
OPTIMAL LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 OCTOBER 2021

OPTIMAL LIMITED
REGISTERED NUMBER: 02931957

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	1,115	1,487
Investment property	5	8,800,000	8,500,000
		<u>8,801,115</u>	<u>8,501,487</u>
Current assets			
Debtors: amounts falling due within one year	6	85,310	68,727
Cash at bank and in hand		1,962	20,309
		<u>87,272</u>	<u>89,036</u>
Creditors: amounts falling due within one year	7	(81,957)	(58,103)
Net current assets		<u>5,315</u>	<u>30,933</u>
Total assets less current liabilities		<u>8,806,430</u>	<u>8,532,420</u>
Creditors: amounts falling due after more than one year	8	(3,446,750)	(3,471,100)
Provisions for liabilities			
Deferred tax	9	(1,061,607)	(721,652)
Net assets		<u><u>4,298,073</u></u>	<u><u>4,339,668</u></u>
Capital and reserves			
Called up share capital	10	2	2
Other reserve	11	4,016,362	4,056,357
Profit and loss account	11	281,709	283,309
		<u><u>4,298,073</u></u>	<u><u>4,339,668</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2021

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 3 October 2022.

M A Lench
Director

The notes on pages 4 to 10 form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2021

	Called up share capital	Other reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 November 2019	2	3,779,157	285,439	4,064,598
Profit for the year	-	-	384,070	384,070
Surplus on revaluation of freehold property	-	277,200	(277,200)	-
Dividends	-	-	(109,000)	(109,000)
At 1 November 2020	2	4,056,357	283,309	4,339,668
Profit for the year	-	-	77,155	77,155
Deferred tax on fair value of investment properties	-	(39,995)	39,995	-
Dividends	-	-	(118,750)	(118,750)
At 31 October 2021	<u>2</u>	<u>4,016,362</u>	<u>281,709</u>	<u>4,298,073</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover 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 accrual 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 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 2021**

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 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 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 reporting 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 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.

2.6 Debtors

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

2.7 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.

2.8 Creditors

Short term creditors are measured at the transaction price.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

2. Accounting policies (continued)

2.9 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 profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the reporting 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.

2.10 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.

2.11 Dividends

Equity dividends are recognised when they become legally payable.

2.12 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 (2020 - 2).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

4. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 November 2020	12,614	670	13,284
At 31 October 2021	12,614	670	13,284
Depreciation			
At 1 November 2020	11,127	670	11,797
Charge for the year on owned assets	372	-	372
At 31 October 2021	11,499	670	12,169
Net book value			
At 31 October 2021	1,115	-	1,115
At 31 October 2020	1,487	-	1,487

OPTIMAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

5. Investment property

Freehold
investment
property
£

Valuation

At 1 November 2020	8,500,000
Surplus on revaluation	300,000
	<u>8,800,000</u>
At 31 October 2021	<u>8,800,000</u>

The 2021 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.

At 31 October 2021

6. Debtors

	2021 £	2020 £
Other debtors	<u>85,310</u>	<u>68,727</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	25,800	15,800
Corporation tax	27,557	25,224
Other creditors	18,023	1,557
Accruals and deferred income	10,577	15,522
	<u>81,957</u>	<u>58,103</u>

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

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

	2021 £	2020 £
Bank loans	<u>3,446,750</u>	<u>3,471,100</u>

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

9. Deferred taxation

	2021 £
At beginning of year	721,652
Charged to profit or loss	(339,955)
At end of year	<u><u>1,061,607</u></u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Fair value of investment properties	<u>1,061,607</u>	<u>721,652</u>
	<u><u>1,061,607</u></u>	<u><u>721,652</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

10. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
2 (2020 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

11. Reserves

Other 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.

12. Related party transactions

At the reporting date, the company owed £1,557 (2020: £1,557) to the directors of the company. The loan is interest free, unsecured and repayable on demand.

At the reporting date, the company owed £16,466 (2020: £68,727 owed to the company) to Goodwin (Redbourn) Limited, a company controlled by M Lench, a director of this company.

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