

Optichrome Computer Systems Limited
Annual Report and Unaudited Financial Statements
for the Year Ended 30 April 2018

OPTICHROME COMPUTER SYSTEMS LIMITED

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OPTICHROME COMPUTER SYSTEMS LIMITED

Company Information

Directors	H V Esch N J Tyler G R Richens L A Hutchinson S G Richardson N Bisset
Company secretary	N Bisset
Registered office	96-103 Maybury Road Woking Surrey GU21 5HX
Accountants	Harmer Slater Limited 79 High Street Teddington Middlesex TW11 8HG

OPTICHROME COMPUTER SYSTEMS LIMITED

Directors' Report for the Year Ended 30 April 2018

The directors present their annual report on the affairs of Optichrome Computer Systems Limited, together with the financial statements for the year ended 30 April 2018.

Principal activity

The principal activity of the company is the development, sale and maintenance of computer software

Directors of the company

The directors who served throughout the year and up to date of authorisation of this report were as follows:

H V Esch

N J Tyler

G R Richens

L A Hutchinson

S G Richardson

N Bisset

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Small companies provision statement

The directors have taken advantage of the small companies exemptions provided by sections 414B and 415A of the Companies Act 2006 from the requirement to prepare a strategic report and in preparing the directors' report on the grounds that the company is entitled to prepare its accounts for the year in accordance with the small companies regime.

The directors' report was approved by the board on 30 January 2019 and signed on its behalf by:

.....
N Bisset
Company secretary and director

OPTICHRIME COMPUTER SYSTEMS LIMITED

Statement of Income and Retained Earnings for the Year Ended 30 April 2018

	Note	2018 £	2017 £
Turnover		921,700	809,318
Cost of sales		<u>(493,946)</u>	<u>(411,089)</u>
Gross profit		427,754	398,229
Administrative expenses		<u>(356,128)</u>	<u>(377,451)</u>
Operating profit		71,626	20,778
Profit before tax		71,626	20,778
Taxation	<u>3</u>	<u>(12,514)</u>	<u>(3,954)</u>
Profit for the financial year		59,112	16,824
Retained earnings brought forward		<u>814,225</u>	<u>797,401</u>
Retained earnings carried forward		<u>873,337</u>	<u>814,225</u>

Continuing operations

All results are derived wholly from continuing operations.

The notes on pages 5 to 9 form an integral part of these financial statements.
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OPTICHROME COMPUTER SYSTEMS LIMITED

(Registration number: 01608093)
Balance sheet as at 30 April 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible fixed assets	<u>4</u>	10,927	4,550
Current assets			
Debtors	<u>5</u>	1,498,771	1,476,042
Cash at bank and in hand		<u>13,636</u>	<u>55,167</u>
		1,512,407	1,531,209
Creditors: Amounts falling due within one year	<u>6</u>	<u>(649,497)</u>	<u>(721,034)</u>
Net current assets		<u>862,910</u>	<u>810,175</u>
Net assets		<u><u>873,837</u></u>	<u><u>814,725</u></u>
Share capital and reserves			
Called up share capital	<u>7</u>	500	500
Retained earnings	<u>7</u>	<u>873,337</u>	<u>814,225</u>
Total equity		<u><u>873,837</u></u>	<u><u>814,725</u></u>

For the financial year ending 30 April 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements of Optichrome Computer Systems Limited were approved and authorised for issue by the board on 30 January 2019. and signed on its behalf by:

.....

N Bisset

Company secretary and director

**Notes to the Financial Statements
for the Year Ended 30 April 2018**

1 General information

Optichrome Computer Systems Limited (the 'company') is a private company limited by share capital incorporated in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors report on page 2.

2 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of the company is considered to be pound sterling (£) because that is the currency of the primary economic environment in which the company operates. The financial statements are presented in pound sterling (£).

Judgements and key sources of estimation uncertainty

There are no critical judgements made by the directors in the process of applying the company's accounting policies which have the most significant effect on the amounts recognised in the financial statements.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

OPTICHROME COMPUTER SYSTEMS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018 (continued)

2 Accounting policies (continued)

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of software and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax and after eliminating sales within the company. The revenue is recognised as follows:

1. Software licences:- revenue is recognised upon the delivery of the software.
2. Support and maintenance:- revenue is spread evenly over the support period.

Foreign currency transactions and balances

Assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into rates of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Taxation

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Tangible fixed assets

Tangible fixed assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible fixed assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Asset class	Depreciation method and rate
Equipment, fixtures and fittings	15-25%
Plant and machinery	20-33.33%

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

OPTICHROME COMPUTER SYSTEMS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018 (continued)

2 Accounting policies (continued)

Trade debtors

Trade debtors are amounts due from customers for software sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Taxation

	2018 £	2017 £
Current taxation		
UK corporation tax	12,514	3,954

OPTICHROME COMPUTER SYSTEMS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018 (continued)

4 Tangible fixed assets

	Furniture, fittings and equipment £	Motor vehicles £	Property, plant and equipment £	Total £
Cost				
At 1 May 2017	41,764	2,850	129,626	174,240
Additions	5,170	-	5,157	10,327
At 30 April 2018	46,934	2,850	134,783	184,567
Depreciation				
At 1 May 2017	38,583	2,850	128,257	169,690
Charge for the year	364	-	3,586	3,950
At 30 April 2018	38,947	2,850	131,843	173,640
Carrying amount				
At 30 April 2018	7,987	-	2,940	10,927
At 30 April 2017	3,181	-	1,369	4,550

5 Debtors

	Note	2018 £	2017 £
Trade debtors		307,269	294,130
Amounts owed by group undertakings	<u>9</u>	1,161,317	1,164,170
Prepayments		30,185	17,742
		1,498,771	1,476,042

OPTICHRONE COMPUTER SYSTEMS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018 (continued)

6 Creditors

	2018 £	2017 £
Due within one year		
Trade creditors	47,384	32,761
Corporation tax	12,514	5,021
Social security and other taxes	91,681	99,054
Deferred income	482,738	570,277
Accrued expenses	15,180	13,921
	<u>649,497</u>	<u>721,034</u>

7 Share capital and reserves

Allotted, called up and fully paid shares

	No.	2018 £	No.	2017 £
Ordinary shares of £1 each	500	500	500	500

The company has one class of share capital which carries no right to fixed income.

Reserves

The retained earnings reserve represents cumulative profit or losses net of dividends paid and other adjustments.

8 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 11 (2017 - 13).

9 Related party transactions

During the year the company was invoiced £72,292 (2017 - 127,755) for royalties, technical, marketing and management charges by Optimus Group Limited, its parent company. At the year end £1,161,317 (2017 - £1,164,170) was owed to the company by Optimus Group Limited. During the year the company made sales of £Nil (2017 - £2,411) to associated companies.