

Company registration number 01332714 (England and Wales)

OXFORD LASERS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR



OXFORD LASERS LIMITED

CONTENTS

	Page
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 12

OXFORD LASERS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4		1,913,489		1,104,073
Current assets					
Stocks	7	806,738		968,208	
Debtors	8	934,757		386,734	
Cash at bank and in hand		1,685,168		2,816,320	
		3,426,663		4,171,262	
Creditors: amounts falling due within one year	9	(923,306)		(1,190,457)	
Net current assets			2,503,357		2,980,805
Total assets less current liabilities			4,416,846		4,084,878
Provisions for liabilities	10		(278,481)		(165,271)
Net assets			4,138,365		3,919,607
Capital and reserves					
Called up share capital	11	264,603		264,603	
Share premium account		22,400		22,400	
Capital redemption reserve		416		416	
Profit and loss reserves		3,850,946		3,632,188	
Total equity			4,138,365		3,919,607

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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 by the board of directors and authorised for issue on 15/09/2022 and are signed on its behalf by:



Dr M R H Knowles
Director

Company Registration No. 01332714

OXFORD LASERS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2020	264,603	22,400	416	3,319,525	3,606,944
Year ended 31 December 2020: Profit and total comprehensive income for the year	-	-	-	312,663	312,663
Balance at 31 December 2020	264,603	22,400	416	3,632,188	3,919,607
Year ended 31 December 2021: Profit and total comprehensive income for the year	-	-	-	218,758	218,758
Balance at 31 December 2021	264,603	22,400	416	3,850,946	4,138,365

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Oxford Lasers Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 8, Moorbrook Park, Didcot, Oxfordshire, OX11 7HP.

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. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover consists 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 value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

1.3 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:

Leasehold improvements	20% straight line (term of lease)
Plant and equipment	20% and 33% straight line

Freehold land and assets in the course of construction are not depreciated.

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.

Development costs

Research and development expenditure is written off as incurred.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 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. Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs (as defined in Stocks above) as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.8 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 balance sheet 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 and cash and bank balances, 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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

1.9 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.

1.10 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.

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

1.11 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

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 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

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.

Other grants

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Stock provisions

Stock provisions are estimated by the company as follows: stock sold within the last year is valued at 100%, stock not sold in the last 2 years at 50%, and stock not sold in over 2 years at nil.

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

3 Employees

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

	2021 Number	2020 Number
Total	60	55

4 Tangible fixed assets

	Leasehold improvements £	Assets under construction £	Plant and equipment £	Total £
Cost				
At 1 January 2021	108,686	-	2,530,733	2,639,419
Additions	-	591,403	827,213	1,418,616
At 31 December 2021	108,686	591,403	3,357,946	4,058,035
Depreciation and impairment				
At 1 January 2021	51,890	-	1,483,456	1,535,346
Depreciation charged in the year	29,779	-	579,421	609,200
At 31 December 2021	81,669	-	2,062,877	2,144,546
Carrying amount				
At 31 December 2021	27,017	591,403	1,295,069	1,913,489
At 31 December 2020	56,796	-	1,047,277	1,104,073

Included within the net book value of land and buildings above is £27,017 (2020 - £56,796) in respect of short leasehold improvements.

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

5 Fixed asset investments

	2021 £	2020 £
Carrying value of shares in subsidiaries	-	-

Movements in fixed asset investments

	Shares in subsidiaries £
Cost or valuation	
At 1 January 2021 & 31 December 2021	119,636
Impairment	
At 1 January 2021 & 31 December 2021	119,636
Carrying amount	
At 31 December 2021	-
At 31 December 2020	-

6 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct
Oxford Lasers Inc	UK	Ordinary shares	Ordinary shares	100.00

Registered office addresses (all UK unless otherwise indicated):

1 2 Shaker Road, Unit B104, Shirley, USA, MA 01464, USA

The principal activity of Oxford Lasers Inc is the design and manufacture of lasers and associated equipment.

7 Stocks

	2021 £	2020 £
Stocks	806,738	968,208

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	517,926	227,868
Amounts owed by group undertakings	175,658	-
Other debtors	133,487	69,933
Prepayments and accrued income	107,686	88,933
	<u>934,757</u>	<u>386,734</u>

9 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	199,648	126,758
Amounts owed to group undertakings	14,999	15,023
Taxation and social security	79,142	77,556
Deferred income	91,320	99,336
Other creditors	317,394	507,012
Accruals and deferred income	220,803	364,772
	<u>923,306</u>	<u>1,190,457</u>

10 Provisions for liabilities

	2021	2020
	£	£
Warranty and Dilapidation Provision	191,293	93,197
Deferred tax liabilities	87,188	72,074
	<u>278,481</u>	<u>165,271</u>

11 Called up share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of 10p each	<u>1,920,800</u>	<u>1,920,800</u>	<u>192,080</u>	<u>192,080</u>

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11 Called up share capital

(Continued)

	2021 Number	2020 Number	2021 £	2020 £
Preference share capital Issued and fully paid				
Preference shares of 10p each	725,320	725,320	72,523	72,523
Preference shares classified as equity			72,523	72,523
Total equity share capital			264,603	264,603

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:
Statutory Auditor:

Katherine Wilkes
Critchleys Audit LLP

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021 £	2020 £
Within one year	173,103	82,805
Between two and five years	1,042,665	103,365
In over five years	396,848	-
	1,612,616	186,170

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

OXFORD LASERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

14 Related party transactions

(Continued)

	Sales 2021 £	Sales 2020 £	Purchases 2021 £	Purchases 2020 £
Surtek Limited	-	-	51,882	63,599
Oxford Lasers Inc.	3,371,637	3,673,069	151,804	106,744

	Management charge receivable	
	2021 £	2020 £
Oxford Lasers Inc.	203,686	174,493

The following amounts were outstanding at the reporting end date:

	2021 £	2020 £
Amounts due from related parties		
Oxford Lasers Inc.	995,164	819,482
Provision for doubtful debts owed by subsidiary	(819,506)	(819,506)

Other information

Summary of transactions with all subsidiaries

Oxford Lasers Inc.

Transactions during the year consisted of intercompany sales and purchases and management charge receivable.

Summary of transactions with other related parties

Surtek Limited - director of Oxford Lasers Limited and of Oxford Lasers Group Limited (which is the ultimate holding company).

Transactions during the year consisted of the provision of consultancy services.

15 Parent company

The company's immediate parent is Oxford Lasers Micromachining Limited, incorporated in England and Wales.

The ultimate parent is Oxford Lasers Group Limited, incorporated in England and Wales.