

**STRATEGIC REPORT, DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**  
**FOR**  
**OPTRONICS LIMITED**

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# **OPTRONICS LIMITED**

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**OPTRONICS LIMITED**  
**COMPANY INFORMATION**  
**for the Year Ended 31 March 2019**

<b>DIRECTORS:</b>	K Seng S W Althoff R M Crowder
<b>SECRETARY:</b>	Keens Shay Keens (Nominees) Limited
<b>REGISTERED OFFICE:</b>	Davy Avenue Knowlhill Milton Keynes Buckinghamshire MK5 8HJ
<b>REGISTERED NUMBER:</b>	05985358 (England and Wales)
<b>INDEPENDENT AUDITORS :</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Exchange House Central Business Exchange Midsummer Boulevard Milton Keynes MK9 2DF
<b>BANKERS:</b>	HSBC 19 Midsummer Place PO Box 1888 Milton Keynes Buckinghamshire MK9 3GB

**OPTRONICS LIMITED**  
**STRATEGIC REPORT**  
**for the Year Ended 31 March 2019**

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

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the Company continued to be that of a holding company.

The results of the Company for the year ended 31 March 2019 are shown in the Statement of Comprehensive Income on page 8. As at 31 March 2019 the Company had net assets totalling £555,985 (2018: £742,064).

**PRINCIPAL RISKS AND UNCERTAINTIES**

The management of the business and execution of strategy are subject to a number of risks. Key business risks for the Company's subsidiaries principally relate to market competition, both from a national and international perspective, and the retention of suitably qualified employees. Business risks are reviewed regularly by the directors and appropriate processes are put in place to monitor and mitigate their impact.

The Directors do not expect the planned departure of the UK from the EU to have any significant adverse effect on the Company's business.

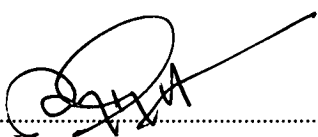
**STRATEGY AND FUTURE OUTLOOK**

The Company is a non-trading holding company. As such the directors do not expect any significant changes in the financial position of the Company for the foreseeable future.

**FINANCIAL KEY PERFORMANCE INDICATORS**

The directors consider that the key financial performance indicators are those that communicate the financial performance and strength of the Company as a whole, these being the results for the year, as set out in the Statement of Comprehensive Income.

**APPROVED AND SIGNED ON BEHALF OF THE BOARD BY:**

  
.....  
K Seng - Director

Date: 20 December 2019

## **OPTRONICS LIMITED**

### **DIRECTORS' REPORT for the Year Ended 31 March 2019**

The directors present their report with the audited financial statements of the company for the year ended 31 March 2019.

#### **DIVIDENDS**

There were no dividends paid during the year (2018: £Nil).

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

K Seng  
S W Althoff  
R M Crowder

Other changes in directors holding office are as follows:

P Robinson - resigned 1 July 2018

#### **QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

As permitted by the Articles and Associations, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Group also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

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

The directors are responsible for preparing the Strategic Report, Director's Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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 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.

**OPTRONICS LIMITED**

**DIRECTORS' REPORT**  
**for the Year Ended 31 March 2019**

**DIRECTORS' CONFIRMATIONS**

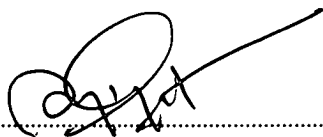
In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all 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.

**INDEPENDENT AUDITORS**

Under section 487(2) of the Companies Act 2006, the auditors, PricewaterhouseCoopers LLP, will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

**APPROVED AND SIGNED ON BEHALF OF THE BOARD BY:**



.....  
K Seng - Director

Date: 20 December 2019

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OPTRONICS LIMITED**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Optronics Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic report, directors' report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2019; and the statement of income and retained earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OPTRONICS LIMITED**

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### **Strategic Report and Directors' Report**

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 year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

#### **Auditors' 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 auditors' 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Other required reporting**

#### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

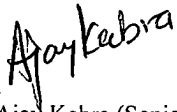
- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
OPTRONICS LIMITED**

- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Ajay Kabra (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Milton Keynes

Date: 20-December 2019

**OPTRONICS LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS**  
for the Year Ended 31 March 2019

	Notes	2019 £	2018 £
<b>TURNOVER</b>			
Administrative expenses		<u>228,326</u>	<u>29,790</u>
<b>OPERATING LOSS</b>	4	(228,326)	(29,790)
Income from other fixed asset investments	6	-	296,933
Other interest receivable and similar income		<u>485</u>	<u>296,933</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(227,841)	267,143
Tax on (loss)/profit	7	<u>(41,762)</u>	<u>(3,245)</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(186,079)	270,388
Retained earnings at beginning of year		<u>491,064</u>	<u>220,676</u>
<b>RETAINED EARNINGS AT END OF YEAR</b>		<u><u>304,985</u></u>	<u><u>491,064</u></u>

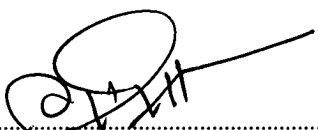
The notes form part of these financial statements

**OPTRONICS LIMITED (REGISTERED NUMBER: 05985358)**

**BALANCE SHEET**  
**31 March 2019**

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Investments	8	1,424,885	1,424,885
<b>CURRENT ASSETS</b>			
Debtors	9	79,510	46,024
Cash at bank and in hand		41,976	295,639
		<u>121,486</u>	<u>341,663</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(990,386)	(1,024,484)
<b>NET CURRENT LIABILITIES</b>		<u>(868,900)</u>	<u>(682,821)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>555,985</u>	<u>742,064</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	193,500	193,500
Capital redemption reserve	12	57,500	57,500
Retained earnings	12	304,985	491,064
<b>SHAREHOLDERS' FUNDS</b>		<u>555,985</u>	<u>742,064</u>

The financial statements were approved by the Board of Directors on 20 December 2019 and were signed on its behalf by:

  
.....  
K Seng - Director

The notes form part of these financial statements

## OPTRONICS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 March 2019

#### 1. STATUTORY INFORMATION

Optronics Limited is a private company, limited by shares, incorporated and registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with 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 judgement in applying the Company's accounting policies (see below).

The following principal accounting policies have been applied consistently throughout the year.

##### **Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

The information is included in the consolidated financial statements of Fujikura Limited as at 31 March 2019 and these financial statements may be obtained from the secretary, 1-5-1, Kiba, Kouto-ku, Tokyo 135-8512, Japan.

##### **Preparation of consolidated financial statements**

The financial statements contain information about Optronics Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Fujikura Limited, 1-5-1, Kiba, Kouto-ku, Tokyo, 135-8512, Japan.

## **OPTRONICS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 March 2019**

#### **2. ACCOUNTING POLICIES - continued**

##### **Significant judgements and estimates**

##### **Judgements in applying accounting policies and key sources of estimation uncertainty**

The directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are 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 reviewed if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

##### **Carrying value of investments**

The directors have considered the carrying value of the company's investments and are satisfied that it is supported by the value of the underlying businesses.

##### **Investments in subsidiaries**

Investments in subsidiaries are measured at cost less accumulated impairment.

##### **Financial instruments**

The Company only enters into basic financial instruments 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 related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently amortised cost using the effective interest method. Debt instruments that are repayable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the 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 or financed at a rate of interest that is not a market rate or in the case of an outright short term loan not at the market rate, the financial asset or liability is measured initially at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's 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 asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

## **OPTRONICS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 March 2019**

#### **2. ACCOUNTING POLICIES - continued**

##### **Current and deferred taxation**

Tax is recognised in the Statement of Comprehensive Income, 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 balance sheet 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 Balance Sheet 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 combination, 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 balance sheet date.

##### **Foreign currencies**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

##### **Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **Cash at bank and in hand**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

# OPTRONICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 March 2019

### 2. ACCOUNTING POLICIES - continued

#### Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

### 3. EMPLOYEES AND DIRECTORS

The Company has no employees other than the directors, who did not receive any remuneration during the year (2018: £Nil).

	2019 £	2018 £
Directors' remuneration	-	-

### 4. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2019 £	2018 £
Foreign exchange differences	(16,253)	2,203

### 5. AUDITORS' REMUNERATION

	2019 £	2018 £
Fees payable to the company's auditors for the audit of the company's financial statements	-	7,250
Other services relating to taxation	-	2,400

The cost of the audit of these financial statements has been borne by the subsidiary company and not recharged.

### 6. INCOME FROM OTHER FIXED ASSET INVESTMENTS

	2019 £	2018 £
Income from investments in subsidiaries	-	296,933

**OPTRONICS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 March 2019**

**7. TAXATION**

**Analysis of the tax credit**

The tax credit on the loss for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	(43,290)	(5,660)
Adjustments in respect of previous periods	<u>1,528</u>	<u>2,415</u>
 Tax on (loss)/profit	 <u><u>(41,762)</u></u>	 <u><u>(3,245)</u></u>

**Reconciliation of total tax credit included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
(Loss)/profit before tax	<u>(227,841)</u>	<u>267,143</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	 (43,290)	 50,757
Effects of:		
Adjustments to tax charge in respect of previous periods	1,528	2,415
Non-taxable income	<u>-</u>	<u>(56,417)</u>
 Total tax credit	 <u><u>(41,762)</u></u>	 <u><u>(3,245)</u></u>

Changes to the UK corporation tax rates were enacted as part of Finance Act 2016. These include reductions to the main rate to reduce the rate to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

**8. INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 April 2018 and 31 March 2019	 <u>1,424,885</u>
<b>NET BOOK VALUE</b>	
At 31 March 2019	<u><u>1,424,885</u></u>
At 31 March 2018	<u><u>1,424,885</u></u>



# OPTRONICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 March 2019

### 8. INVESTMENTS - continued

The company's investments at the Balance Sheet date in the share capital of companies include the following:

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of Shares	Holding	Principal Activity
Fibrefab Limited	Ordinary	100%	Assembly and sale of fibre optic components and data networking products
Optron Holding Limited	Ordinary	100%	Dormant
Fibrefab Inc	Ordinary	100%	Dormant
Fibrefab (Hong Kong) Limited	Ordinary	100%	Assembly and sale of fibre optic components and data networking products
Sofetek (Hong Kong) Limited	Ordinary	100%	Dormant
AFL Hyperscale Communications (Shenzhen) Co., Limited	Ordinary	100%	Assembly and sale of fibre optic components and data networking products

Name	Registered Office
Fibrefab Limited	Davy Avenue, Knowlhill, Milton Keynes, Bucks, MK5 8HJ
Optron Holding Limited	Davy Avenue, Knowlhill, Milton Keynes, Bucks, MK5 8HJ
Fibrefab Inc	260 Parkway East, Duncan, SC 29334, USA
Fibrefab (Hong Kong) Limited	36/F., Tower Two Times Square, 1 Matheson Street, Causeway Bay, Hong Kong
Sofetek (Hong Kong) Limited	36/F., Tower Two Times Square, 1 Matheson Street, Causeway Bay, Hong Kong
AFL Hyperscale Communications (Shenzhen) Co., Limited	7D, Block A, Hongsong building, Tairan 6th Road, Futian, Shenzhen, China, 51800

### 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other debtors	36,220	37,914
Amounts owed by group undertakings	-	2,450
Corporation tax	43,290	5,660
	<u>79,510</u>	<u>46,024</u>

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Amounts owed to group undertakings	990,386	1,003,038
Accruals and deferred income	-	21,446
	<u>990,386</u>	<u>1,024,484</u>

Amounts owed to group undertakings are repayable on demand and have no security, payment date or interest rate.

# OPTRONICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 March 2019

### 11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2019	2018
Number:	Class:		£	£
192,500	Ordinary shares	£1	192,500	192,500
1,000	A, B, C, D, E, F, G, H, I and J redeemable ordinary shares	£1	1,000	1,000
			<u>193,500</u>	<u>193,500</u>

The A, B, C, D, E, F, G, H, I and J shares are redeemable ordinary shares which may be redeemed at par at any time in whole or in part at the option of the Company. The holders are not entitled to attend or vote at general meetings of the Company or to participate in any distribution of assets on the winding up of the Company.

### 12. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2018	491,064	57,500	548,564
Deficit for the year	(186,079)		(186,079)
At 31 March 2019	<u>304,985</u>	<u>57,500</u>	<u>362,485</u>

#### Capital redemption reserve

The capital redemption reserve represents the nominal value of share capital issued by the Company which it has subsequently repurchased.

#### Profit and loss account

The profit and loss account represents the retained profits, accumulated losses and distributions of the Company.

### 13. ULTIMATE CONTROLLING PARTY

The Company is a subsidiary of AFL IG LLC, which is incorporated in the United States of America, and is a 65% subsidiary of America Fujikura Limited, which is also incorporated in the United States of America, and is a subsidiary of Fujikura Limited, which is incorporated in Japan. The directors regard Fujikura Limited as the ultimate holding company and controlling party. As at 31 March 2019 AFL IG LLC was the parent of the smallest group of companies. Fujikura Limited is the parent of the largest group of companies and copies of the consolidated financial statements can be obtained from the secretary, 1-5-1, Kiba, Kouto-ku, Tokyo 135-8512, Japan.