

Registration number: 04864514

# The Laser Cutting Company Limited

Unaudited Financial Statements

for the Year Ended 30 April 2021



# **The Laser Cutting Company Limited**

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# The Laser Cutting Company Limited

## Company Information

**Directors** P Braithwaite  
J C W Day  
J C Day  
C R Day

**Company secretary** P Braithwaite

**Registered office** 58 Catley Road  
Sheffield  
South Yorkshire  
S9 5JF

**Accountants** Hawsons Chartered Accountants  
Pegasus House  
463a Glossop Road  
Sheffield  
South Yorkshire  
S10 2QD

# The Laser Cutting Company Limited

(Registration number: 04864514)

## Balance Sheet as at 30 April 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	2	1,747,208	2,330,364
<b>Current assets</b>			
Stocks		261,107	132,898
Debtors	3	1,657,889	1,365,310
Cash at bank and in hand		<u>76,337</u>	<u>306,219</u>
		1,995,333	1,804,427
<b>Creditors: Amounts falling due within one year</b>	4	<u>(2,646,210)</u>	<u>(2,552,098)</u>
<b>Net current liabilities</b>		<u>(650,877)</u>	<u>(747,671)</u>
<b>Total assets less current liabilities</b>		1,096,331	1,582,693
<b>Creditors: Amounts falling due after more than one year</b>	4	(891,504)	(1,399,139)
<b>Provisions for liabilities</b>		<u>(56,000)</u>	<u>(40,000)</u>
<b>Net assets</b>		<u>148,827</u>	<u>143,554</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>148,727</u>	<u>143,454</u>
Shareholders' funds		<u>148,827</u>	<u>143,554</u>

For the financial year ending 30 April 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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 Directors' Report and the Profit and Loss Account has been taken.

These financial statements, which 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 and in accordance with the provisions of FRS 102 Section 1A Small Entities, were approved and authorised for issue by the Board on 13.12.21 and signed on its behalf by:

J C W Day  
Director

# The Laser Cutting Company Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### 1 Accounting policies

#### Statutory information

The Laser Cutting Company Limited is a private company, limited by shares, domiciled in England and Wales, company number 04864514. The registered office is at 58 Catley Road, Sheffield, S9 5JF.

#### 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. There has been no material departure from this standard.

#### 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.

#### Going concern

After due consideration of all relevant factors, including the impact of the COVID-19 pandemic on the business, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### 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 sales/value added tax, returns, rebates and discounts.

#### Government grants

Grants that relate to the financing of projects to expand the operations of the business are amortised over the expected useful economic lives of the assets or projects concerned. Grants relating to the revenue expenditure are credited to income where receivable.

#### 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 shall be recognised in respect of all timing differences at the reporting date, except as otherwise required by FRS102. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

# The Laser Cutting Company Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### 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, less their estimated residual value, over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	10% straight line
Fixtures and fittings	10% straight line
Equipment	33.3% straight line

### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

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

### Leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

### Defined contribution pension obligation

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.

### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

**The Laser Cutting Company Limited**

**Notes to the Financial Statements for the Year Ended 30 April 2021**

**2 Tangible assets**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 May 2020	3,126,044	108,412	-	254,447	3,488,903
Additions	2,814	500	33,225	39,989	76,528
Disposals	(780,000)	-	-	-	(780,000)
Adjustments	(60,920)	-	-	-	(60,920)
At 30 April 2021	<u>2,287,938</u>	<u>108,912</u>	<u>33,225</u>	<u>294,436</u>	<u>2,724,511</u>
<b>Depreciation</b>					
At 1 May 2020	929,914	62,364	-	166,261	1,158,539
Charge for the year	184,293	6,802	-	43,359	234,454
Eliminated on disposal	(388,276)	-	-	-	(388,276)
Adjustments	(27,414)	-	-	-	(27,414)
At 30 April 2021	<u>698,517</u>	<u>69,166</u>	<u>-</u>	<u>209,620</u>	<u>977,303</u>
<b>Carrying amount</b>					
At 30 April 2021	<u>1,589,421</u>	<u>39,746</u>	<u>33,225</u>	<u>84,816</u>	<u>1,747,208</u>
At 30 April 2020	<u>2,196,130</u>	<u>46,048</u>	<u>-</u>	<u>88,186</u>	<u>2,330,364</u>

The net book value of assets held under finance lease or hire purchase contracts included above was £1,461,576 (2020 - £2,021,823).

## The Laser Cutting Company Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 3 Debtors

	2021 £	2020 £
Trade debtors	918,150	739,586
Prepayments and accrued income	683,312	436,800
Other debtors	3,077	128,570
Corporation tax recoverable	33,350	60,354
Directors' current account	20,000	-
	1,657,889	1,365,310

#### 4 Creditors

	2021 £	2020 £
<b>Due within one year</b>		
Trade creditors	1,312,480	1,116,855
Accruals	37,758	38,754
Taxation and social security	122,587	56,458
Other creditors	630,910	928,397
Obligations under finance lease and hire purchase contracts	417,381	380,632
Directors' current account	94	31,002
Loans and borrowings	125,000	-
	2,646,210	2,552,098

	2021 £	2020 £
<b>Due after one year</b>		
Obligations under finance lease and hire purchase contracts	740,810	1,110,597
Deferred income	25,694	38,542
Loans and borrowings	125,000	250,000
	891,504	1,399,139

Within other creditors due within one year are amounts due to invoice discounters of £453,815 (2020 - £529,605) secured on the trade debts of the business.

The obligations under finance lease and hire purchase contracts are secured on the assets concerned.

A debenture over all present and future assets of the company exists in favour of HSBC Bank plc as part of the company's bank loan.

# The Laser Cutting Company Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### 5 Related party transactions

#### Transactions with directors

	Advances to directors £	At 30 April 2021 £
<b>2021</b>		
<b>J C Day</b>		
Amounts due from director	<u>10,000</u>	<u>10,000</u>
<b>C R Day</b>		
Amounts due from director	<u>10,000</u>	<u>10,000</u>

### 6 Staff numbers

The average number of employees during the year was 27 (2020 - 26).

### 7 Parent undertaking

The company's immediate and ultimate parent undertaking is The Laser Cutting Company Holdings Limited, incorporated in England and Wales.