
OPTIMAL TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

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OPTIMAL TECHNOLOGIES LIMITED
REGISTERED NUMBER: 03468747

BALANCE SHEET
AS AT 30 APRIL 2017

	Note	2017 £	As restated 2016 £
Fixed assets			
Intangible assets	4	664	938
Tangible assets	5	32,653	42,586
		<u>33,317</u>	<u>43,524</u>
Current assets			
Stocks	6	962,113	677,403
Debtors: amounts falling due within one year	7	4,673,240	1,248,826
Cash at bank and in hand		1,040,131	2,608,461
		<u>6,675,484</u>	<u>4,534,690</u>
Creditors: amounts falling due within one year	8	(2,599,543)	(1,143,460)
Net current assets		<u>4,075,941</u>	<u>3,391,230</u>
Total assets less current liabilities		<u>4,109,258</u>	<u>3,434,754</u>
Provisions for liabilities			
Deferred tax		(3,642)	(5,518)
		<u>(3,642)</u>	<u>(5,518)</u>
Net assets		<u><u>4,105,616</u></u>	<u><u>3,429,236</u></u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account		4,105,516	3,429,136
		<u><u>4,105,616</u></u>	<u><u>3,429,236</u></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 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.

OPTIMAL TECHNOLOGIES LIMITED
REGISTERED NUMBER: 03468747

BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2017

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

13th October 2017



D C Thompson
Director

The notes on pages 3 to 11 form part of these financial statements.

OPTIMAL TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

1. General information

Optimal Technologies Limited ("the Company") is a company limited by shares, incorporated in England and Wales. Its registered office is Unit 3 The Marquis Business Centre, Royston Road, Baldock, Hertfordshire, SG7 6XL.

The Company's principal activities during the year under review were, the research, development, design and production of machinery, systems and after sales services primarily for the Ophthalmic lens, Precision Optics, Semi-conductor and Medical Implant industries worldwide.

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 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:

Sale of goods

Revenue 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 revenue 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.

2.3 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.

2.4 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.

OPTIMAL TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

2.4 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 annual basis:

Leasehold improvements	-	10% straight line
Plant & machinery	-	10% straight line
Motor vehicles	-	25% straight line
Fixtures, fittings and equipment	-	25% 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 the statement of income and retained earnings.

2.5 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 balance sheet 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.

2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instruments 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 non-puttable ordinary shares.

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.

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.

OPTIMAL TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for certain 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.

OPTIMAL TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 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 balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 24 (2016 - 24).

OPTIMAL TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

4. Intangible assets

	Patents £
Cost	
At 1 May 2016	1,173
At 30 April 2017	<u>1,173</u>
Amortisation	
At 1 May 2016	235
Charge for the year	274
At 30 April 2017	<u>509</u>
Net book value	
At 30 April 2017	<u>664</u>
At 30 April 2016	<u>938</u>

OPTIMAL TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

5. Tangible fixed assets

	Leasehold improvements £	Plant and machinery etc £	Motor vehicles £	Total £
Cost				
At 1 May 2016	42,725	89,976	10,833	143,534
Additions	-	805	-	805
At 30 April 2017	42,725	90,781	10,833	144,339
Depreciation				
At 1 May 2016	16,792	77,894	6,262	100,948
Charge for the year on owned assets	4,272	5,323	1,143	10,738
At 30 April 2017	21,064	83,217	7,405	111,686
Net book value				
At 30 April 2017	21,661	7,564	3,428	32,653
At 30 April 2016	25,933	12,082	4,571	42,586

6. Stocks

	2017 £	As restated 2016 £
Raw materials and consumables	615,856	353,321
Work in progress	152,901	298,040
Finished goods	193,356	26,042
	962,113	677,403

OPTIMAL TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

7. Debtors

	2017 £	2016 £
Trade debtors	1,218,304	937,612
Amounts owed by group undertakings	3,277,413	-
Other debtors	137,597	301,918
Prepayments and accrued income	39,926	9,296
	<u>4,673,240</u>	<u>1,248,826</u>

8. Creditors: Amounts falling due within one year

	2017 £	As restated 2016 £
Trade creditors	1,367,563	430,931
Corporation tax	140,677	167,259
Other taxation and social security	22,634	-
Other creditors	63,948	79
Accruals and deferred income	1,004,721	545,191
	<u>2,599,543</u>	<u>1,143,460</u>

9. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

OPTIMAL TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

10. Prior year adjustment

During the year deferred income was identified.

The statement lines corrected were as follows:

	30 April 2016 £
Turnover	(244,667)
Cost of sales	41,578
Corporation tax	36,077
Opening profit and loss account	22,706
	<hr/>
	(144,306)

Stock at 30 June 2016 increased by £96,526 and accruals and deferred income by £276,909.

The prior year adjustments are in respect of recognition of income in the incorrect period and the absorption of overheads within stock not previously recognised.

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 charge represents contributions payable by the Company to the fund and amounted to £1,765 (2016 - £3,972). There were no contributions payable to the fund at the balance sheet date.

12. Guarantees

A guarantee is provided by the company to the sum of £2,250,000 for the obligations of Optimal Technologies Holdings Limited.

13. Related party transactions

Included within debtors is an amount of £3,277,413 (2016 - £Nil) owed from the parent company. There was no interest charged on the loan.

The Company paid an amount of £62,210 (2016 - £21,600) to one of its directors who served during the year in respect of rent of premises.

During the year the company made advances to a director of £475,257 (2016 - £70,000). The amount of £545,221 was repaid on the date of resignation as a director.

OPTIMAL TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

14. Controlling party

The Company's immediate parent undertaking is Optimal Technologies Holdings Limited. The Company's registered office address is Leytonstone House, 3 Hanbury Drive, Leytonstone, United Kingdom, E11 1GA.

The ultimate controlling party is Mr J S Auluk.

15. First time adoption of FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 30 April 2016. The date of transition to FRS 102 was 1 May 2015. The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

16. Auditor's information

The financial statements were audited by Barnes Roffe LLP. The audit report was qualified and signed by Andrew May as Senior Statutory Auditor. The audit report was qualified on the basis of limitation of scope due to not being able to attend the stock count as at 30 April 2016.