

Registration number: 1332714

Oxford Lasers Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Critchleys Audit LLP
Registered Auditor
Beaver House
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Oxford
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Oxford Lasers Limited

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Oxford Lasers Limited

(Registration number: 1332714)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	1,104,073	1,169,173
Current assets			
Stock and work in progress	6	968,208	1,148,208
Debtors	7	386,734	1,086,279
Cash at bank and in hand		<u>2,816,320</u>	<u>2,331,320</u>
		4,171,262	4,565,807
Creditors: Amounts falling due within one year	8	<u>(1,190,457)</u>	<u>(1,964,182)</u>
Net current assets		<u>2,980,805</u>	<u>2,601,625</u>
Total assets less current liabilities		4,084,878	3,770,798
Provisions for liabilities		<u>(165,271)</u>	<u>(163,854)</u>
Net assets		<u>3,919,607</u>	<u>3,606,944</u>
Capital and reserves			
Called up share capital	9	264,603	264,603
Share premium reserve		22,400	22,400
Capital redemption reserve		416	416
Profit and loss account		<u>3,632,188</u>	<u>3,319,525</u>
Total equity		<u>3,919,607</u>	<u>3,606,944</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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

Approved and authorised by the Board on 07/07/21 and signed on its behalf by:



A J Kearsley
Director

Oxford Lasers Limited

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

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 8
Moorbrook Park
Didcot
Oxfordshire
OX11 7HP

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currencies of the company is Sterling. The financial statements are presented in Sterling since this is the currency in which the company conducts most of its activities. No amounts have been rounded.

Going concern

The financial statements have been prepared on a going concern basis. Annually, budgets are prepared to assess the subsequent financial years performance. This is based on the information available to the company. This may include but is not limited to ongoing contracts, highly probable contracts and past trends.

The budgets are reviewed regularly and are updated based on any new information.

Summary of disclosure exemptions

The company is exempt from the requirement to prepare group accounts as it qualifies as a small company, headed by a company which is considered to be a small group.

Group accounts not prepared

Group accounts have not been prepared since the group is a small group.

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 14/09/21 was Katherine Wilkes FCA, who signed for and on behalf of Critchleys Audit LLP.

Oxford Lasers Limited

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

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of 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.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments.

Other grants

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

Foreign currency transactions and balances

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

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% and 33% straight line
Leasehold improvements	20% straight line (term of lease)

Oxford Lasers Limited

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

Development costs

Research and development expenditure is written off as incurred.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for machinery sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Oxford Lasers Limited

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

Provisions

Provisions are recognised when the company has an obligation at the reporting date 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.

Leases

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

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 55 (2019 - 49).

Oxford Lasers Limited

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

4 Tangible assets

	Leasehold improvements £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2020	54,747	2,059,299	2,114,046
Additions	<u>53,939</u>	<u>471,434</u>	<u>525,373</u>
At 31 December 2020	<u>108,686</u>	<u>2,530,733</u>	<u>2,639,419</u>
Depreciation			
At 1 January 2020	22,112	922,761	944,873
Charge for the year	<u>29,778</u>	<u>560,695</u>	<u>590,473</u>
At 31 December 2020	<u>51,890</u>	<u>1,483,456</u>	<u>1,535,346</u>
Carrying amount			
At 31 December 2020	<u>56,796</u>	<u>1,047,277</u>	<u>1,104,073</u>
At 31 December 2019	<u>32,635</u>	<u>1,136,538</u>	<u>1,169,173</u>

Included within the net book value of land and buildings above is £56,796 (2019 - £32,635) in respect of short leasehold improvements.

5 Investments

Subsidiaries	£
Cost or valuation	
At 1 January 2020	119,636
Provision	
At 1 January 2020	<u>119,636</u>
Carrying amount	
At 31 December 2020	<u>-</u>

Oxford Lasers Limited

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

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Oxford Lasers Inc	2 Shaker Road Unit B104 Shirley USA MA 01464 USA	Ordinary shares	100%	100%

Oxford Lasers GmbH is a dormant entity and has been fully provided against in the financial statements.

Subsidiary undertakings

Oxford Lasers Inc

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

6 Stocks

	2020	2019
	£	£
Stock and work in progress	968,208	1,148,208

7 Debtors

	Note	2020	2019
		£	£
Trade debtors		227,868	545,978
Amounts owed by group undertakings and undertakings in which the company has a participating interest	11	-	265,833
Prepayments		88,933	78,804
Other debtors		69,933	195,664
		<u>386,734</u>	<u>1,086,279</u>

Oxford Lasers Limited

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

8 Creditors

	Note	2020 £	2019 £
Due within one year			
Trade creditors		126,758	282,623
Amounts owed to group undertakings and undertakings in which the company has a participating interest	11	15,023	14,999
Taxation and social security		77,556	68,905
Accruals and deferred income		440,986	651,446
Other creditors		507,012	925,029
Pension contributions unpaid		23,122	21,180
		<u>1,190,457</u>	<u>1,964,182</u>

9 Share capital

Allotted, called up and fully paid shares

	2020 No.	£	2019 No.	£
Ordinary shares of £0.10 each	1,920,800	192,080.00	1,920,800	192,080.00
Preference shares of £0.10 each	725,230	72,523.00	725,230	72,523.00
	<u>2,646,030</u>	<u>264,603</u>	<u>2,646,030</u>	<u>264,603</u>

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £Nil (2019 - £258,967). These relate to commitments under non-cancellable operating leases over their remaining lease terms.

Oxford Lasers Limited

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

11 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2020	2019
	£	£
Remuneration	546,070	558,539
Contributions paid to money purchase schemes	37,989	32,320
	<u>584,059</u>	<u>590,859</u>

In respect of the highest paid director:

	2020	2019
	£	£
Remuneration	<u>124,478</u>	<u>128,163</u>

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 (ultimate holding company)).

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

Income and receivables from related parties

	Subsidiary
	£
2020	
Sale of goods	3,673,069
Management charge receivable	174,493
	<u>3,847,562</u>
Amounts receivable from related party	<u>819,482</u>
Provision for doubtful debts	<u>(819,506)</u>
	<u>3,847,538</u>
2019	
Sale of goods	3,425,247
Management charge receivable	62,745
	<u>3,487,992</u>
Amounts receivable from related party	<u>1,103,560</u>
Provision for doubtful debts	<u>(792,006)</u>

Oxford Lasers Limited

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

Expenditure with and payables to related parties

		Subsidiary £	Other related parties £
2020			
Purchase of goods		106,744	-
Consultancy services		<u>-</u>	<u>63,599</u>
		<u>106,744</u>	<u>63,599</u>
	Parent £	Subsidiary £	Other related parties £
2019			
Purchase of goods	-	96,816	-
Consultancy services	<u>-</u>	<u>-</u>	<u>62,696</u>
	<u>-</u>	<u>96,816</u>	<u>62,696</u>
Amounts payable to related party	<u>14,999</u>	<u>-</u>	<u>-</u>

12 Parent and ultimate parent undertaking

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.