

Oxonica Limited Annual Report and Accounts 2019



OXONICA LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

OXONICA LIMITED

COMPANY INFORMATION

Directors	Graham Shaw Richard Farleigh
Company number	05363273
Registered office	Squire Patton Boggs (UK) LLP Rutland House 148 Edmund Street Birmingham B3 2JR
Accountants	Rouse Partners LLP 55 Station Road Beaconsfield Buckinghamshire HP9 1QL

OXONICA LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 7

OXONICA LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

Directors

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

Graham Shaw
Richard Farleigh

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;
- 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small

On behalf of the board



Graham Shaw

Director

Date: 23 JULY 2020

OXONICA LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF OXONICA LIMITED FOR THE YEAR ENDED 31 DECEMBER 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Oxonica Limited for the year ended 31 December 2019 set out on pages 3 to 7 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Oxonica Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Oxonica Limited and state those matters that we have agreed to state to the Board of Directors of Oxonica Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at icaew.com. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Oxonica Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Oxonica Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Oxonica Limited. You consider that Oxonica Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Oxonica Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Rouse Partners LLP

Chartered Accountants

24 July 2020
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55 Station Road
Beaconsfield
Buckinghamshire
HP9 1QL

OXONICA LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019	2018
	Notes	£	£
Turnover	1	119,245	116,711
Cost of sales		(3,375)	(8,100)
Gross profit		115,870	108,611
Administrative expenses	2	(45,248)	(74,901)
Operating profit		70,622	33,710
Interest receivable and similar income		20	11
Profit before taxation		70,642	33,721
Tax on profit		-	-
Profit for the financial year		70,642	33,721

OXONICA LIMITED

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Current assets					
Debtors	5	15,754		15,672	
Cash at bank and in hand		13,695		26,575	
		<u>29,449</u>		<u>42,247</u>	
Creditors: amounts falling due within one year	6	<u>(79,517)</u>		<u>(91,551)</u>	
Net current (liabilities)			<u>(50,068)</u>		<u>(49,304)</u>
Total assets less current liabilities			<u>(50,068)</u>		<u>(49,304)</u>
Creditors: amounts falling due after one year	7	(168,547)		(239,953)	
Provisions for liabilities			-		-
Net liabilities			<u>(218,615)</u>		<u>(289,257)</u>
Capital and reserves					
Called up share capital	8	655,599		655,599	
Share Premium Account		4,504,517		4,504,517	
Profit and loss reserves		<u>(5,378,731)</u>		<u>(5,449,373)</u>	
Total equity			<u>(218,615)</u>		<u>(289,257)</u>

For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 23/1/2020 and are signed on its behalf by:



Graham Shaw
Director

Company Registration No. 05363273

OXONICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Oxonica Limited is a private company limited by shares incorporated in England and Wales. The registered office is c/o Squire Patton Boggs (UK) LLP, Rutland House, 148 Edmund Street, Birmingham, B3 2JR.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover received under assignment and license agreements is accounted for as deferred revenue and will be released to the Profit and Loss Account on a straight line basis over the estimated life of the agreement.

Turnover derived in the UK is from a third party royalty agreement. This is calculated in arrears and is recognised on a quarterly basis. Turnover is recognised as it is earned.

1.3 Going concern

The financial statements are prepared on a going concern basis which the directors believe to be appropriate. The Company meets its day to day to working capital requirements through existing cash resources.

The directors have prepared projected cash flow forecasts for the period ending twelve months from the date of their approval of these financial statements. On the basis of these cash flow forecasts the directors consider that, for the foreseeable future, the Company will continue to operate within its existing resources and meet its obligations as they fall due.

1.4 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.

OXONICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.5 Taxation

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.

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.

1.6 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 Administration Expenses

Included within Administration Expenses is a profit of £8,397 (2018: loss of £18,078) arising from the foreign currency revaluation of the BD licensing agreement.

3 Employees

The Company had no employees in 2019 or 2018.

4 Taxation

No deferred tax asset has been recognised on the tax losses carried forward of £16,481,772 (2018: £16,544,659) on the basis that it is not more than likely that they will be recovered against future taxable profits. There is an unrecognised deferred tax asset of £2,807,907 (2018: £2,812,592).

OXONICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Prepayments	979	971
Other debtors	14,775	14,701
	<u>15,754</u>	<u>15,672</u>

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred revenue	79,517	91,551
	<u>79,517</u>	<u>91,551</u>

Accruals and deferred revenue includes £63,205 (2018: £65,442), which relates to the deferral of the cash payments received from BD at the start of the licensing agreement. This revenue will be recognised over the 15 year estimated life of the licence agreement.

7 Creditors: amounts falling due after one year

	2019 £	2018 £
Deferred revenue	168,547	239,953
	<u>168,547</u>	<u>239,953</u>

Accruals and deferred revenue includes £168,547 (2018: £239,953), which relates to the deferral of the cash payments received from BD at the start of the licensing agreement. This revenue will be recognised over the 15 year estimated life of the licence agreement.

8 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
65,599,943 Ordinary Shares of £0.01 each	655,599	655,599
	<u>655,599</u>	<u>655,599</u>

9 Related party transactions

The Company has a related party relationship with its key management personnel. The key management personnel of the Company are the executive directors. Compensation of key management personnel was:

	2019 £	2018 £
Remuneration (including fees)	28,000	28,000
	<u>28,000</u>	<u>28,000</u>

OXONICA LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019

OXONICA LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

	£	2019 £	£	2018 £
Turnover				
Sales		119,245		116,711
Cost of sales				
Purchases	3,375		8,100	
		(3,375)		(8,100)
Gross profit		115,870		108,611
Administrative expenses		(45,248)		(74,901)
Operating profit		70,622		33,710
Investment revenues				
Bank interest received	20		11	
		20		11
Profit before taxation		70,642		33,721

OXONICA LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
Administrative expenses		
Audit & Accountancy	4,337	5,000
Staff costs	10,000	10,000
Professional & Consultancy	35,456	35,959
Office costs	2,130	2,357
Insurance	2,124	2,236
IT Support costs	1,102	916
Bank charges	(2,182)	187
Sundry expenses	652	146
Miscellaneous Income	(134)	-
(Profit) or loss on foreign exchange	(8,237)	18,100
	<hr/>	<hr/>
	45,248	74,901



Oxonica Limited
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HP22 9PH
Company No: 5363273

Visit our website at
www.oxonica.com