

OXFORD CONVERSIS LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2020



OXFORD CONVERSIS LIMITED
REGISTERED NUMBER: 04580340

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	67,520	38,532
Investments	5	8	8
		<u>67,528</u>	<u>38,540</u>
Current assets			
Debtors: amounts falling due within one year	6	1,912,705	1,289,048
Cash at bank and in hand	7	612,437	284,590
		<u>2,525,142</u>	<u>1,573,638</u>
Creditors: amounts falling due within one year	8	(1,174,839)	(857,135)
Net current assets		<u>1,350,303</u>	<u>716,503</u>
Total assets less current liabilities		<u>1,417,831</u>	<u>755,043</u>
Provisions for liabilities			
Deferred tax	9	(16)	(2,606)
		<u>(16)</u>	<u>(2,606)</u>
Net assets		<u><u>1,417,815</u></u>	<u><u>752,437</u></u>
Capital and reserves			
Called up share capital		100,000	100,000
Profit and loss account		1,317,815	652,437
		<u><u>1,417,815</u></u>	<u><u>752,437</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



.....
C D Harrison
Director

Date: 22/09/2021

The notes on pages 2 to 10 form part of these financial statements.

OXFORD CONVERSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Oxford Conversis Limited is a private limited company, incorporated and domiciled in England and Wales. The Company's registered office is The Dairy, Bignel Park Barns, Chesterton, Oxfordshire, England, OX26 1TD.

The principal activity of the Company is that of the provision of localisation and translation services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are rounded to the nearest pound Sterling.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible by the Directors for the exemption to prepare consolidated financial statements.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

OXFORD CONVERSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Going concern

While the impact of COVID-19 continues, the Directors have considered the ability of the Company to continue as a going concern. The Directors are of the opinion that the nature of the Company's services enable them to continue to operate at a strong capacity and continue to provide a high quality service to their customers.

The impact of COVID-19 has had a positive impact on the performance of Oxford Conversis Limited. This is reflected in the results for the year ended 31 December 2020, where the Company achieved a profit before tax of £825,378 (2019: £163,745) and had net assets as at 31 December 2020 of £1,417,815 (2019: £752,437), which included cash and cash equivalents of £612,437 (2019: £284,590).

Management have prepared budgets and forecasts for a period of at least 12 months from approval of these financial statements that they consider to be achievable. Based on the forecasts prepared and the above factors, the Directors consider that the Company has adequate resources to continue in operation for the foreseeable future. Therefore, the Directors have prepared the financial statements on the going concern basis.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

OXFORD CONVERSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 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 from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

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

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

OXFORD CONVERSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.12 Current and deferred taxation

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

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including Directors, during the year was 30 (2019 - 29).

OXFORD CONVERSIS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2020	79,354	181,076	260,430
Additions	-	49,475	49,475
Disposals	(20,177)	(157,509)	(177,686)
At 31 December 2020	<u>59,177</u>	<u>73,042</u>	<u>132,219</u>
Depreciation			
At 1 January 2020	48,627	173,271	221,898
Charge for the year on owned assets	11,473	9,014	20,487
Disposals	(20,177)	(157,509)	(177,686)
At 31 December 2020	<u>39,923</u>	<u>24,776</u>	<u>64,699</u>
Net book value			
At 31 December 2020	<u>19,254</u>	<u>48,266</u>	<u>67,520</u>
At 31 December 2019	<u>30,727</u>	<u>7,805</u>	<u>38,532</u>

OXFORD CONVERSIS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Fixed asset investments

	Investment in subsidiary £
Cost or valuation	
At 1 January 2020	8
At 31 December 2020	<u>8</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Conversis USA, Inc.	The Corporate Trust Centre, 1209 Orange Street, Wilmington, DE 19801	Ordinary	100%

6. Debtors

	2020 £	2019 £
Trade debtors	1,105,183	868,184
Other debtors	485	13,104
Prepayments and accrued income	807,037	407,760
	<u>1,912,705</u>	<u>1,289,048</u>

7. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>612,437</u>	<u>284,590</u>

OXFORD CONVERSIS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	263,314	154,662
Amounts owed to group undertakings	197,861	264,975
Corporation tax	85	85
Other taxation and social security	279,367	151,577
Other creditors	2,575	24,376
Accruals and deferred income	431,637	261,460
	<u>1,174,839</u>	<u>857,135</u>

Amounts owed at 31 December 2019 to the immediate parent company, Ruxley Holdings Limited, were secured by fixed and floating charges over the undertaking and all property and assets present and future.

9. Deferred taxation

	2020 £	2019 £
At beginning of year	(2,606)	(5,143)
Charged to profit or loss	2,590	2,537
At end of year	<u>(16)</u>	<u>(2,606)</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Fixed asset timing differences	(16)	(2,606)
	<u>(16)</u>	<u>(2,606)</u>

OXFORD CONVERSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Share capital

Following the resignation of Gary Muddyman on 18 March 2020, the Company passed an Ordinary Resolution to re-designate its share capital. 32,143 Ordinary Shares of £1 each and 21,429 Convertible Shares of £1 each were re-designated as 53,572 Ordinary A shares of £1 each and 17,587 Ordinary Shares of £1 each were re-designated as Ordinary B shares of £1 each. Ordinary A shares carry one vote per share and Ordinary B shares carry no votes.

	£
Allotted, called up and fully paid as at 31 December 2020	
53,572 Ordinary A shares of £1.00 each	50,000
17,587 Ordinary B shares of £1.00 each	21,429
28,571 Deferred shares of £1.00 each	28,571
	<hr/>
	100,000
	<hr/>

Prior to the Ordinary Resolution passed on 18 March 2020, the following shares were allotted, called up and fully paid:

	2020 £	2019 £
Allotted, called up and fully paid up to 18 March 2020		
50,000 Ordinary shares of £1.00 each	50,000	50,000
21,429 Convertible shares of £1.00 each	21,429	21,429
28,571 Deferred shares of £1.00 each	28,571	28,571
	<hr/>	<hr/>
	100,000	100,000
	<hr/>	<hr/>

Convertible shares ranked pari passu with Ordinary shares. Deferred shares had no right to a dividend nor to vote at a general meeting.

Convertible shares were due to convert to Deferred shares immediately prior to a sale, disposal or listing whilst a certain Director was a shareholder and upon the attainment of specified EBITDA figures.

On a winding up, the available assets of the Company were to be applied in the following order of priority: payment to holders of Ordinary shares first, to holders of convertible shares second and to holders of deferred shares third.

11. Pension commitments

The Company operates a defined contribution 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 and amounted to £99,848 (2019: £49,048). Contributions payable at the year end total £51,638 (2019: £5,897).

OXFORD CONVERSIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Related party transactions

During the year ended 31 December 2020, dividends of £40,000 were paid to Garry Muddyman and £120,000 paid to Ruxley Holdings Limited (2019: £16,500 paid to Garry Muddyman and £49,500 paid to Ruxley Holdings Limited).

During the year ended 31 December 2020, the Company incurred costs of £18,081 (2019: £140,361) from its immediate parent company, Ruxley Holdings Limited, for accounting, tax and IT services. £nil (2019: £211,762) was owed to its immediate parent company at the year end.

During the year ended 31 December 2020, the Company made ex gratia payments amounting to £85,590 (2019: £nil) in respect of Gary Muddyman and his wife leaving office and incurred consultancy fees from Gary Muddyman amounting to £145,360 (2019: £nil). Ex gratia payments of £nil (2019: £nil) and consultancy fees of £16,348 (2019: £nil) were outstanding at the year end and are included in trade creditors.

13. Directors' advances, credits and guarantees

	2020 £	2019 £
Balance outstanding at start of the year	(31)	(283)
Amounts advanced	293	16,752
Amounts repaid	-	(16,500)
Amounts forgiven	(262)	-
Balance outstanding at end of the year	-	(31)

14. Post balance sheet events

On 8 March 2021, the Company issued an unsecured, interest free loan of £330,000 to Ruxley Holdings Limited. The loan is fully repayable on or before 31 December 2022.

On 13 September 2021, the Company allotted 15,680 C Ordinary shares of £1 each for a total consideration of £15,680. C Ordinary shares carry no voting rights, are not entitled to receive distributions and rank pari passu with A Ordinary shares and B Ordinary shares in all other respects.

15. Controlling party

The immediate parent company is Ruxley Holdings Limited.

The ultimate control of the Company rests with the Muddyman Family Trust of which A M Muddyman, a Director of the Company, is a beneficiary.

16. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 27 September 2021 by Sue Staunton MA FCA CF (Senior Statutory Auditor) on behalf of James Cowper Kreston.