

**+OPTIMAL LIMITED**

Report and Accounts

Year Ended

31 October 2005



# **OPTIMAL LIMITED**

## **Report and accounts for the year ended 31 October 2005**

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### **Directors**

M. Lench  
H. Lench

### **Secretary and registered office**

H. Lench, Commonwood Farm, Commonwood, Kings Langley, Herts. WD4 9BB

### **Company number**

2931957

### **Accountants**

Clark Kennedy Associates, PO Box 2347 Reading. RG1 7WH

## **OPTIMAL LIMITED**

### **Report of the directors for the year ended 31 October 2005**

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The directors present their report together with the accounts of the company for the year ended 31 October 2005.

#### **Results and dividends**

The profit and loss account is set out on page 4 and shows the profit for the year.

The dividend for the period is £nil.

#### **Principal activity and trading review.**

The principal activity of the company was the purchase and renovation of residential properties for both re-sale and investment.

The directors are pleased to report a successful year's trading performance.

#### **Events since the end of the year**

There have been no events since the end of the year that materially affect the position of the company.

#### **Directors**

The directors of the company throughout the year and their interests in the ordinary share capital of the company at the end of the year were:

	At 31 October 2005 Ordinary shares of £1 each	At 31 October 2004 Ordinary shares of £1 each
M Lench	1	1
H Lench	1	1

#### **Directors' responsibilities**

Company law requires the directors to prepare accounts for each financial year that 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 year. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- state whether the Financial Reporting Standard for Smaller Entities has been followed, subject to any material departures disclosed and explained in the accounts.

## **OPTIMAL LIMITED**

### **Report of the directors for the year ended 31 October 2005 *(Continued)***

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The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board



H Lench  
Director

Date: 15 March 2007

**OPTIMAL LIMITED****Profit and loss account for the year ended 31 October 2005**

	Note	Year ended 31 October 2005	Year ended 31 October 2004 £
Turnover	2	119,925	117,335
Administrative expenses		(31,047)	(63,203)
<b>Operating profit</b>	3	88,878	54,203
Interest receivable		-	2,793
Interest payable		(40,602)	(42,651)
<b>Profit on ordinary activities before taxation</b>		48,276	14,345
Taxation on profit from ordinary activities	4	(9,202)	(2,686)
<b>Profit on ordinary activities after taxation</b>		39,074	11,659
Dividends	5	-	-
		39,074	11,659

**Continuing operations**

Turnover and operating profits derive wholly from continuing operations.

**Total recognised gains and losses**

There were no recognised gains and losses either in the current preceding year other than those recorded in the profit and loss account.

The notes on pages 6 to 10 form part of these accounts.

**OPTIMAL LIMITED****Balance sheet at 31 October 2005**

	Note	31 October 2005 £	31 October 2004 £
<b>Fixed assets</b>			
Tangible fixed assets	6	1,970,192	1,970,256
<b>Current assets</b>			
Property stocks		35,000	35,000
Debtors	7	1,095	523
Cash at bank and in hand		6,889	104,846
		42,984	140,369
<b>Creditors: amounts falling due within one year</b>	8	(235,223)	(343,507)
<b>Net current liabilities</b>		(192,239)	(203,138)
<b>Total assets less current liabilities</b>		1,777,953	1,767,118
<b>Creditors: amounts falling due After more than one year</b>	9	(614,840)	(643,074)
<b>Provision for liabilities and charges</b>			
Deferred taxation	10	(15)	(20)
		1,163,098	1,124,024
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Revaluation reserve	12	1,039,699	1,039,699
Profit and loss account	12	123,397	84,323
<b>Shareholders' funds</b>		1,163,098	1,124,024

**Statement by the Directors required by section 249B(4) of the Companies Act 1985**

During the financial year ended 31 October 2005, the company was entitled to the exemption from audit granted by section 249A(1) of the Companies Act 1985.

No notice under section 249B(2) of the Companies Act 1985 from the shareholders requiring an audit of the accounts for the financial year has been deposited at the company's registered office.

The notes on pages 6 to 10 form part of these accounts.

## **OPTIMAL LIMITED**

### **Balance sheet at 31 October 2005 (continued)**

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#### **Statement by the Directors required by section 249B(4) of the Companies Act 1985 (Continued)**

The directors acknowledges their responsibility for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, as far as they are applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

They were approved by the Board on 15 March 2007



M Lench  
Director

The notes on pages 6 to 10 form part of these accounts.

# OPTIMAL LIMITED

Notes forming part of the accounts for the year ended 31 October 2005

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## 1 Accounting policies

The following accounting policies have been applied consistently in dealing with the items that are considered material in relation to the company's accounts.

### *Basis of preparation*

The accounts have been prepared under the historical cost accounting rules, and in accordance with the Financial Reporting Standard for Smaller Entities [effective January 2005].

### *Turnover*

Turnover represents sales of services to outside customers at invoiced amounts less value added tax.

### *Fixed assets and depreciation*

Fixed assets are stated at cost. Depreciation is provided by the company to write off the cost, less the estimated residual value of its tangible fixed assets by equal annual instalments, over their useful economic lives as follows:

Office equipment	25% reducing balance
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### *Freehold properties*

The freehold properties are re-valued annually to open market value, on the basis of existing use, and no depreciation is provided. During 2002 this valuation was carried out by a qualified, independent valuer. The directors consider that this accounting policy, which complies with SSAP 19, results in the financial statements giving a true and fair view despite departing from the requirements of the Companies Act 1985. In the opinion of the directors no meaningful quantification of the effect of this departure can be made. The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

### *Property stocks*

Property stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each property to its present condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

### *Deferred taxation*

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the accounts and their recognition for corporate tax purposes.

## 2 Turnover

Turnover is wholly attributable to the company's continuing principal activity and has arisen entirely within the United Kingdom.



**OPTIMAL LIMITED**Notes forming part of the accounts for the year ended 31 October 2005 (*Continued*)**3 Operating profit**

	Year ended 31 October 2005 £	Year ended 31 October 2004 £
This is arrived at after charging:		
Depreciation	64	86
Directors remuneration	2,500	30,000
	<u>          </u>	<u>          </u>
Number of directors who are accruing benefits under money purchase pension schemes	-	-
	<u>          </u>	<u>          </u>

**4 Taxation on profits from ordinary activities**

	Year ended 31 October 2005	Year ended 31 October 2004 £
Current tax		
Corporation tax charge	9,096	2,624
Adjustment in respect of previous year	111	68
Deferred tax	(5)	(6)
	<u>          </u>	<u>          </u>
	9,202	2,686
	<u>          </u>	<u>          </u>

**5 Dividends**

	Year ended 31 October 2005	Year ended 31 October 2004 £
Ordinary dividend on equity shares	-	-
	<u>          </u>	<u>          </u>

# OPTIMAL LIMITED

Notes forming part of the accounts for the year ended 31 October 2005 (Continued)

## 6 Tangible fixed assets

	Freehold Properties £	Office Equipment £	Total £
<i>Cost</i>			
At 1 November 2004	1,970,000	2,419	1,972,419
Revaluations	-	-	-
At 31 October 2005	1,970,000	2,419	1,972,419
<i>Depreciation</i>			
At 1 November 2004	-	2,163	2,163
Charge for the year	-	64	64
At 31 October 2005	-	2,227	2,227
<i>Net book value</i>			
At 31 October 2005	1,970,000	192	1,970,192
At 31 October 2004	1,970,000	256	1,970,256

Freehold properties are investment properties valued at their historic / re-valued cost in accordance with note 1(e) to the accounts. A qualified, independent valuer carried out revaluations following the year ended 31 October 2002. The directors consider that the values were relevant at the balance sheet date.

The historic cost / net book value of the investment properties, and analysis by year of valuation is:

	£
Historical cost of re-valued investment properties	930,301
Year ended 31 October 1998	33,415
Year ended 31 October 1999	408,284
Year ended 31 October 2002	598,000
Value at 31 October 2005	1,970,000

## 7 Debtors

	31 October 2005	31 October 2004 £
Accrued rentals	1,095	523

**OPTIMAL LIMITED**Notes forming part of the accounts for the year ended 31 October 2005 *(Continued)***8 Creditors: amounts falling due within one year**

	31 October 2005	31 October 2004 £
Bank loans [secured]	60,021	49,808
Tax and social security	-	2,832
Amounts due to related companies	144,115	234,164
Directors' current accounts	3,148	38,274
Current taxation	11,720	6,535
Deposits held	10,735	7,335
Accruals and deferred income	5,484	4,559
	<u>235,223</u>	<u>343,507</u>

**9 Creditors: amounts falling due after one year**

	31 October 2005	31 October 2004 £
Bank loans [secured]	614,840	643,074
	<u>614,840</u>	<u>643,074</u>
Amounts repayable by instalments after five years	374,756	443,840

**10 Deferred taxation**

		£
Balance at 1 November 2004		20
Amount transferred to the profit & loss account		(5)
		<u>15</u>
Balance at 31 October 2005		
The amounts provided are:		
	Year ended 31 October 2005 £	Year ended 31 October 2004 £
Accelerated capital allowances	<u>15</u>	<u>20</u>

## OPTIMAL LIMITED

Notes forming part of the accounts for the year ended 31 October 2005 (*Continued*)

### 11 Share capital

	Authorised		Allotted, called up and fully paid	
	31 October 2005 & 2004 No	£	31 October 2005 & 2004 No	£
Ordinary shares of £1 each	100	100	2	2

### 12 Reserves

	Revaluation reserve	Profit and loss account
	£	£
At 1 November 2004	1,039,699	84,323
Profits in the year	-	39,074
At 31 October 2005	1,039,699	123,397

### 13 Contingent liabilities

There were no contingent liabilities at 31 October 2005 or 31 October 2004.

### 14 Commitments

There were no capital or other financial commitments at 31 October 2005 or 31 October 2004.

### 15 Related party transactions

At 31 October 2005 the company owed £144,115 (31 October 2004: £234,164) to Optimal Media Limited, which is controlled by M. Lench & H. Lench. There were no trading transactions between the two companies during the year.

The company is controlled by its directors M. Lench & H. Lench who together own all of the share capital in the company.

There were no material transactions between the company and its directors requiring disclosure by CA 1985 or Financial Reporting Standard No. 8, other than those disclosed in note 9 to the accounts.