

Company Registration No. 02315632 (England and Wales)

LASERSHAPE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

LASERSHAPE LIMITED

COMPANY INFORMATION

Directors	D C Hateley	
	B M Hateley	
	S J C Hateley	(Appointed 19 October 2019)
	M L Pearson	(Appointed 20 October 2019)
	K M Watson	(Appointed 20 October 2019)

Secretary	D C Hateley
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Company number	02315632
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Registered office	Brailsford Way Chilwell Meadows Business Park Beeston Nottingham NG9 6DH
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Auditor	UHY Hacker Young 14 Park Row Nottingham NG1 6GR
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LASERSHAPE LIMITED

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LASERSHAPE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present the strategic report for the year ended 30 June 2019.

Fair review of the business

The trading year ending June 2019 saw some improvement on the previous years' performance, however several high volume, high turnover, low margin jobs were signed up which had a disruptive effect on the production line, incurring significant unforeseen costs. Consequentially even though the company consolidated its cost base and achieved many of its strategic goals disappointingly it did not achieve its financial goals for the period.

In October 2019, there was a change of ownership and a new highly experienced management team installed. After a period of review the Directors have determined a strategic plan that focuses the business on its core service offering with a view to recapturing its position in the market, as a high -quality provider of bespoke sub -contract metal profiling and fabrication.

Under the new management there is a continuous drive to improve manufacturing efficiencies and capacity, whilst re-structuring the sales operation to align with our revenue goals for the future.

The Directors are confident that their business experience, industry knowledge and the opportunities the company has established throughout its long and successful history, will deliver strong and steady growth over the coming years.

Principal risks and uncertainties

The directors have assessed the risks facing the company and do not see any significant change in the prevailing economic climate that will significantly impact the business, however the impact of Brexit is an unknown and must therefore be considered the main external risk to the organisation.

Key performance indicators

The key performance indicators relevant to the company's performance are:

	2019	2018
Gross margin percentage	23%	20%
Net (loss)/profit before tax	(£137,103)	(£85,346)
Return on capital employed	2.3%	1.7%

Financial risk management policies

Financial risks are reviewed regularly by the directors. All production machinery and equipment are sourced from and maintained by the most reputable suppliers to ensure reliability and efficiency. Credit terms with customers are closely monitored and stringently applied, and most of the customer debt is insured to minimise bad debt risk. The spread of revenue is over a large range of customers with no single customer exceeding 8% of total revenues. There is a very low proportion of revenue from exports hence foreign exchange has minimum risk.

The company looks forward to continued improvement over the coming year.

On behalf of the board

D C Hateley

Director

11 March 2020

LASERSHAPE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present their annual report and financial statements for the year ended 30 June 2019.

Principal activities

The principal activity of the company continued to be that of providing laser cutting, water cutting and folded metal solutions.

Directors

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

T R Leam	(Resigned 18 October 2019)
D C Hateley	
B M Hateley	
S J C Hateley	(Appointed 19 October 2019)
M L Pearson	(Appointed 20 October 2019)
A England	(Appointed 19 October 2019 and resigned 24 January 2020)
K M Watson	(Appointed 20 October 2019)

Results and dividends

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

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

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

LASERSHAPE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2019

Statement of directors' responsibilities

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.

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

D C Hateley

Director

11 March 2020

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LASERSHAPE LIMITED**

Opinion

We have audited the financial statements of Lasershape Limited (the 'company') for the year ended 30 June 2019 which comprise the statement of income and retained earnings, the balance sheet 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 FRS 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 30 June 2019 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.

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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LASERSHAPE LIMITED

Other information

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

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 our 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.

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 strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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

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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF LASERSHAPE 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: <http://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.

James Simmonds (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

11 March 2020

Chartered Accountants
Statutory Auditor

LASERSHAPE LIMITED**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 £	2018 £
Turnover	3	11,163,930	11,337,006
Cost of sales		(8,633,038)	(9,078,667)
Gross profit		<u>2,530,892</u>	<u>2,258,339</u>
Administrative expenses		(2,571,525)	(2,757,453)
Other operating (expenses)/income		(88,272)	218,258
Exceptional item	4	60,179	331,762
Operating (loss)/profit	5	<u>(68,726)</u>	<u>50,906</u>
Interest receivable and similar income	8	55	81
Interest payable and similar expenses	9	(68,432)	(136,333)
Loss before taxation		<u>(137,103)</u>	<u>(85,346)</u>
Tax on loss	10	45,601	65,998
Loss for the financial year		<u>(91,502)</u>	<u>(19,348)</u>
Retained earnings brought forward		<u>3,079,195</u>	<u>3,098,543</u>
Retained earnings carried forward		<u><u>2,987,693</u></u>	<u><u>3,079,195</u></u>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

LASERSHAPE LIMITED**BALANCE SHEET****AS AT 30 JUNE 2019**

		2019		2018	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		2,575,943		3,521,895
Current assets					
Stocks	12	515,170		404,153	
Debtors	13	4,409,477		4,802,803	
Cash at bank and in hand		104,385		77,174	
		<u>5,029,032</u>		<u>5,284,130</u>	
Creditors: amounts falling due within one year	14	<u>(4,083,627)</u>		<u>(4,500,098)</u>	
Net current assets			<u>945,405</u>		<u>784,032</u>
Total assets less current liabilities			<u>3,521,348</u>		<u>4,305,927</u>
Creditors: amounts falling due after more than one year	15		(479,991)		(1,159,739)
Provisions for liabilities	17		<u>(48,564)</u>		<u>(61,893)</u>
Net assets			<u><u>2,992,793</u></u>		<u><u>3,084,295</u></u>
Capital and reserves					
Called up share capital	21		3,400		3,400
Capital redemption reserve	22		1,700		1,700
Profit and loss reserves	22		<u>2,987,693</u>		<u>3,079,195</u>
Total equity			<u><u>2,992,793</u></u>		<u><u>3,084,295</u></u>

The financial statements were approved by the board of directors and authorised for issue on 11 March 2020 and are signed on its behalf by:

D C Hateley
Director

Company Registration No. 02315632

LASERSHAPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

Company information

Lasershape Limited is a private company limited by shares incorporated in England and Wales. The registered office is Brailsford Way, Chilwell Meadows Business Park, Beeston, Nottingham, NG9 6DH.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Friar 146 Limited. These consolidated financial statements are available from Companies House.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT.

LASERSHAPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 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:

Leaschold land and buildings	Straight line over the life of the lease
Plant and equipment	10 - 25% straight line per annum
Fixtures and fittings	15 - 40% reducing balance per annum

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.

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.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand 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.

LASERSHAPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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.

1.9 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.

LASERSHAPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

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.

1.10 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.

1.11 Retirement benefits

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

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

LASERSHAPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies **(Continued)**

1.13 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.

1.14 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 are included in the profit and loss account for the period.

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.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019	2018
	£	£
Turnover analysed by class of business		
Sale of goods	10,511,533	10,532,260
Machine rental	268,709	363,013
Sale of scrap metal	383,688	441,733
	<u>11,163,930</u>	<u>11,337,006</u>

LASERSHAPE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2019**

3 Turnover and other revenue	(Continued)	
	2019	2018
	£	£
Turnover analysed by geographical market		
UK	10,895,221	10,973,993
Rest of the world	268,709	363,013
	<u>11,163,930</u>	<u>11,337,006</u>
	<u><u>11,163,930</u></u>	<u><u>11,337,006</u></u>
	2019	2018
	£	£
Other significant revenue		
Interest income	55	81
Management charges	(122,000)	144,125
Grants received	33,728	74,133
	<u>33,728</u>	<u>74,133</u>
	<u><u>33,728</u></u>	<u><u>74,133</u></u>
	2019	2018
	£	£
4 Exceptional costs/(income)		
	2019	2018
	£	£
Profit on disposal of fixed assets	(60,179)	(331,762)
	<u>(60,179)</u>	<u>(331,762)</u>
	<u><u>(60,179)</u></u>	<u><u>(331,762)</u></u>
	2019	2018
	£	£
5 Operating (loss)/profit		
Operating (loss)/profit for the year is stated after charging/(crediting):	2019	2018
	£	£
Exchange (gains)/losses	(3,950)	4,578
Government grants	(33,728)	(74,133)
Fees payable to the company's auditor for the audit of the company's financial statements	18,000	12,500
Depreciation of owned tangible fixed assets	203,468	226,052
Depreciation of tangible fixed assets held under finance leases	573,569	692,943
Cost of stocks recognised as an expense	5,903,926	5,651,594
Operating lease charges	303,777	286,649
	<u>303,777</u>	<u>286,649</u>
	<u><u>303,777</u></u>	<u><u>286,649</u></u>

LASERSHAPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

6 Employees

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

	2019	2018
	Number	Number
Production, engineering and despatch	93	112
Admin	10	10
Sales	16	13
	<u>119</u>	<u>135</u>

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	2,727,901	3,245,105
Social security costs	225,811	256,724
Pension costs	45,585	24,932
	<u>2,999,297</u>	<u>3,526,761</u>
Remuneration recharged to group company	<u>(70,000)</u>	<u>(130,000)</u>

7 Directors' remuneration

	2019	2018
	£	£
Remuneration for qualifying services	110,953	128,972
Company pension contributions to defined contribution schemes	897	436
	<u>111,850</u>	<u>129,408</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2018 - 1).

The directors are considered to be the key management personnel of the company.

LASERSHAPE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2019**

8 Interest receivable and similar income	2019	2018
	£	£
Interest income		
Interest on bank deposits	55	81
	<u> </u>	<u> </u>
9 Interest payable and similar expenses	2019	2018
	£	£
Interest on finance leases and hire purchase contracts	26,486	90,410
Interest on invoice finance arrangements	41,946	45,923
	<u> </u>	<u> </u>
	<u>68,432</u>	<u>136,333</u>
10 Taxation	2019	2018
	£	£
Current tax		
Adjustments in respect of prior periods	(32,272)	(39,972)
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	(13,329)	(26,026)
	<u> </u>	<u> </u>
Total tax credit	<u>(45,601)</u>	<u>(65,998)</u>

LASERSHAPE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2019****10 Taxation****(Continued)**

The actual credit 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:

	2019	2018
	£	£
Loss before taxation	(137,103)	(85,346)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(26,050)	(16,216)
Tax effect of expenses that are not deductible in determining taxable profit	710	934
Adjustments in respect of prior years	(32,272)	(39,972)
Depreciation on assets not qualifying for tax allowances	1,322	862
Other permanent differences	-	5,893
Effect on change in deferred tax rate	2,529	(10,086)
Corporation tax not provided	-	6,610
Deferred tax not recognised	8,160	(14,023)
Taxation credit for the year	(45,601)	(65,998)

LASERSHAPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

11 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 July 2018	544,424	5,672,390	510,587	6,727,401
Additions	-	15,118	51,086	66,204
Disposals	-	(434,500)	-	(434,500)
At 30 June 2019	544,424	5,253,008	561,673	6,359,105
Depreciation and impairment				
At 1 July 2018	480,378	2,371,092	354,036	3,205,506
Depreciation charged in the year	6,959	723,616	46,462	777,037
Eliminated in respect of disposals	-	(199,381)	-	(199,381)
At 30 June 2019	487,337	2,895,327	400,498	3,783,162
Carrying amount				
At 30 June 2019	57,087	2,357,681	161,175	2,575,943
At 30 June 2018	64,046	3,301,298	156,551	3,521,895

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2019 £	2018 £
Plant and equipment	1,644,242	2,889,420
Depreciation charge for the year in respect of leased assets	573,569	692,943

12 Stocks

	2019 £	2018 £
Raw materials and consumables	291,199	182,432
Work in progress	223,971	221,721
	515,170	404,153

LASERSHAPE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2019****13 Debtors**

	2019	2018
Amounts falling due within one year:	£	£
Trade debtors	1,752,851	1,921,002
Amounts owed by group undertakings	2,223,470	2,308,084
Other debtors	295,827	423,966
Prepayments and accrued income	137,329	149,751
	<u>4,409,477</u>	<u>4,802,803</u>

Included within trade debtors are balances totalling £1,660,403 (2018 - £1,867,909) which are subject to invoice discounting arrangements. The trade debtor balances have been transferred to the counterparty, though the transaction does not qualify for derecognition the basis that the late payment / risk reward is retained by the company. The associated liability recognised in creditors amounts to £1,228,472 (2018 - £1,197,897).

Included within trade debtors is a bad debt provision of £nil (2018 - £nil).

14 Creditors: amounts falling due within one year

	2019	2018
Notes	£	£
Bank loans and overdrafts	1,228,473	1,197,897
Obligations under finance leases	16 536,125	1,014,743
Trade creditors	1,645,326	1,575,876
Other taxation and social security	267,600	382,756
Other creditors	320,499	235,635
Accruals and deferred income	85,604	93,191
	<u>4,083,627</u>	<u>4,500,098</u>

The bank overdraft facility is secured by a fixed and floating charge over the assets of the company.

The obligations under finance leases are secured upon the assets to which they relate.

LASERSHAPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

15 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Obligations under finance leases	16	409,292	1,055,312
Deferred income		70,699	104,427
		<u>479,991</u>	<u>1,159,739</u>

The obligations under finance leases are secured upon the assets to which they relate.

16 Finance lease obligations

	2019 £	2018 £
Future minimum lease payments due under finance leases:		
Within one year	500,940	1,072,535
In two to five years	504,960	1,090,076
	<u>1,005,900</u>	<u>2,162,611</u>
Less: future finance charges	(60,483)	(92,556)
	<u>945,417</u>	<u>2,070,055</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery.

17 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	18	48,564	61,893
		<u>48,564</u>	<u>61,893</u>

LASERSHAPE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2019****18 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	81,601	108,175
Tax losses	(31,410)	(44,754)
Short-term timing differences	(1,627)	(1,528)
	<u>48,564</u>	<u>61,893</u>
		2019 £
Movements in the year:		
Liability at 1 July 2018		61,893
Credit to profit or loss		(13,329)
		<u>48,564</u>
Liability at 30 June 2019		<u>48,564</u>

19 Government grants

Subject to meeting the monitoring arrangements on a quarterly basis until 31 March 2022, the company has met the terms of the grant claim at the balance sheet date.

20 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	45,585	24,932
	<u>45,585</u>	<u>24,932</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

LASERSHAPE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2019****21 Share capital**

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
3,400 Ordinary shares of £1 each	3,400	3,400
	<u>3,400</u>	<u>3,400</u>
	<u><u>3,400</u></u>	<u><u>3,400</u></u>

22 Reserves**Capital redemption reserve**

This reserve records the nominal value of shares repurchased by the company.

Profit and loss reserve

This reserve records retained earnings and accumulated losses.

23 Operating lease commitments**Lessee**

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

	2019	2018
	£	£
Within one year	383,300	384,935
Between two and five years	1,303,123	1,441,132
In over five years	630,246	875,537
	<u>2,316,669</u>	<u>2,701,604</u>
	<u><u>2,316,669</u></u>	<u><u>2,701,604</u></u>

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2019	2018
	£	£
Acquisition of tangible fixed assets	480,000	-
	<u>480,000</u>	<u>-</u>
	<u><u>480,000</u></u>	<u><u>-</u></u>

LASERSHAPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

25 Directors' transactions

Interest free loans have been granted by the directors (to)/from the company as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Loan from the director	-	-	-	(50,000)	(50,000)
Loan from the director	-	(116,414)	10,000	(50,000)	(156,414)
		<u>(116,414)</u>	<u>10,000</u>	<u>(100,000)</u>	<u>(206,414)</u>

26 Controlling party

The ultimate parent company is Friar 146 Limited, a company registered in England, by virtue of their 100% shareholding of the company. The group financial statements are available from Companies House.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.