
OPTIMAL LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 OCTOBER 2019

OPTIMAL LIMITED
REGISTERED NUMBER: 02931957

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	4	2,150	2,979
Investment property	5	8,200,000	8,200,000
		<u>8,202,150</u>	<u>8,202,979</u>
Current assets			
Debtors: amounts falling due within one year	6	63,727	61,218
Bank and cash balances		1,166	4,853
		<u>64,893</u>	<u>66,071</u>
Creditors: amounts falling due within one year	7	(66,693)	(59,036)
Net current (liabilities)/assets		<u>(1,800)</u>	<u>7,035</u>
Total assets less current liabilities		<u>8,200,350</u>	<u>8,210,014</u>
Creditors: amounts falling due after more than one year	8	(3,436,900)	(3,452,700)
Provisions for liabilities			
Deferred tax		(698,852)	(698,852)
Net assets		<u><u>4,064,598</u></u>	<u><u>4,058,462</u></u>
Capital and reserves			
Called up share capital	9	2	2
Revaluation reserve	10	3,779,157	3,779,157
Profit and loss account	10	285,439	279,303
		<u><u>4,064,598</u></u>	<u><u>4,058,462</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2019

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 profit and loss account 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 on 10 August 2020.

M A Lench
Director

The notes on pages 4 to 9 form part of these financial statements.

OPTIMAL LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2019

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 November 2017	2	3,199,713	315,662	3,515,377
Profit for the year	-	-	643,085	643,085
Surplus on revaluation of freehold property	-	579,444	(579,444)	-
Dividends	-	-	(100,000)	(100,000)
At 1 November 2018	2	3,779,157	279,303	4,058,462
Profit for the year	-	-	106,136	106,136
Dividends	-	-	(100,000)	(100,000)
At 31 October 2019	2	3,779,157	285,439	4,064,598

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

1. General information

Optimal Limited is a private company limited by shares and incorporated in England and Wales. The address of its registered office is Commonwood Farm, Commonwood, Kings Langley, Hertfordshire, WD4 9BB.

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

Rent receivable represents rental income and ground rent receivable from investment properties and is measured at fair value. Rental income is recognised in the period to which it arises on an accruals basis and in accordance with the terms of the lease. It is included within operating profit.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25%	reducing balance
Computer equipment	-	25%	straight line

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

2. Accounting policies (continued)

2.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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 reporting 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 statement of financial position 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 reporting date.

2.5 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 profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently, it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised through the profit and loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

2. Accounting policies (continued)

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.9 Creditors

Short term creditors are measured at the transaction price.

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

2.11 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/from related parties.

2.12 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.

2.13 Functional and presentation currency

The Company's functional and presentational currency is GBP.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2018 - 2).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

4. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 November 2018	12,614	670	13,284
At 31 October 2019	12,614	670	13,284
Depreciation			
At 1 November 2018	9,970	335	10,305
Charge for the year on owned assets	661	168	829
At 31 October 2019	10,631	503	11,134
Net book value			
At 31 October 2019	1,983	167	2,150
At 31 October 2018	2,644	335	2,979

5. Investment property

	Freehold investment property £
Valuation	
At 1 November 2018	8,200,000
At 31 October 2019	8,200,000

The 2019 valuations were made by the directors, on an open market value for existing use basis.

The directors have considered the trends in market rents, investment property yields and sales of comparable real estate and believe that the fair value of the investment property is not materially

different from the market rate value.

Investment properties comprises of Freehold. The fair value of the investment properties has been arrived at on the basis of a valuation carried out on 31 October 2019 by the directors.

OPTIMAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

6. Debtors

	2019 £	2018 £
Other debtors	<u>63,727</u>	<u>61,218</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	15,800	15,800
Corporation tax	25,090	16,424
Other creditors	1,557	8,743
Accruals and deferred income	24,246	18,069
	<u>66,693</u>	<u>59,036</u>

The bank loans are secured by fixed and floating charges over the assets of the company.

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

	2019 £	2018 £
Bank loans	<u>3,436,900</u>	<u>3,452,700</u>

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2019 £	2018 £
Repayable by instalments	118,500	118,500
Repayable other than by instalments	3,318,400	3,334,200
	<u>3,436,900</u>	<u>3,452,700</u>

The bank loans are secured by fixed and floating charges over the assets of the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

9. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2 (2018 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

10. Reserves

Revaluation reserve

Includes amounts revalued on properties. This unrealised revaluation surplus does not form part of profits available for distribution. Provision for deferred tax on the surplus on revaluation of properties has been made in the financial statements and is included within this account.

Profit and loss account

The profit and loss surplus forms part of profits available for distribution.

11. Pension commitments

The Company operates 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 £Nil (2018 - £35,000).

12. Related party transactions

At the reporting date, the company owed £1,557 (2018: £2,017) to M Lench and H Lench, the directors of the company. The loan is interest free, unsecured and repayable on demand.

At the reporting date, the company was owed £63,727 (2018: £61,218) by Goodwin (Redbourn) Limited, a company controlled by M Lench, a director of this company.

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