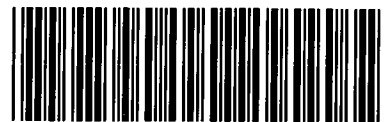


Company registration number 3709300 (England and Wales)

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023

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CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

COMPANY INFORMATION

Directors	K R Dolliver B O Orndorff
Secretary	Reed Smith Corporate Services Limited
Company number	3709300
Registered office	The Broadgate Tower Third Floor 20 Primrose Street London EC2A 2RS
Auditor	Azets Audit Services Globe House Eclipse Park Sittingbourne Road Maldstone Kent ME14 3EN

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

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CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2023

The directors present their annual report and financial statements for the year ended 28 February 2023.

Principal activities

The principal activity of the company in the year under review was that of the licensing of intellectual property rights in respect of optoelectronic technologies.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

K R Dolliver
B O Omdorff

Results and dividends

The results for the year are set out on page 7.

In the year under review turnover was £nil.

The company uses a range of performance measures to monitor and manage the business effectively. These are both financial and non-financial, and the most significant of these are the key performance indicators (KPI's).

The key financial performance indicators are turnover, operating results, research and development expenditure and net assets or liabilities at the balance sheet date. These KPI's indicate the volume of work the company has undertaken as well as the efficiency and profitability, with which this work has been delivered.

The key performance indicators for the year ended 28 February 2023, with audited comparatives for 2022 and 2021, are set out below:

	2023	2022	2021
Turnover (£'000)	-	-	-
Turnover change	-	-	-
Net loss (£'000)	(9)	(10)	(6)
Operating result change	17%	(69%)	(16%)
Net assets (£'000)	163	171	182
Average number of employees	2	2	2

In respect of future developments, as disclosed in note 1.2 to the financial statements, the directors currently propose a solvent liquidation of the company that creates a material uncertainty related to going concern.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Risks and uncertainties

As a subsidiary of Microsoft Corporation, the principal risks and uncertainties of the company are now intrinsically linked to the other Microsoft group companies. Their performance continues to be reasonable and there is not considered to be a significant risk to the company's ongoing operations. The company is not considered to be at significant risk from environmental or other external influences.

Financial Instruments

The company has various financial instruments such as intercompany balances, prepayments and accruals that arise directly from its operations.

It is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the company's financial instruments are interest rate, liquidity risk, foreign currency and going concern risk:

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

Liquidity risk

The company had net cash balances as at the balance sheet date.

Interest rate risk

The company has received loan advances, and made loan advances to, its parent company on which interest is charged. The directors review the interest rate charged on a regular basis and considers the risk to the company to be reasonable.

Going concern risk

The company has significant net assets. As such it is felt that the company has adequate financial resources to enable the company to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of this report and accordingly the directors are confident that this risk is reasonable, although please see note 1.2 for details of a currently proposed solvent liquidation that creates a material uncertainty related to going concern.

Financial assets

The company has no financial assets other than short-term debtors.

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

.....
B O Orndorff
Director

Date: November 30, 2023

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 28 FEBRUARY 2023

The directors are responsible for preparing the annual 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). 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 of the company and of the 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

Opinion

We have audited the financial statements of Cambridge Flat Projection Displays Limited (the 'company') for the year ended 28 February 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 28 February 2023 and of its loss 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.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the directors currently propose for the company to be subject to a solvent liquidation in the near future, although it is still considered possible that this process will not be completed within 12 months from sign off of these financial statements. As stated in note 1.2, these events or conditions, along with other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our 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.

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

Matters on which we are required to report by exception

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. 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Azet's Audit Services

Daniel Graves BA(Hons) FCA (Senior Statutory Auditor)
For and on behalf of Azet's Audit Services

Date: **30 November 2023**

Chartered Accountants
Statutory Auditor

Globe House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2023

		2023	2022
	Notes	£	£
Administrative expenses		(10,319)	(10,540)
Interest receivable and similar income	5	<u>1,696</u>	<u>84</u>
Loss before taxation		(8,623)	(10,456)
Tax on loss	6	<u>-</u>	<u>-</u>
Loss for the financial year		<u>(8,623)</u>	<u>(10,456)</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

BALANCE SHEET

AS AT 28 FEBRUARY 2023

	Notes	£	2023 £	£	2022 £
Current assets					
Debtors	7	181,798		188,861	
Creditors: amounts falling due within one year	8	<u>(19,200)</u>		<u>(17,640)</u>	
Net current assets			<u>162,598</u>		<u>171,221</u>
Capital and reserves					
Called up share capital	9		106		106
Share premium account			388,909		388,909
Profit and loss reserves			<u>(226,417)</u>		<u>(217,794)</u>
Total equity			<u>162,598</u>		<u>171,221</u>

The financial statements were approved by the board of directors and authorised for issue on November 30, 2023 and are signed on its behalf by:

.....
B O Omdorf
Director

Company Registration No. 3709300

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2023

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 March 2021	106	388,909	(207,338)	181,677
Year ended 28 February 2022:				
Loss and total comprehensive income for the year	-	-	(10,456)	(10,456)
Balance at 28 February 2022	106	388,909	(217,794)	171,221
Year ended 28 February 2023:				
Loss and total comprehensive income for the year	-	-	(8,623)	(8,623)
Balance at 28 February 2023	106	388,909	(226,417)	162,598

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

Company information

Cambridge Flat Projection Displays Limited (the 'company') is a private company limited by shares incorporated in England and Wales. The registered office is The Broadgate Tower, Third Floor, 20 Primrose Street, London, United Kingdom, EC2A 2RS.

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.

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 £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures.

1.2 Going concern

The directors are currently considering options concerning the future of the company and a solvent liquidation will likely be proposed in due course, although this may not be agreed upon within 12 months of the date of approval of the financial statements. In any case, the company has sufficient net assets to ensure all creditors of the company are settled in advance. As such, and given that if these accounts were prepared under another basis, such as the break-up basis, it would have no material impact to the carrying value of assets and liabilities reflected, these financial statements have continued to be prepared on the going concern basis at this time.

1.3 Financial instruments

All financial assets, comprising amounts owed by group undertakings and financial liabilities, comprising amounts owed to group undertakings and accruals, have been measured at amortised cost.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.4 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 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 tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.5 Exemption from preparing a strategic report

Exemption has been taken from preparing a strategic report under S414B (b) of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 on the grounds that the company would qualify as a small company were it not a member of an ineligible group.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

3 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	8,580	7,800
For other services		
All other non-audit services	1,500	1,320

4 Employees

The average monthly number of persons employed by the company was 2 (2022: 2), relating solely to the directors of the company, who are not remunerated for their services.

5 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest receivable from group companies	1,696	84

6 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Loss before taxation	(8,623)	(10,456)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	(1,638)	(1,987)
Effects of amounts added to tax losses	1,638	1,987
Taxation charge for the year	-	-

Factors that may affect future tax charges

At the balance sheet date the company had a deferred tax asset in respect of tax adjusted losses totalling £67,620 (2022: £65,464) and which has been calculated at a rate of 25% (2022: 25%). This has not been incorporated as an asset in accordance with the company's accounting policy of deferred taxation.

7 Debtors: amounts falling due within one year

	2023 £	2022 £
Amounts owed by group undertakings	181,798	188,861

CAMBRIDGE FLAT PROJECTION DISPLAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

8 Creditors: amounts falling due within one year

	2023	2022
	£	£
Amounts owed to group undertakings	9,120	8,520
Accruals and deferred income	10,080	9,120
	<u>19,200</u>	<u>17,640</u>

9 Share capital

	2023	2022
	£	£
Ordinary share capital issued and fully paid		
1,025 Ordinary shares of 10p each	103	103
30 Ordinary non-voting shares of 10p each	3	3
	<u>106</u>	<u>106</u>

The ordinary shares have attached to them full voting, dividend and capital distribution (including winding up) rights; they do not confer any rights or redemption. The ordinary non-voting shares have attached to them non-voting rights, but with dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

10 Related party transactions

The company is a wholly owned subsidiary of Microsoft Corporation. The company has taken advantage of the exemption under paragraph 1.12(e) of FRS 102 and has therefore not disclosed transactions with other wholly owned entities of Microsoft Corporation.

Details of balances held with other group undertakings can be found in notes 7 and 8.

11 Ultimate controlling party

The immediate and ultimate parent undertaking of the company, which is also the controlling undertaking, is Microsoft Corporation, a company incorporated in the state of Washington in the United States of America. Microsoft Corporation is the parent of the only group into which the results are consolidated. Copies of Microsoft Corporation's annual report are available on written request from the Investor Relations Department, at the registered address, Microsoft Corporation, 1 Microsoft Way, Redmond, Washington, 98052-6399, USA.