

OXWASH LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

OXWASH LTD
REGISTERED NUMBER: 11099853

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	186,172	20,075
Tangible fixed assets		207,890	25,026
		<u>394,062</u>	<u>45,101</u>
Current assets			
Work in progress		338	6,142
Debtors within one year	6	212,024	91,081
Cash at bank and in hand		666,590	147,925
		<u>878,952</u>	<u>245,148</u>
Creditors: amounts falling due within one year	7	(203,579)	(162,754)
Net current assets		<u>675,373</u>	<u>82,394</u>
Total assets less current liabilities		<u>1,069,435</u>	<u>127,495</u>
Creditors: amounts falling due after more than one year	8	(94,109)	-
Net assets		<u><u>975,326</u></u>	<u><u>127,495</u></u>
Capital and reserves			
Called up share capital		2,304	1,563
Share premium account		2,324,915	509,346
Profit and loss account		(1,351,893)	(383,414)
		<u><u>975,326</u></u>	<u><u>127,495</u></u>

OXWASH LTD
REGISTERED NUMBER: 11099853

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

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.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

K Grant
Director

Date: 27 September 2021

The notes on pages 3 to 10 form part of these financial statements.

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

1. General information

Oxwash Ltd (Company number 11099583) is a limited liability company which is registered in England and Wales.

The company's registered office is Unit 7 Roger House, Osney Mead, Oxford, United Kingdom, OX2 0ES.

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 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.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

The validity of this assumption depends on the continuing support from the company's financiers, creditors and the ability to have sufficient working capital in the foreseeable future.

The directors are not aware of any reason why the support from the company's financiers and other creditors will not be renewed. The continuation of this support is critical to the company's ability to meet its liabilities as they fall due.

The directors continue to monitor the impact that the ongoing Covid-19 pandemic will have on the company. The directors have assessed the potential impact on the company's trade on a short-to medium term view only, as it is currently difficult to assess risks on a longer term basis due to the constantly evolving nature of the Covid-19 pandemic. The directors consider therefore that the ability of the company to continue to trade effectively remains positive whilst the Covid-19 pandemic continues.

Should the going concern basis of preparation of the financial statements be found to be inappropriate should such support be withdrawn by the financiers or there was insufficient working capital for the company to continue as a going concern adjustments may have to be made to reduce the value of assets to their recoverable amount, to provide further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities respectively, both adjustments having a consequent effect on the profit and loss account. It is not practical to quantify these potential adjustments which are not included in these financial statements.

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

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Rendering of services

Revenue 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 revenue 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 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.

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 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 income and retained earnings in the same period as the related expenditure.

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

2. Accounting policies (continued)

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.10 Pensions

Defined contribution pension plan

The Company contributes into 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Taxation

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 balance sheet date in the countries where the Company operates and generates income.

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.13 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.

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

2. Accounting policies (continued)

2.13 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 5%-20% straight line
Fixtures and fittings	- 33% straight line
Office equipment	- 33% straight line

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.

2.14 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.

2.15 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.

2.16 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

3. Employees

The average monthly number of employees, including directors, during the year was 15 (2019 - 10).

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

4. Intangible assets

	Develop-ment expenditure £
Cost	
At 1 January 2020	20,075
Additions	191,095
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At 31 December 2020	211,170
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Amortisation	
Charge for the year on owned assets	24,998
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At 31 December 2020	24,998
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Net book value	
At 31 December 2020	186,172
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At 31 December 2019	20,075
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OXWASH LTD

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

5. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2020	19,867	4,296	9,025	33,188
Additions	179,124	2,451	17,349	198,924
At 31 December 2020	<u>198,991</u>	<u>6,747</u>	<u>26,374</u>	<u>232,112</u>
Depreciation				
At 1 January 2020	3,948	1,058	3,156	8,162
Charge for the year on owned assets	7,960	1,714	5,669	15,343
Charge for the year on financed assets	717	-	-	717
At 31 December 2020	<u>12,625</u>	<u>2,772</u>	<u>8,825</u>	<u>24,222</u>
Net book value				
At 31 December 2020	<u>186,366</u>	<u>3,975</u>	<u>17,549</u>	<u>207,890</u>
At 31 December 2019	<u>15,919</u>	<u>3,238</u>	<u>5,869</u>	<u>25,026</u>

6. Debtors

	2020 £	2019 £
Trade debtors	15,721	5,389
Other debtors	187,100	85,509
Prepayments and accrued income	9,203	183
	<u>212,024</u>	<u>91,081</u>

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

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	72,766	-
Trade creditors	67,513	29,001
Other taxation and social security	36,797	242
Obligations under finance lease and hire purchase contracts	9,233	-
Other creditors	14,270	131,511
Accruals and deferred income	3,000	2,000
	<u>203,579</u>	<u>162,754</u>

8. Creditors: Amounts falling due after more than one year

	2020 £
Bank loans	72,767
Net obligations under finance leases and hire purchase contracts	21,342
	<u>94,109</u>

9. Loans

Analysis of the maturity of loans is given below:

	2020 £
Amounts falling due within one year	
Bank loans	72,766
	<u>72,766</u>
Amounts falling due 1-2 years	
Bank loans	72,766
	<u>72,766</u>
	<u>145,532</u>

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

10. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
2,303,911 (2019 - 1,563,000) Ordinary shares of £0.00100 each	<u>2,304</u>	<u>1,563</u>

A further 741,345 Ordinary shares of £0.001 were issued at £2.45 per share on 21 September 2020.

11. Pension commitments

The Company contributes into a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £7,005 (2019: £3,269). The balance outstanding as at 31 December 2020 amounted to £2,371 (2019: NIL)

12. Related party transactions

Included within other debtors is a balance to K Grant, a director of the company. This balance was £6,862 (2019: £1,620). This loan is interest free and there is no fixed date for repayment.

Included within other creditors is a balance to T De Wilton, a director of the company. This balance was £3,668 (2019: £NIL). This loan is interest free and there is no fixed date for repayment.

13. Coronavirus government support

During the period under review, the company has taken advantage of the following government support available as a result of the Coronavirus pandemic:

- Bounce back loan - This was obtained and fully repaid during the period.
- Coronavirus business interruption loan - This loan is included within creditors and is due to be repaid within 24 months.
- Coronavirus job retention scheme - Amounts received are included within other operating income.
- Business rates grant - Amounts received are included within other operating income.

14. Subsequent events

On 26 May 2021, the company successfully obtained further investment amounting to £1,816,310. This amount will be recognised within the balance sheet of the 2021 financial statements and provides the company with the necessary financial support to continue as a going concern.

15. Floating charge

General Subsidiary 2 Limited has a floating charge over the company which was registered on 4 December 2020. The charge is against laundry machinery which has been purchased by Oxwash Limited. The charge will be settled once the outstanding balance on the bank loan has been settled.

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