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OPTIMAL LIMITED

Report and Accounts

Year Ended

31 October 2007

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OPTIMAL LIMITED

Report and accounts for the year ended 31 October 2007

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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

CKA Consultancy Limited, Suite 2, 105 London Street, Reading. RG1 4QD

OPTIMAL LIMITED

Report of the directors for the year ended 31 October 2007

The directors present their report together with the accounts of the company for the year ended 31 October 2007.

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 year is £nil. (2006: £3,000)

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 2007 Ordinary shares of £1 each	At 31 October 2006 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 2007 *(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



H Lench
Director

Date: 17 April 2009

OPTIMAL LIMITED**Profit and loss account for the year ended 31 October 2007**

	Note	Year ended 31 October 2007	Year ended 31 October 2006 £
Turnover	2	124,685	251,295
Cost of sales		-	(36,602)
		<hr/>	<hr/>
Gross profit	3	124,685	214,693
Administrative expenses		(46,321)	(42,197)
		<hr/>	<hr/>
Operating profit	3	78,364	172,496
Interest receivable		-	200
Interest payable		(34,869)	(39,613)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		43,597	133,083
Taxation on profit from ordinary activities	4	(10,420)	(30,079)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		<u>33,177</u>	<u>103,004</u>

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 or preceding year other than those recorded in the profit and loss account.

The notes on pages 6 to 11 form part of these accounts.

OPTIMAL LIMITED**Balance sheet at 31 October 2007**

	Note	31 October 2007		31 October 2006	
		£	£	£	£
Fixed assets					
Tangible fixed assets	6		2,170,000		2,170,144
Investments	7		15,000		-
Current assets					
Property stocks			-		-
Debtors	8		11,370		1,615
Cash at bank and in hand			33,843		97,378
			<hr/>		<hr/>
			45,213		98,993
Creditors: amounts falling due within one year	9		(252,789)		(254,476)
			<hr/>		<hr/>
Net current liabilities			(207,576)		(155,483)
			<hr/>		<hr/>
Total assets less current liabilities			1,977,424		2,014,661
Creditors: amounts falling due After more than one year	10		(481,145)		(551,544)
Provision for liabilities and charges					
Deferred taxation	11		-		(15)
			<hr/>		<hr/>
			1,496,279		1,463,102
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	12		2		2
Revaluation reserve	13		1,239,699		1,239,699
Profit and loss account	13		256,578		223,401
			<hr/>		<hr/>
Shareholders' funds			1,496,279		1,463,102
			<hr/>		<hr/>

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

During the financial year ended 31 October 2007, 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 11 form part of these accounts.

OPTIMAL LIMITED

Balance sheet at 31 October 2007 (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 January 2007).

They were approved by the Board on 17 April 2009
and signed on its behalf by



M Lench
Director

The notes on pages 6 to 11 form part of these accounts.

OPTIMAL LIMITED

Notes forming part of the accounts for the year ended 31 October 2007

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 2007].

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 [in the case of the property known as Park Road] and 2007 [in the case of the property known as Hollybank], the 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.

OPTIMAL LIMITED

Notes forming part of the accounts for the year ended 31 October 2007 (*Continued*)

2 Turnover

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

3 Operating profit

	Year ended 31 October 2007 £	Year ended 31 October 2006 £
This is arrived at after charging:		
Depreciation	144	48
Directors' remuneration	-	-
	<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 2007 £	Year ended 31 October 2006 £
Current tax		
Corporation tax charge	8,700	29,841
Adjustment in respect of previous year	1,735	238
Deferred tax	(15)	-
	<u> </u>	<u> </u>
	10,420	30,079
	<u> </u>	<u> </u>

5 Dividends

	Year ended 31 October 2007 £	Year ended 31 October 2006 £
Ordinary dividend on equity shares	-	3,000
	<u> </u>	<u> </u>

OPTIMAL LIMITED

Notes forming part of the accounts for the year ended 31 October 2007 (*Continued*)

6 Tangible fixed assets

	Freehold Properties £	Office Equipment £	Total £
<i>Cost</i>			
At 1 November 2006	1,970,000	2,419	1,972,419
Revaluations	-	-	-
At 31 October 2007	1,970,000	2,419	1,972,419
<i>Depreciation</i>			
At 1 November 2006	-	2,275	2,275
Charge for the year	-	144	144
At 31 October 2007	-	2,419	2,419
<i>Net book value</i>			
At 31 October 2007	1,970,000	-	1,970,000
At 31 October 2006	1,970,000	144	1,970,144

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 [in the case of the property known as Park Road] and 2007 [in the case of the property known as Hollybank]. 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
Year ended 31 October 2006	200,000
Value at 31 October 2006 & 2007	2,170,000

OPTIMAL LIMITED**Notes forming part of the accounts for the year ended 31 October 2007 (Continued)****7 Investments**

	Other investments £
<i>Cost</i>	
At 1 November 2006	-
Additions	15,000
Disposals	-
	<hr/>
At 31 October 2007	15,000
	<hr/>

Other investments of £15,000 represent unlisted investments in a start-up company.

8 Debtors

	31 October 2007	31 October 2006 £
Accrued rentals	-	1,615
Director's current account	9,953	-
Other debtors	1,417	-
	<hr/>	<hr/>
	11,370	1,615
	<hr/>	<hr/>

The overdrawn balance on the current account of M Lench at 31 October 2007 was repaid in full by 31 July 2008. The maximum amount outstanding during the year was £9,953. The overdrawn balance is interest bearing at 6.25% p.a.

9 Creditors: amounts falling due within one year

	31 October 2007	31 October 2006 £
Bank loans [secured]	66,029	61,659
Other creditors	-	1,802
Amounts due to related companies	136,649	139,299
Directors' current accounts	-	148
Current taxation	38,541	38,938
Deposits held	7,570	10,630
Accruals and deferred income	4,000	2,000
	<hr/>	<hr/>
	252,789	254,476
	<hr/>	<hr/>

OPTIMAL LIMITED**Notes forming part of the accounts for the year ended 31 October 2007 (Continued)****10 Creditors: amounts falling due after one year**

	31 October 2007	31 October 2006
		£
Bank loans [secured]	481,145	551,544
	<u>481,145</u>	<u>551,544</u>
Amounts repayable by instalments after five years	226,470	304,909
	<u>226,470</u>	<u>304,909</u>

11 Deferred taxation

		£
Balance at 1 November 2006		15
Amount transferred to the profit & loss account		(15)
		<u>-</u>
Balance at 31 October 2007		-
		<u>-</u>
The amounts provided are:		
	Year ended	Year ended
	31 October 2007	31 October 2006
	£	£
Accelerated capital allowances	-	15
	<u>-</u>	<u>15</u>

12 Share capital

	Authorised		Allotted, called up and fully paid	
	31 October 2007 & 2006		31 October 2007 & 2006	
	No	£	No	£
Ordinary shares of £1 each	100	100	2	2
	<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 2007 (*Continued*)

13 Reserves

	Revaluation reserve	Profit and loss account
	£	£
At 1 November 2006	1,239,699	223,401
Profits in the year	-	33,177
Dividends paid	-	
Revaluations	-	
At 31 October 2007	1,239,699	256,578

14 Contingent liabilities

During the year the company provided a guarantee for a bank facility of £150,000 for Optimal Media Sales Limited by way of a security against the freehold property Hollybanks.

There were no contingent liabilities at 31 October 2006.

15 Commitments

There were no capital or other financial commitments at 31 October 2007 or 31 October 2006.

16 Related party transactions

At 31 October 2007 the company owed £136,649 (31 October 2006: £139,299) 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 8 to the accounts.