Lang Dr E C Upton Mr D R Gammon Mr P A Colligan (appointed 17 May 2018) Mr C J Mairs (appointed 22 March 2019)
COMPANY SECRETARY	Ms A Garner (resigned 3 August 2018) Ms E L Ormond (appointed 3 August 2018)
REGISTERED NUMBER	08207441
REGISTERED OFFICE	Maurice Wilkes Building St. John's Innovation Park Cowley Road Cambridge Cambridgeshire CB4 0DS
INDEPENDENT AUDITORS	Grant Thornton UK LLP Statutory Auditor, Chartered Accountants 101 Cambridge Science Park Milton Road Cambridge Cambridgeshire CB4 0FY
BANKERS	Barclays Bank plc Chesterton Road Cambridge CB4 3AZ

RASPBERRY PI (TRADING) LIMITED

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The following pages do not form part of the statutory financial statements:

RASPBERRY PI (TRADING) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

BUSINESS REVIEW

In 2018, Raspberry Pi (Trading) Limited launched two new Raspberry Pi computers, the Raspberry Pi 3 Model B+ and the Raspberry Pi Model A+, increasing the computing power available from both the credit card sized \$35 computer and smaller form factor \$25 model respectively. The company also launched two new official accessories: a HAT to power a Raspberry Pi 3B+ over Ethernet and another HAT to receive digital TV streams. The Raspberry Pi operating system, Raspbian, was also updated.

RESULTS AND PERFORMANCE

This was another year of growth with Revenues at £28.0m (2017 - £25.5m), Operating Profit was £7.3m (2017 - £9.7m).

PRINCIPAL RISKS AND UNCERTAINTIES

Principal risks and uncertainties identified are:

- a) There may be new competitors in this market space – we will continue to keep building exciting and innovative products and keep costs as low as possible to mitigate this risk;
- b) There may be component shortages that give us issues in meeting demand for our products – we utilise multiple suppliers to mitigate this risk;
- c) There may be a risk of losing key personnel – we provide a stimulating work environment and offer rewarding compensation and benefits packages to retain and attract new employees.

SUMMARY OF KEY PERFORMANCE INDICATORS

The company has succeeded in meeting some of its Key Performance Indicators during the year – the measure of which is to achieve growth versus the previous financial year.

The primary financial key performance indicators are:

- Revenue 2018: £28.0m (2017: £25.5m)
- Operating profit 2018: £7.3m (2017: £9.7m)
- Gift Aid payments to Raspberry Pi Foundation (our parent charity) 2018: £5.0m (2017: £7.5m)

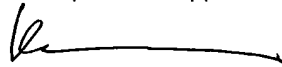
The primary non-financial key performance indicators:

- Unit sales of Raspberry Pi 3 2018: 4.8m (2017: 5.0m)
- Engineering headcount growth 2018: 17% (2017: 100%)

FUTURE DEVELOPMENTS

The company expects to announce future new exciting product releases during 2019.

This report was approved by the Board and signed on its behalf.


Dr E C Upton
Director

Date: 27 June 2019

RASPBERRY PI (TRADING) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the audited financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The company continues to develop, market, manufacture and sell highly cost effective programmable computing devices on a global basis. The company has established manufacturing and licence agreements with third party partners and derives the majority of its revenues through royalty income.

DIRECTORS

The directors who served during the year were:

Dr D D Cleevely (resigned 28 February 2019)
Mrs S L Coutu
Mr J A Lang
Dr E C Upton
Mr D R Gammon
Mr P A Colligan (appointed 17 May 2018)
Mr C J Mairs (appointed 22 March 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.

RASPBERRY PI (TRADING) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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.

RESEARCH AND DEVELOPMENT ACTIVITIES

The Company is committed to research and development activities in order to secure the continued growth of the Company and to maintain its position in its market place. Research and development expenditure of £3,000,752 (2017: £2,758,012) was charged to the profit and loss account during the year.

FINANCIAL RISK MANAGEMENT AND POLICIES

The company uses various financial instruments which include various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to provide working capital for the company's operations.

The main risk arising from the company's operations are currency and credit risk. The Directors review and agree policies for managing each of these risks and they are summarised below.

Currency Risk

The company generates revenue and sources a significant proportion of its goods in foreign currency. The company holds bank accounts in foreign currency to help mitigate the company's foreign exchange risk.

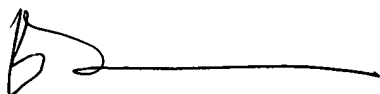
Credit Risk

In order to manage credit risk the directors set limits for customers based on payment history. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

AUDITORS

The auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**Dr E C Upton
Director**

Date: 27 June 2019

RASPBERRY PI (TRADING) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RASPBERRY PI (TRADING) LIMITED

Opinion

We have audited the financial statements of Raspberry Pi (Trading) Limited (the 'company') for the year ended 31 December 2018, which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 2018 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.

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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report,¹ 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.

RASPBERRY PI (TRADING) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RASPBERRY PI (TRADING) LIMITED

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.

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or 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.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement **set out on pages 2 and 3**, 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.

RASPBERRY PI (TRADING) LIMITED

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. 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

Alison Seekings
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Cambridge
Date: *2 July 2019*

RASPBERRY PI (TRADING) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £	2017 £
TURNOVER	2	27,963,197	25,474,651
Cost of sales		<u>(11,988,270)</u>	<u>(8,703,299)</u>
GROSS PROFIT		15,974,927	16,771,352
Administrative expenses		<u>(8,631,720)</u>	<u>(7,062,381)</u>
OPERATING PROFIT	3	7,343,207	9,708,971
Interest receivable and similar income		<u>368</u>	<u>285</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		7,343,575	9,709,256
Tax on profit on ordinary activities	4	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		7,343,575	9,709,256
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		7,343,575	9,709,256

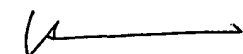
The notes on pages 9 to 18 form part of these financial statements.

RASPBERRY PI (TRADING) LIMITED

**BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Intangible assets	7		-		13,833
Tangible assets	8		636,775		455,260
CURRENT ASSETS					
					469,093
Stocks	9	6,499,492		4,105,663	
Debtors	10	4,493,651		4,979,651	
Cash at bank and in hand		2,175,595		881,603	
		13,168,738		9,966,917	
CREDITORS: amounts falling due within one year	11	(3,901,472)		(2,875,544)	
NET CURRENT ASSETS					
			9,267,266		7,091,373
TOTAL ASSETS LESS CURRENT LIABILITIES					
			9,904,041		7,560,466
CAPITAL AND RESERVES					
Called up share capital	12		1		1
Profit and loss account			9,904,040		7,560,465
SHAREHOLDERS' FUNDS					
			9,904,041		7,560,466

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Dr E C Upton
Director

Date: 27 June 2019

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

RASPBERRY PI (TRADING) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Share Capital £	Profit and loss account £	Total equity £
At 1 January 2017	1	5,351,209	5,351,210
Profit for the year	-	9,709,256	9,709,256
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	9,709,256	9,709,256
Gift Aid paid to Raspberry Pi Foundation	-	(7,500,000)	(7,500,000)
At 31 December 2017	1	7,560,465	7,560,466
 At 1 January 2018	 1	 7,560,465	 7,560,466
Profit for the year	-	7,343,575	7,343,575
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	7,343,575	7,343,575
Gift Aid paid to Raspberry Pi Foundation	-	(5,000,000)	(5,000,000)
At 31 December 2018	1	9,904,040	9,904,041

The notes on pages 9 to 17 form part of these financial statements.

RASPBERRY PI (TRADING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

1.1 General information

Raspberry Pi (Trading) Limited is a limited liability company incorporated and registered in England and Wales.

The Company's principal activity is stated on page 2.

1.2 Basis of preparation of financial statements

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

The individual accounts of Raspberry Pi (Trading) Limited have also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- key management personnel compensation
- financial instrument disclosures, including:
 - categories of financial instruments,
 - items of income, expenses, gains or losses relating to financial instruments, and exposure to and management of financial risks.

Going Concern

In adopting the going concern basis for preparing the financial statements, the Directors have considered the business activities, forecasts and risk as set out in the Directors' Report. The Board is satisfied that the Company will be able to operate for the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements.

1.3 Significant judgements and estimates

Preparation of the financial statements requires management to make judgements and estimates as part of the process in applying the entity's accounting policies. There are no identified estimation uncertainties at the reporting date that carry a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Product revenue is recognised when the company has transferred to the customer the significant risks and rewards of ownership, which is generally when the buyer has taken undisputed delivery of the goods. Royalty income is recognised when receivable, based on the sale of goods by third parties under terms of the royalty arrangements.

A significant proportion of the Company's turnover arises from sales to and royalties from UK distributors. The distributors sell the company's products to all major worldwide markets.

RASPBERRY PI (TRADING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1.5 Intangible fixed assets and amortisation

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The estimated useful life and amortisation rate used for intellectual property is 2 years. All intangible assets are considered to have a finite useful life.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and equipment	-	3 years straight line
Office and computer equipment	-	3 years straight line
Leasehold improvements	-	over the period of the lease

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.9 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 and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.10 Creditors

Short term creditors are measured at transaction price, less any impairment. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in profit and loss.

RASPBERRY PI (TRADING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.13 Gift aid

Gift aid is recognised in the Statement of Changes in Equity once paid to Raspberry Pi Foundation, the parent entity.

1.14 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

1.15 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

1.16 Interest income

Interest income is recognised in profit and loss using the effective interest method.

RASPBERRY PI (TRADING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1.17 Research and development

Research and development costs on an internal project are recognised as expenses when incurred, as it is not possible to demonstrate that the project will generate future economic benefits at this phase of the project.

2. ANALYSIS OF TURNOVER

The whole of the turnover is attainable to the one principal activity of the company

	2018 £	2017 £
Analysis of turnover by country of destination:		
United Kingdom	18,994,851	19,542,103
USA	3,584,612	3,747,803
Europe	2,261,834	1,318,770
Rest of World	3,121,900	865,975
	<u>27,963,197</u>	<u>25,474,651</u>

	2018 £	2017 £
Revenue analysed by category was as follows:		
Royalty	15,204,483	16,364,053
Sale of products	11,815,350	8,259,262
Other	943,364	851,336
	<u>27,963,197</u>	<u>25,474,651</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the company	251,480	256,852
Amortisation	13,833	20,750
The analysis of auditors' remuneration is as follows:		
- Fees payable to the company's auditors for the audit of the company's annual accounts	15,200	10,800
- Taxation compliance services	2,050	2,750
- Other taxation advisory services	2,150	2,150
Pension costs	264,814	194,509
Foreign exchange losses/(gains)	(290,881)	202,580
Research and development expense	<u>3,000,752</u>	<u>2,758,012</u>

RASPBERRY PI (TRADING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. TAXATION

The company gift aids its taxable profits to its parent entity, Raspberry Pi Foundation.

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2018	2017
	£	£
Wages and salaries	3,732,281	2,673,503
Social security costs	413,643	295,855
Other pension costs	264,814	194,509
	<u>4,410,738</u>	<u>3,163,867</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2018	2017
	No	No
Support and administration	<u>48</u>	<u>36</u>

6. DIRECTORS' REMUNERATION

	2018	2017
	£	£
Remuneration	<u>40,000</u>	<u>20,000</u>
	2018	2017
	£	£
Company pension contributions to defined contribution pension scheme	<u>-</u>	<u>-</u>

RASPBERRY PI (TRADING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. INTANGIBLE FIXED ASSETS

	Intellectual Property £
Cost	
At 1 January 2018	41,499
Additions	-
At 31 December 2018	<u>41,499</u>
Amortisation	
At 1 January 2018	27,666
Charge for the year	13,833
At 31 December 2018	<u>41,499</u>
Net book value	
At 31 December 2018	-
At 31 December 2017	<u>13,833</u>

Amortisation of intangible fixed assets is included in administrative expenses.

The intellectual property has a remaining useful economic life of nil years (2017:0.67 years).

RASPBERRY PI (TRADING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and equipment £	Office and computer equipment £	Total £
Cost				
At 1 January 2018	-	672,288	276,858	949,146
Additions	127,315	61,085	244,595	432,995
At 31 December 2018	<u>127,315</u>	<u>733,373</u>	<u>521,453</u>	<u>1,382,141</u>
Depreciation				
At 1 January 2018	-	357,115	136,771	493,886
Charge for the year	707	168,418	82,355	251,480
At 31 December 2018	<u>707</u>	<u>525,533</u>	<u>219,126</u>	<u>745,366</u>
Net book value				
At 31 December 2018	<u>126,608</u>	<u>207,840</u>	<u>302,327</u>	<u>636,775</u>
At 31 December 2017	<u>-</u>	<u>315,173</u>	<u>140,087</u>	<u>455,260</u>

9. STOCKS

	2018 £	2017 £
Raw materials, components and finished goods for resale	<u>6,499,492</u>	<u>4,105,663</u>

Stock recognised in cost of sales during the year as an expense was £11,409,624 (2017: £7,908,291).

An impairment loss of £nil (2017: £nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

RASPBERRY PI (TRADING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. DEBTORS

	2018 £	2017 £
Trade debtors	3,640,279	4,785,183
Amounts owed by group undertakings	12,120	22,162
Other debtors	841,252	172,306
	<u>4,493,651</u>	<u>4,979,651</u>

An impairment loss of £nil (2017: £nil) was recognised against trade debtors and a provision of £nil (2017: £nil) is offset against trade debtors above.

**11. CREDITORS:
Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	2,696,372	1,406,540
Other taxation and social security	527,748	741,890
Other creditors	22,923	55,576
Accruals and deferred income	654,429	671,538
	<u>3,901,472</u>	<u>2,875,544</u>

12. SHARE CAPITAL

	2018 £	2017 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

13. RESERVES

Called up share capital – represents the nominal value of shares that have been issued.

Profit and loss account – includes all current and prior period retained profits and losses, less amounts paid as gift aid to the parent charity.

RASPBERRY PI (TRADING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

14. 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 £264,814 (2017 - £194,509). Contributions totalling £nil (2017 - £41,564) were payable to the fund at the balance sheet date and are included in creditors.

15. OTHER FINANCIAL COMMITMENTS

At 31 December 2018, Raspberry Pi (Trading) Limited had a contractual commitment to purchase inventory from Arrow Electronics (UK) Limited to the maximum value of \$4,910,000. This contractual commitment was effective 1st November 2018 and is for a maximum period of 3 years.

16. OPERATING LEASE COMMITMENTS

At 31 December 2018, the total minimum lease payments under non-cancellable operating leases are due in the following periods by the company:

	Land and buildings	
	2018	2017
	£	£
Within one year	128,014	-
Between two and five years	971,455	-
Over five years	2,220,469	-
Total	<u>3,319,938</u>	<u>-</u>

17. RELATED PARTY TRANSACTIONS

During the year the company reimbursed expenses of £9,453 (2017 - £11,521) to Dr E C Upton, a director. In addition, the company made salary payments of £23,689 (2017 - £38,984) and pension contributions of £4,044 (2017 - £6,066) to the wife of Dr E C Upton during the year.

The company is a wholly owned subsidiary of Raspberry Pi Foundation and has taken advantage of the exemption conferred by FRS 102 not to disclose transactions with Raspberry Pi Foundation or other wholly owned subsidiaries within the group.

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company is Raspberry Pi Foundation, a registered charity and company registered in England and Wales. Consolidated financial statements are prepared by the Foundation and available from Companies House.