

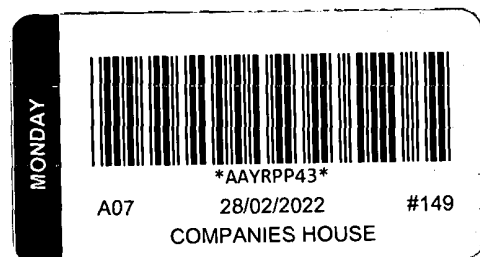
## **NKT Photonics LTD**

Annual Report and Financial Statements

Year Ended

31 December 2020

Company Number 04645475



# **NKT Photonics LTD**

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## **Company Information**

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<b>Directors</b>	B Garabet D B Riddell
<b>Registered number</b>	04645475
<b>Registered office</b>	Unit 20 Compass Point Ensign Way Hamble Southampton Hampshire SO31 4RA
<b>Independent auditor</b>	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL

# **NKT Photonics LTD**

## **Directors' Report For the Year Ended 31 December 2020**

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The directors present their report together with the audited financial statements for the year ended 31 December 2020.

### **Directors**

The directors who served during the year were:

B Garabet  
D B Riddell

### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' 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 group and company 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 group and company and of the profit or loss of the group 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; and
- 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.

### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Post balance sheet events**

There have been no significant events affecting the company since the year end.

# NKT Photonics LTD

## Directors' Report (continued) For the Year Ended 31 December 2020

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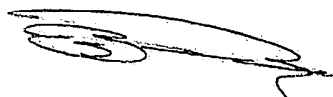
### Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**B Garabet**  
Director

Date: 23 February 2022

# **NKT Photonics LTD**

## **Independent Auditor's Report to the Members of NKT Photonics LTD**

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### **Opinion on the financial statements**

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit 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.

We have audited the financial statements of NKT Photonics Limited ("the company") for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### **Basis for qualified opinion**

We were unable to satisfy ourselves over the completeness, existence and valuation of the stock quantities held at 31 December 2019 due to the company not counting all stock in existence at that year-end. Owing to the nature of the company's records in this regard, we were unable to satisfy ourselves by alternate means concerning the stock quantities held at 31 December 2019 by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount at 31 December 2019 was necessary or whether there was any consequential effect on the cost of sales for the year ended 31 December 2020.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### *Independence*

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.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# **NKT Photonics LTD**

## **Independent Auditor's Report to the Members of NKT Photonics LTD (continued)**

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### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

### **Other Companies Act 2006 reporting**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In 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 Directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

# NKT Photonics LTD

## Independent Auditor's Report to the Members of NKT Photonics LTD (continued)

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### 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.

### 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.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management regarding consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions made by management in their significant accounting estimates and assessing whether the judgements made in accounting entries are indicative of potential bias;
- Identifying and testing journal entries, in particular any manual journal entries to revenue or intangible assets;
- Reviewing senior management board meeting minutes for evidence of any fraud or non-compliance with laws and regulations; and
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. In addition, the extent to which the audit was capable of detecting irregularities, including fraud was limited by the matter described in the basis for qualified opinion section of our report.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Auditor's Report.

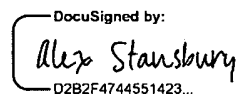
## NKT Photonics LTD

### Independent Auditor's Report to the Members of NKT Photonics LTD (continued)

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#### Use of our report

This report is made solely to the company's member 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 member 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 member, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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**Alex Stansbury** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Southampton  
United Kingdom

Date: 23 February 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



# NKT Photonics LTD

## Statement of Comprehensive Income For the Year Ended 31 December 2020

	Note	2020 £	2019 £
Turnover		2,589,608	1,532,628
Cost of sales		(3,597,780)	(3,568,702)
<b>Gross loss</b>		<b>(1,008,172)</b>	<b>(2,036,074)</b>
Administrative expenses		(2,660,427)	(3,099,452)
Other operating income	3	4,777,022	3,864,414
<b>Operating profit/(loss)</b>	4	<b>1,108,423</b>	<b>(1,271,112)</b>
Interest receivable and similar income		63	3,158
Interest payable and similar expenses		(122,105)	(17,217)
<b>Profit/(loss) before tax</b>		<b>986,381</b>	<b>(1,285,171)</b>
Tax on profit/(loss)	6	-	103,850
<b>Profit/(loss) for the financial year</b>		<b>986,381</b>	<b>(1,181,321)</b>

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 10 to 17 form part of these financial statements.

**NKT Photonics LTD**  
Registered number: 04645475

**Balance Sheet**  
**As at 31 December 2020**

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Intangible assets	7		3,064,289		2,096,625
Tangible assets	8		1,675,167		1,445,471
			<u>4,739,456</u>		<u>3,542,096</u>
<b>Current assets</b>					
Stocks	9	1,779,709		1,143,150	
Debtors: amounts falling due within one year	10	7,738,409		9,554,004	
Bank and cash balances				650	
			<u>9,518,118</u>	<u>10,697,804</u>	
Creditors: amounts falling due within one year	11	(6,952,268)		(5,181,555)	
<b>Net current assets</b>			<u>2,565,850</u>		<u>5,516,249</u>
<b>Total assets less current liabilities</b>			<u>7,305,306</u>		<u>9,058,345</u>
<b>Provisions for liabilities</b>					
<b>Net assets</b>			<u>7,305,306</u>		<u>9,058,345</u>
<b>Capital and reserves</b>					
Called up share capital	12		955		955
Share premium account	13		10,081		10,081
Profit and loss account	13		7,294,270		9,047,309
<b>Total equity</b>			<u>7,305,306</u>		<u>9,058,345</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 were approved and authorised for issue by the the board and were signed on its behalf by:

  
**B. Garabet**  
Director

Date: 20 February 2022

The notes on pages 10 to 17 form part of these financial statements.

## NKT Photonics LTD

### Statement of Changes in Equity For the Year Ended 31 December 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2019	955	10,081	10,228,630	10,239,666
Loss for the year	-	-	(1,181,321)	(1,181,321)
At 1 January 2020	955	10,081	9,047,309	9,058,345
Profit for the year	-	-	986,381	986,381
Dividend in specie	-	-	(2,739,420)	(2,739,420)
At 31 December 2020	955	10,081	7,294,270	7,305,306

# **NKT Photonics LTD**

## **Notes to the Financial Statements For the Year Ended 31 December 2020**

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### **1. Accounting policies**

#### **1.1 Basis of preparation of financial statements**

NKT Photonics LTD is a private company limited by shares and incorporated in England and Wales under the Companies Act. The address of the registered office is given on the contents page.

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.

#### **1.2 Going concern**

The directors have considered the company's financial position taking into account reasonably possible changes in trading performance. The company is dependent on the ongoing financial support of its parent company, NKT Holdings A/S. The directors have therefore received confirmation from NKT Photonics A/S that the company will continue to provide sufficient funding for the foreseeable future, and for at least the period of twelve months following the date of approval of the financial statements to enable the company to meet its obligations to third parties as they fall due.

After considering the above factors, the directors have a reasonable expectation that the company has sufficient access to adequate resource to continue in operational existence for the foreseeable future, and for at least the period of twelve months following the date of approval of the financial statements. The directors therefore consider it appropriate to adopt the going concern principle in preparing the financial statements.

#### **1.3 Turnover**

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

Revenue is recognised when risk and rewards of ownership are considered to be transferred, this is deemed to be at the point of despatch.

#### **1.4 Tangible fixed assets**

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Leasehold property	-	Straight line over the length of the lease
Plant and machinery	-	25% straight line
Fixtures, fittings and equipment	-	33% straight line

#### **1.5 Impairment of fixed assets**

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

# **NKT Photonics LTD**

## **Notes to the Financial Statements For the Year Ended 31 December 2020**

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### **1. Accounting policies (continued)**

#### **1.6 Stocks**

Stock and work in progress are valued at the lower of cost and net realisable value. Cost includes the cost of purchase on a first in, first out basis, and subsequent costs to bring each product to its location and condition to be ready for sale. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

#### **1.7 Foreign currency**

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the Statement of Income and Retained Earnings.

#### **1.8 Grant income**

Grants of a revenue nature are credited to the Statement of Income and Retained Earnings in the period to which they relate.

#### **1.9 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 the Statement of Income and Retained Earnings 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.

#### **1.10 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 and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

# **NKT Photonics LTD**

## **Notes to the Financial Statements For the Year Ended 31 December 2020**

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### **1. Accounting policies (continued)**

#### **1.11 Research and development**

Expenditure on pure and applied research is charged to the Statement of Comprehensive Income in the year in which it is incurred.

Development costs are also charged to the Statement of Income and Retained Earnings in the year of expenditure, unless individual projects satisfy all of the following criteria:

- the project is clearly defined and related expenditure is separately identifiable;
- the project is technically feasible and commercially viable;
- current and future costs are expected to be exceeded by future sales; and
- adequate resources exist for the project to be completed.

In such circumstances the costs are carried forward and amortised over a period not exceeding four years commencing in the year the company starts to benefit from the expenditure.

Research and development tax credits are included within other operating income within the Statement of Comprehensive Income.

#### **1.12 Operating leases**

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

#### **1.13 Borrowing costs**

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

#### **1.14 Taxation**

Tax is recognised in the Statement of Income and Retained Earnings, 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 balance sheet 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 balance sheet 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 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 balance sheet date.

# NKT Photonics LTD

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 2. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates. The directors have made the following critical estimates and judgements deemed to be applicable to the financial statements:

- Consideration has been given by the directors to the level of provision against stock. In determining the provision required the directors have reviewed marketability, obsolescence and development in expected sales price.
- Consideration has been given by the directors to the capitalisation of intangible assets. Clearly defined and identifiable development projects for which the technical feasibility, adequacy of resources and a potential future market can be demonstrated, and where it is intended to manufacture, market or utilise the project, are recognized as intangible assets provided the cost can be reliably determined, and provided there is also adequate certainty that the future earnings or net selling prices can cover the carrying amount as well as the development costs necessary to finalise the project. Other development costs are expensed in the income statement as incurred.

### 3. Other operating income

	2020 £	2019 £
Grant income	4,749	631
Research and development expenditure credit	165,000	(108,038)
Parent company management charge	4,607,273	3,971,821
	<u>4,777,022</u>	<u>3,864,414</u>

### 4. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2020 £	2019 £
Amortisation of intangible assets	157,293	20,769
Depreciation of tangible fixed assets	526,556	437,699
Impairment of intangible assets	-	100,447
Fees payable to the company's auditor for the audit of the company's annual financial statements	36,000	22,490
Defined contribution pension cost	<u>112,245</u>	<u>98,051</u>

### 5. Employees

The average monthly number of employees, including directors, during the year was 53 (2019 - 50).

# NKT Photonics LTD

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 6. Taxation

	2020 £	2019 £
<b>Corporation tax</b>		
Adjustments in respect of previous periods	-	(48,579)
<b>Total current tax</b>	<u>-</u>	<u>(48,579)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(81,334)
Changes to tax rates	-	26,063
<b>Total deferred tax</b>	<u>-</u>	<u>(55,271)</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u>-</u>	<u>(103,850)</u>

### 7. Intangible assets

	Development costs £
<b>Cost</b>	
At 1 January 2020	2,217,841
Additions	1,124,957
At 31 December 2020	<u>3,342,798</u>
<b>Amortisation</b>	
At 1 January 2020	121,216
Provided for the year	157,293
At 31 December 2020	<u>278,509</u>
<b>Net book value</b>	
At 31 December 2020	<u>3,064,289</u>
At 31 December 2019	<u>2,096,625</u>



# NKT Photonics LTD

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 8. Tangible fixed assets

	Leasehold land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>				
At 1 January 2020	710,597	1,858,460	577,474	3,146,531
Additions	216,103	45,743	494,406	756,252
At 31 December 2020	<u>926,700</u>	<u>1,904,203</u>	<u>1,071,880</u>	<u>3,902,783</u>
<b>Depreciation</b>				
At 1 January 2020	173,549	1,226,024	301,487	1,701,060
Provided for the year	72,613	298,331	155,612	526,556
At 31 December 2020	<u>246,162</u>	<u>1,524,355</u>	<u>457,099</u>	<u>2,227,616</u>
<b>Net book value</b>				
At 31 December 2020	<u>680,538</u>	<u>379,848</u>	<u>614,781</u>	<u>1,675,167</u>
At 31 December 2019	<u>537,048</u>	<u>632,436</u>	<u>275,987</u>	<u>1,445,471</u>

### 9. Stocks

	2020 £	2019 £
Raw materials and consumables	1,524,949	1,027,770
Work in progress	243,762	70,481
Finished goods and goods for resale	10,998	44,899
	<u>1,779,709</u>	<u>1,143,150</u>

There is no material difference between the replacement cost of stocks and the amounts stated above.

# NKT Photonics LTD

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 10. Debtors

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	5,083	106,455
Amounts owed by group undertakings	7,291,509	9,083,023
Other debtors	167,798	155,876
Prepayments and accrued income	67,462	110,492
R&D tax credit receivable	206,557	98,158
	<u>7,738,409</u>	<u>9,554,004</u>

### 11. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	4,084,647	2,547,997
Trade creditors	638,043	477,133
Amounts owed to group undertakings	1,177,717	539,506
Other taxation and social security	66,494	74,711
Other creditors	36,726	36,956
Accruals and deferred income	948,641	1,505,252
	<u>6,952,268</u>	<u>5,181,555</u>

### 12. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
6,800 (2019 - 6,800) Ordinary A shares of 5.00 each	340	340
12,300 (2019 - 12,300) Ordinary B shares of 5.00 each	615	615
	<u>955</u>	<u>955</u>

The Ordinary A shareholders exercise all voting rights and powers of control. The Ordinary B shareholders have no voting rights and are only entitled to dividends at the discretion of the Ordinary A shareholders.

# NKT Photonics LTD

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 13. Reserves

#### Share premium account

Share premium represents the amount above the nominal value received for shares issued, less transaction costs.

#### Profit and loss account

The profit and loss account represents accumulated comprehensive income for the year and prior periods less any dividends paid.

### 14. 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 charge amounted to £112,245 (2019 - £98,051). There were outstanding contributions totalling £19,208 (2019 - £17,928) at the end of the financial year.

### 15. Commitments under operating leases

At 31 December 2020 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	191,135	201,905
Later than 1 year and not later than 5 years	419,377	602,127
Later than 5 years	99,536	198,776
	<u>710,048</u>	<u>1,002,808</u>

### 16. Related party transactions

The largest and smallest group in which the results of the company are consolidated is that headed by NKT Holdings A/S, incorporated in Denmark. The address of NKT Holdings A/S's registered office is Vibeholms Allé 25, DK-2605 Brøndby.