

2931952

OPTIMAL LIMITED

Report and Accounts

Year Ended

31 October 2004



OPTIMAL LIMITED

Report and accounts for the year ended 31 October 2004

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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 Limited, PO Box 2347 Reading. RG1 7WH

OPTIMAL LIMITED

Report of the directors for the year ended 31 October 2004

The directors present their report together with the accounts of the company for the year ended 31 October 2004.

Results and dividends

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

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 period were:

	Ordinary shares
M Lench	1
H Lench	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 2004 *(Continued)*

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

A handwritten signature in black ink, appearing to be 'H Lench', written over a horizontal line.

H Lench
Director

Date: 30 November 2005

OPTIMAL LIMITED

Profit and loss account for the year ended 31 October 2004

	Note	Year ended 31 October 2004	Year ended 31 October 2003 £
Turnover	2	117,335	121,727
Administrative expenses		(63,203)	(57,969)
Operating profit	3	54,203	63,758
Interest receivable		2,793	858
Interest payable		(42,651)	(44,078)
Profit on ordinary activities before taxation		14,345	20,538
Taxation on profit from ordinary activities	4	(2,686)	(3,902)
Profit on ordinary activities after taxation		11,659	16,636
Dividends	5	-	-
		11,659	16,636

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 2004**

	Note	31 October 2004		31 October 2003	
		£	£	£	£
Fixed assets					
Tangible fixed assets	6		1,970,256		1,970,342
Current assets					
Property stocks		35,000		35,000	
Debtors	7	523		5,136	
Cash at bank and in hand		104,846		172,566	
			140,369		212,702
Creditors: amounts falling due within one year	8	(343,507)		(290,858)	
Net current liabilities			(203,138)		(78,156)
Total assets less current liabilities			1,767,118		1,892,186
Creditors: amounts falling due After more than one year	9		(643,074)		(779,795)
Provision for liabilities and charges					
Deferred taxation	10		(20)		(26)
			1,124,024		1,112,365
Capital and reserves					
Called up share capital	11		2		2
Revaluation reserve	12		1,039,699		1,039,699
Profit and loss account	12		84,323		72,664
Shareholders' funds			1,124,024		1,112,365

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

During the financial year ended 31 October 2004, 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 2004 (continued)

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 June 2002).

They were approved by the Board on 30 November 2005


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 2004

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 June 2002].

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 2004 (Continued)****3 Operating profit**

	Year ended 31 October 2004 £	Year ended 31 October 2003 £
This is arrived at after charging:		
Depreciation	86	114
Directors remuneration	30,000	30,000
Pension costs	834	834
	<u> </u>	<u> </u>
Number of directors who are accruing benefits under money purchase pension schemes	2	2
	<u> </u>	<u> </u>

4 Taxation on profits from ordinary activities

	Year ended 31 October 2004	Year ended 31 October 2003 £
Current tax		
Corporation tax charge	2,624	3,911
Adjustment in respect of previous year	68	-
Deferred tax	(6)	(9)
	<u> </u>	<u> </u>
	2,686	3,902
	<u> </u>	<u> </u>

5 Dividends

	Year ended 31 October 2004	Year ended 31 October 2003 £
Ordinary dividend on equity shares	-	-
	<u> </u>	<u> </u>

OPTIMAL LIMITED

Notes forming part of the accounts for the year ended 31 October 2004 (*Continued*)

6 Tangible fixed assets

	Freehold Properties £	Office Equipment £	Total £
<i>Cost</i>			
At 1 November 2003	1,970,000	2,419	1,972,419
Revaluations	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 October 2004	1,970,000	2,419	1,972,419
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 November 2003	-	2,077	2,077
Charge for the year	-	86	86
	<hr/>	<hr/>	<hr/>
At 31 October 2004	-	2,163	2,163
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 October 2004	1,970,000	256	1,970,256
	<hr/>	<hr/>	<hr/>
At 31 October 2003	1,970,000	342	1,970,342
	<hr/>	<hr/>	<hr/>

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
	<hr/>
Value at 31 October 2002 & 2003 & 2004	1,970,000
	<hr/>

7 Debtors

	31 October 2004	31 October 2003 £
Accrued rentals	523	5,136
	<hr/>	<hr/>

OPTIMAL LIMITED

Notes forming part of the accounts for the year ended 31 October 2004 (*Continued*)

8 Creditors: amounts falling due within one year

	31 October 2004	31 October 2003 £
Bank loans	49,808	35,849
Tax and social security	2,832	1,897
Amounts due to related companies	234,164	234,164
Directors' current accounts	38,274	-
Current taxation	6,535	6,802
Deposits held	7,335	10,146
Accruals and deferred income	4,559	2,000
	<u>343,507</u>	<u>290,858</u>

9 Creditors: amounts falling due after one year

	31 October 2004	31 October 2003 £
Bank loans	643,074	706,842
Directors' current accounts	-	72,953
	<u>643,074</u>	<u>779,795</u>

10 Deferred taxation

	31 October 2004 £	31 October 2003 £
Accelerated capital allowances	<u>20</u>	<u>26</u>

11 Share capital

	Authorised 31 October 2004 & 2003		Allotted, called up and fully paid 31 October 2004 & 2003	
	No	£	No	£
• Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>2</u>	<u>2</u>

OPTIMAL LIMITED

Notes forming part of the accounts for the year ended 31 October 2004 (*Continued*)

12 Reserves

	Revaluation reserve	Profit and loss account
	£	£
At 1 November 2003	1,039,699	72,664
Profits in the year	-	11,659
	<hr/>	<hr/>
At 31 October 2004	1,039,699	84,323
	<hr/>	<hr/>

13 Contingent liabilities

There were no contingent liabilities at 31 October 2004 or 31 October 2003.

14 Commitments

There were no capital or other financial commitments at 31 October 2004 or 31 October 2003.

15 Related party transactions

At 31 October 2004 the company owed £234,164 (31 October 2003: £234,164) to an associate company, Optimal Media Limited, which is controlled by M. Lench & H. Lench. There were no trading transactions between the two companies.

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.