



OPTOSCI LIMITED

Company registration number SC149796

FILING FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

OPTOSCI LIMITED

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OPTOSCI LIMITED

COMPANY INFORMATION

Directors Professor Brian Culshaw
Professor Walter Johnstone
Professor Julian Jones
The Hon Michael Pery
Dr Douglas Walsh
Dr Iain Mauchline
Mr John A Lithgow

Registered number SC149796

Registered office 9 Cambuslang Road
Glasgow
G32 8NB

Accountants Azets
25 Bothwell Street
Glasgow
G2 6NL

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	-	980
Investments		22,664	-
		<u>22,664</u>	<u>980</u>
Current assets			
Stocks	6	21,037	24,370
Debtors: amounts falling due after more than one year	7	27,320	23,751
Debtors: amounts falling due within one year	7	35,391	90,174
Cash at bank and in hand		17,058	37,842
		<u>100,806</u>	<u>176,137</u>
Creditors: amounts falling due within one year	8	(67,793)	(75,578)
Net current assets		<u>33,013</u>	<u>100,559</u>
Total assets less current liabilities		<u>55,677</u>	<u>101,539</u>
Provisions for liabilities			
Deferred tax		(506)	-
		<u>(506)</u>	<u>-</u>
Net assets		<u><u>55,171</u></u>	<u><u>101,539</u></u>
Capital and reserves			
Called up share capital		27,965	27,965
Share premium account	10	30,356	30,356
Fair value reserve	10	2,664	-
Capital redemption reserve	10	4,822	4,822
Profit and loss account	10	(10,636)	38,396
		<u>55,171</u>	<u>101,539</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

OPTOSCI LIMITED
REGISTERED NUMBER: SC149796

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2020

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

As permitted by Section 444 of the Companies Act 2006, the directors have not delivered to the Registrar a copy of the company's Income and Retained Earnings for the year ended 31 August 2020.

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

Dr Iain Mauchline
Director

Date: 13 November 2020

The notes on pages 5 to 14 form part of these financial statements.

OPTOSCI LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2020

	Called up share capital	Share premium account	Fair value reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 September 2018	27,965	30,356	-	4,822	23,220	86,363
Comprehensive income for the year						
Profit for the year	-	-	-	-	15,176	15,176
At 1 September 2019	27,965	30,356	-	4,822	38,396	101,539
Comprehensive income for the year						
Loss for the year	-	-	-	-	(46,368)	(46,368)
Transfer of fair value reserve	-	-	-	-	(2,664)	(2,664)
Total comprehensive income for the year	-	-	-	-	(49,032)	(49,032)
Transfer of fair value reserve	-	-	2,664	-	-	2,664
At 31 August 2020	<u>27,965</u>	<u>30,356</u>	<u>2,664</u>	<u>4,822</u>	<u>(10,636)</u>	<u>55,171</u>

The notes on pages 5 to 14 form part of these financial statements.

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

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which (the majority of) the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31 August 2020.

The continuing activities of OptoSci Limited are:

- Specialist design and manufacture of a range of products for use in teaching, research and industrial laboratories.
- Applied research and commercial development of selected areas of innovative photonics technology.

The company is a private company limited by shares and is incorporated in United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements. The company's registered number is SC149796.

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 applicable law and United Kingdom Accounting Standards including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The Directors have assessed a period of twelve months from the date on which the financial statements have been signed and taking into account the company's net assets position and expected future trading they consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would be required should the directors consider this not to be the case.

This assessment of going concern includes the expected impact of COVID-19 to the entity in the 12 months following the signing of these financial statements.

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

2. Accounting policies (continued)

2.3 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover 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 turnover 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.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2. Accounting policies (continued)

2.5 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.6 Valuation of investments

Investments in listed company shares are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.7 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.

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

2. Accounting policies (continued)

2.8 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.

2.9 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Equipment, fixtures and fittings	- 10% - 25%
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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.

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

2. Accounting policies (continued)

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 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.

2.12 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.

2.13 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.

2.14 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.

2.15 Pensions

Defined contribution pension plan

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 Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

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

2. Accounting policies (continued)

2.16 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.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 September 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2019 - 10).

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

4. Tangible fixed assets

	Equipment, fixtures and fittings £
Cost or valuation	
At 1 September 2019	43,986
At 31 August 2020	<u>43,986</u>
Depreciation	
At 1 September 2019	43,006
Charge for the year on owned assets	980
At 31 August 2020	<u>43,986</u>
Net book value	
At 31 August 2020	<u>-</u>
<i>At 31 August 2019</i>	<u>980</u>

5. Fixed asset investments

	Listed investments £
Cost or valuation	
Additions	20,000
Revaluations	2,664
At 31 August 2020	<u>22,664</u>

OPTOSCI LIMITED

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

6. Stocks

	2020 £	2019 £
Finished goods and goods for resale	21,037	24,370
	<u>21,037</u>	<u>24,370</u>

7. Debtors

	2020 £	2019 £
Due after more than one year		
Other debtors	27,320	23,751
	<u>27,320</u>	<u>23,751</u>

	2020 £	2019 £
Due within one year		
Trade debtors	32,287	90,174
Other debtors	3,104	-
	<u>35,391</u>	<u>90,174</u>

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,324	1,240
Other taxation and social security	3,424	10,361
Other creditors	60,012	60,766
Accruals and deferred income	3,033	3,211
	<u>67,793</u>	<u>75,578</u>

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

9. Deferred taxation

	2020 £
Charged to profit or loss	(506)
At end of year	(506)

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Movement in fair value reserve	(506)	-
	<u>(506)</u>	<u>-</u>

10. Reserves**Share premium account**

This reserve includes all amounts received on the issue of shares in excess of par and is a non-distributable reserve.

Capital redemption reserve

The capital redemption reserve arises on the purchase of the company's own shares. Distributions from this reserve are not permitted as the balance does not represent a realised profit.

Other reserves

The fair value reserve includes gain from revaluation of shares in a listed company.

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 and charge represent contributions payable by the company to the fund and amounted to £3,090 (2019 - £3,090).

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

12. Commitments under operating leases

At 31 August 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020	<i>2019</i>
	£	£
Not later than 1 year	1,969	<i>15,750</i>
Later than 1 year and not later than 5 years	-	<i>1,969</i>
	<hr/> 1,969 <hr/>	<hr/> <i>17,719</i> <hr/>

13. Related party transactions

Included within other creditors is £60,000 (*2019 - £60,000*) due to the company's directors. These loans are interest free and repayable on demand.

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.