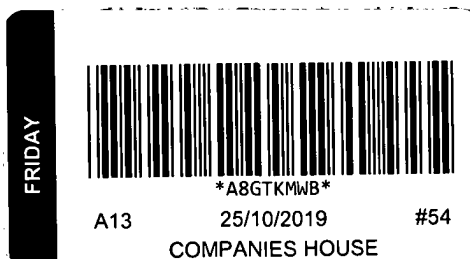


Registration number: 07630156

**OPTALIS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

Hazlewoods LLP  
Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT



## **OPTALIS LIMITED**

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## **OPTALIS LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	T J M Bishop
	D Cook
	M Farrow
	A J Rawlings
<b>Registered office</b>	Trinity Court Molly Millars Lane Wokingham Berkshire RG41 2PY
<b>Bankers</b>	Natwest Bank PLC 5 Broad Street Wokingham RG40 1AX
	Lloyds Bank PLC 20 Market Place Wokingham RG40 1AP
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

## **OPTALIS LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their strategic report for the year ended 31 March 2019.

#### **Principal activity**

The principal activity of the company is the provision of a variety of care and support services to adults with a disability and older people.

#### **Fair review of the business**

The results for the year, which are set out in the profit and loss account, show turnover for the year of £45,496,929 (2018 - £44,243,029) and a profit before taxation of £78,580 (2018 - £59,000). At 31 March 2019, the company had net assets of £327,091 (2018 - £273,064). The directors of the company consider that the financial position at the year end is satisfactory.

Given the nature of the business, the company's directors are of the opinion that key performance indicators are important. The company uses a number of indicators to monitor and improve development and performance of the position of the business. Indicators are reviewed and altered to meet changes both in the internal and external environments. The directors do not consider the inclusion of an analysis using key performance indicators to be necessary to assist users of the financial statements in their understanding of the financial performance or position of the company.

#### **Future developments**

The external commercial environment is expected to remain competitive going forward. However, the directors remain confident and presently see no reason why the company should not be able to improve its current level of performance in the future.

#### **Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to the continued provision of adequate government funding and the ongoing compliance with current and future legislation affecting the sector.

## OPTALIS LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

#### Financial instruments

##### *Objectives and policies*

The directors constantly monitor the company's trading results and revise projections as appropriate to ensure that the company can meet its future obligations as they fall due.

##### *Price risk, credit risk, liquidity risk and cash flow risk*

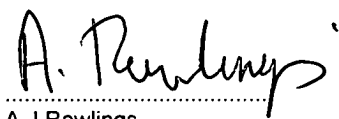
The business' principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

The financial results reflect the transfer of the pension scheme liability related to former Council employees that are members of the Berkshire Local Government Pension Scheme (LGPS) and who transferred to the group in June 2011. The group has been given a guarantee by the Council that the LGPS's administrators are indemnified by the Council against any shortfall of payments of pension contributions and associated pension liabilities. In addition, WBC and RBWM will support the cash balances of the company whilst it remains a subsidiary of the Councils.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

Approved by the Board on 25/09/19 and signed on its behalf by:



A J Rawlings  
Director

## **OPTALIS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report and the financial statements for the year ended 31 March 2019.

#### **Directors of the company**

The directors who held office during the year were as follows:

T J M Bishop

D Cook

M Farrow

A J Rawlings

A Morris (resigned 1 August 2018)

#### **Employment of disabled persons**

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

#### **Employee involvement**

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

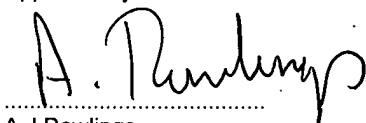
#### **Disclosure of information to the auditors**

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Reappointment of auditors**

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 05/09/19 and signed on its behalf by:



A J Rawlings  
Director

## **OPTALIS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

## **OPTALIS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTALIS LIMITED**

#### **Opinion**

We have audited the financial statements of Optalis Limited (the 'company') for the year ended 31 March 2019, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.



## **OPTALIS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTALIS LIMITED**

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....  
Martin Howard (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

Date: 17/10/19 .....

**OPTALIS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Turnover</b>	3	45,496,929	44,243,029
Cost of sales		<u>(41,388,605)</u>	<u>(40,627,318)</u>
<b>Gross profit</b>		4,108,324	3,615,711
Administrative expenses		<u>(4,100,466)</u>	<u>(3,596,612)</u>
<b>Operating profit</b>	4	7,858	19,099
Other interest receivable and similar income	5	<u>70,722</u>	<u>39,901</u>
<b>Profit before tax</b>		78,580	59,000
Taxation	8	<u>(24,553)</u>	<u>-</u>
<b>Profit for the financial year and total comprehensive income</b>		<u><u>54,027</u></u>	<u><u>59,000</u></u>

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

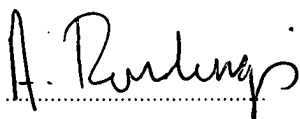
The notes on pages 11 to 19 form an integral part of these financial statements.

**OPTALIS LIMITED**

(REGISTRATION NUMBER: 07630156)  
BALANCE SHEET AS AT 31 MARCH 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	9	<u>31,985</u>	<u>44,129</u>
<b>Current assets</b>			
Debtors	10	4,331,525	3,697,744
Cash at bank and in hand		<u>312,657</u>	<u>942,309</u>
		4,644,182	4,640,053
<b>Creditors: Amounts falling due within one year</b>	11	<u>(4,349,076)</u>	<u>(4,411,118)</u>
<b>Net current assets</b>		<u>295,106</u>	<u>228,935</u>
<b>Net assets</b>		<u>327,091</u>	<u>273,064</u>
<b>Capital and reserves</b>			
Called up share capital	14	50,100	50,100
Retained earnings		<u>276,991</u>	<u>222,964</u>
<b>Total equity</b>		<u>327,091</u>	<u>273,064</u>

Approved and authorised by the Board on 05/09/19 and signed on its behalf by:



A J Rawlings  
Director

The notes on pages 11 to 19 form an integral part of these financial statements.

**OPTALIS LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019**

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
At 1 April 2018	50,100	222,964	273,064
Profit for the year	-	54,027	54,027
At 31 March 2019	<u>50,100</u>	<u>276,991</u>	<u>327,091</u>

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
At 1 April 2017	50,100	163,964	214,064
Profit for the year	-	59,000	59,000
At 31 March 2018	<u>50,100</u>	<u>222,964</u>	<u>273,064</u>

The notes on pages 11 to 19 form an integral part of these financial statements.

## **OPTALIS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

#### **1 General information**

The company is a private limited company incorporated and domiciled in England and Wales.

The address of its registered office is:

Trinity Court  
Molly Millars Lane  
Wokingham  
Berkshire  
RG41 2PY

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **Basis of preparation**

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

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

##### **Summary of disclosure exemptions**

The company has not presented a cash flow statement on the grounds that the company is a wholly owned subsidiary and a group cash flow statement is included in the financial statements of the parent company.

##### **Name of parent of group**

These financial statements are consolidated in the financial statements of Optalis Holdings Limited.

The financial statements of Optalis Holdings Limited may be obtained from Companies House.

##### **Going concern**

The company relies on a contract with Wokingham Borough Council and the Royal Borough of Windsor and Maidenhead (RBWM) to provide certain services to the Council. A decision was made at a WBC executive meeting held on 18 February 2016 that the contract would be extended for a further five years from 1 July 2016. The RBWM contract commenced on 3 April 2017 and has a period of 10 years. The directors remain in close contact with Wokingham Borough Council who have confirmed that they will use reasonable endeavours to support Optalis Limited as a going concern as per the existing contractual arrangements. Therefore the directors consider that it is appropriate to prepare the accounts on a going concern basis.

##### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## **OPTALIS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

#### **Judgements**

These financial statements do not contain any significant judgements..

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Revenue from services is recognised in the accounting periods in which the services are rendered..

#### **Tax**

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

The current 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.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold improvements	Over the term of the lease
Office equipment	Over 3-5 years
Motor vehicles	Over 5 years

#### **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.

#### **Trade debtors**

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

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. 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 debtors.

## **OPTALIS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable 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 all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **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.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Defined benefit pension obligation**

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The group has received a guarantee from Wokingham Borough Council and the Royal Borough of Windsor and Maidenhead Council that indemnifies the group against any shortfall of payments of pension contributions and associated pension liabilities. The group therefore has no effective liability and accounts for the scheme as a defined contribution scheme in the financial statements.

## OPTALIS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### Financial instruments

##### **Classification**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other receivables and payables, loans from related parties and investments in non-puttable ordinary shares.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Debt instruments like loans and other receivables and payables are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms of financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

##### **Recognition and measurement**

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an assets carrying value and the present value of estimated cash flows discounted at the assets original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an assets carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount recognised in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Impairment**

At each reporting date non-financial assets not carried at fair value, such as property, plant and equipment are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less costs to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.



# OPTALIS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 3 Turnover

The analysis of the company's turnover, which was generated wholly in the United Kingdom, for the year from continuing operations is as follows:

	2019 £	2018 £
Rendering of services	<u>45,496,929</u>	<u>44,243,029</u>

### 4 Operating profit

Arrived at after charging

	2019 £	2018 £
Depreciation expense	12,144	58,681
Operating lease expense - property	920,146	846,086
Operating lease expense - plant and machinery	<u>817</u>	<u>9,557</u>

### 5 Other interest receivable and similar income

	2019 £	2018 £
Other interest	<u>70,722</u>	<u>39,901</u>

### 6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2019 £	2018 £
Wages and salaries	14,390,528	13,899,342
Social security costs	1,242,667	1,198,699
Pension costs, defined contribution scheme	<u>1,401,995</u>	<u>1,502,337</u>
	<u>17,035,190</u>	<u>16,600,378</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2019 No.	2018 No.
Care workers	506	502
Administration and support	119	127
Brokerage	<u>63</u>	<u>64</u>
	<u>688</u>	<u>693</u>

# OPTALIS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	274,777	186,082
Contributions paid to money purchase schemes	12,999	8,457
	<u>287,776</u>	<u>194,539</u>

### 8 Taxation

Tax charged in the profit and loss account

	2019 £	2018 £
<b>Current taxation</b>		
UK corporation tax	23,036	-
UK corporation tax adjustment to prior periods	1,517	-
	<u>24,553</u>	<u>-</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2018 - lower than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 £	2018 £
Profit before tax	<u>78,580</u>	<u>59,000</u>
Corporation tax at standard rate	14,930	11,210
Tax increase (decrease) from effect of capital allowances and depreciation	1,704	9,642
Tax increase (decrease) from other short-term timing differences	5,109	(17,866)
Adjustments to brought forward values	-	(2,986)
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	1,517	-
Effect of expense not deductible in determining taxable profit (tax loss)	1,293	-
Total tax charge	<u>24,553</u>	<u>-</u>

**OPTALIS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**9 Tangible assets**

	Leasehold improvements £	Office equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2018 and at 31 March 2019	242,565	109,780	17,832	370,177
<b>Depreciation</b>				
At 1 April 2018	228,820	79,716	17,512	326,048
Charge for the year	4,538	7,286	320	12,144
At 31 March 2019	233,358	87,002	17,832	338,192
<b>Carrying amount</b>				
At 31 March 2019	9,207	22,778	-	31,985
At 31 March 2018	13,745	30,064	320	44,129

**10 Debtors**

	2019 £	2018 £
Trade debtors	95,114	39,347
Amounts owed by group undertakings	3,415,141	3,117,894
Other receivables	458,322	230,630
Prepayments	362,948	309,873
	<u>4,331,525</u>	<u>3,697,744</u>

**11 Creditors**

	2019 £	2018 £
<b>Due within one year</b>		
Trade creditors	21,528	146,467
Social security and other taxes	854,118	668,157
Other payables	98	229,564
Accrued expenses	2,369,764	3,062,273
Corporation tax liability	23,036	-
Deferred income	1,080,532	304,657
	<u>4,349,076</u>	<u>4,411,118</u>

## OPTALIS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### 12 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	165,483	72,050
Later than one year and not later than five years	485,737	40,741
Later than five years	320,603	5
	<u>971,823</u>	<u>112,796</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £920,963 (2018 - £855,643).

#### 13 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £nil (2018 - £310,782).

##### Defined benefit pension schemes

The trustees of the scheme hold the assets of the scheme, separately from those of the company. The company is responsible for the pensionable costs incurred post 6 June 2011 and its ultimate parent entity (Wokingham Borough Council) is responsible for the liabilities incurred pre that date in respect of the company's employees. However, the group is indemnified by WBC against liabilities arising under the scheme.

Therefore the scheme is accounted for as if it was a defined contribution scheme. The pension cost charge represents contributions payable by the company amounting to £1,401,995 (2018 - £1,191,555). The amounts outstanding at the year end were a debtor owed to the group of £nil (2018 - £26,890).

The contribution rate payable in the year by the group was 17.2% of pensionable salaries. Surpluses or deficits which arise in future valuations may impact upon the group's future contribution commitment. A formal triennial actuarial valuation occurred on 31 March 2013. The contribution rate from 1 April 2019 will be 17.2% (2018 - 14%).

#### 14 Share capital

##### Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
Redeemable preference shares of £1 each	50,000	50,000	50,000	50,000
	<u>50,100</u>	<u>50,100</u>	<u>50,100</u>	<u>50,100</u>

##### Redeemable preference shares

The redeemable preference shares are redeemable at the option of the company. They are redeemable at £1 per share and carry no voting rights. Winding up value for redeemable preference shares is £1.

## **OPTALIS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

#### **15 Related party transactions**

During the year, the company received income of £9,222,488 (2018 - £9,003,432) from Wokingham Borough Council. At 31 March 2019, the amount owed to the company amounted to £284 (2018 - £175,206).

During the year, the company received income of £33,339,053 (2018 - £32,604,471) from the Royal Borough of Maidenhead and Windsor Council. At 31 March 2019, the amount owed to the company amounted to £3,414,857 (2018 - £21,543).

#### **16 Parent and ultimate parent undertaking**

The company's immediate parent is Optalis Holdings Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is Wokingham Borough Council. These financial statements are available upon request from Civic Office, Shute End, Wokingham, Berkshire, RG40 1BN

Wokingham Borough Council is considered to have no single controlling party.