

Company Registration No. 06809321 (England and Wales)

**THE OPTOPLAST ACTMAN EYEWEAR CO  
LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2022**



# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	MJ Carberry JG Conway L Johnston DM Thorn C McGuirk
<b>Secretary</b>	C McGuirk
<b>Company number</b>	06809321
<b>Registered office</b>	83 Sefton Lane Maghull Liverpool L31 8BU
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 14th Floor 20 Chapel Street Liverpool L3 9AG
<b>Bankers</b>	HSBC Bank Plc 99-101 Lord Street Liverpool L2 6PG
<b>Solicitors</b>	Hill Dickinson No.1 St. Paul's Square Liverpool L3 9SJ

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# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 30 JUNE 2022

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The directors present the strategic report for the year ended 30 June 2022.

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

The principal business activity of the company continued to be the design, manufacture and distribution of optical and sunglass frames, cases and lenses.

Whilst trading was still being impacted by Covid-19 during the first half of the current financial year the Company has realised a profit for year.

Trading continued to stabilise and recover from the impacts of Covid-19 during the current financial year.

Whilst trading conditions were more favourable in the current financial year as opposed to the previous, the movement in sterling versus the dollar had an impact on operating profit compared to the year ended 30 June 2021 as highlighted in note 7.

The directors constantly monitor the company's funding position and forecast cash requirements, as detailed within the Going Concern section of note 1, to ensure it has access to sufficient funds to meet its cash requirements.

#### **Principal Risks and Uncertainties**

The Company's operations expose it to a variety of financial risks, the Directors deem the most significant risks as follows:

- **Competitive risks:** The Company operates in a highly competitive market alongside many businesses. The Company remains ahead of the latest industry developments and maintains a leading position in many of the markets it operates in.
- **Credit risks:** The Company's credit risk is primarily from its trade debtors. However these are well spread and appropriate credit checks are performed before large contracts are entered in to. The Company also insures many of the larger debts against default.
- **Liquidity risk:** The Company actively maintains a mixture of long term and short-term debt finance that is designed to ensure the Company has sufficient funds available for its plans.
- **Foreign currency risks:** The Company trades on a global basis and mitigates this risk with a mixture of forward contracts, which are reviewed on a periodic basis.

#### **Results and Dividends**

The operating profit for the period, excluding exceptional items and exchange variances deriving from conversion of foreign currency was £810,654 (2021: £194,628).

#### **Financial Highlights:**

The Company realised a significant operating profit as trading continued to recover from the impact of Covid-19. The increased profitability was achieved due to ongoing investment in IT systems, extensive reviews of internal operating procedures along with the implementation of tighter controls over supply chain management. These all contributed towards improved efficiencies and performance.

Tangible fixed assets have increased to £1,953,330 (2021: £1,055,243) as a result of the investment in plant and equipment to enable the Company to achieve planned future growth. Stock levels increased to £6,255,735 (2021: £5,109,542) due to increased demand. There has been a decrease in debtors to £2,956,159 (2021: £3,596,725) due to timing of revenue recognised. There has been an increase in current liabilities to £9,264,763 (2021: £8,311,496), which is linked to the increased stock.

#### **Key Performance Indicators**

The Directors use a number of key performance indicators to ensure that business activities are monitored and controlled effectively. The Directors consider these measures ensure a high level of control over the Company's operations and form an integral part of the Company's financial reporting structure.

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

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### Strategy and Future Developments

The Company has a highly regarded reputation in both domestic and global markets as one of the leading independent suppliers of high-quality eyewear and eyewear related optical products.

The long-term business objectives of the Company are:

- Organic growth
- Acquisition-based growth strategy
- Strong cash generation
- Continued investment in research and development
- Investment in the Company's brands.
- Switch to sustainable products and reducing its carbon footprint.

### Summary and Outlook

The Ukraine War and subsequent cost of living crisis is expected to impact upon trading as increases in energy, labour and financing costs are anticipated to impact profit margins in the short term, but the Company is well placed to manage these challenges as demonstrated by the current year's results, cash balances and its access to financing facilities.

As a result of previous investments, the Company is well positioned to take advantage of new opportunities with the view to further improving the trading results in future periods.

The Directors believe the Company has created a robust and long-term sustainable platform to deliver its long-term growth strategy.

On behalf of the board

*C McGuirk*

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C McGuirk

Director

22/09/23

Date: .....

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 JUNE 2022

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The directors present their annual report and financial statements for the year ended 30 June 2022.

#### Principal activities

The principal activity of the company continued to be the design, manufacture and distribution of optical and sunglass frames, cases and lenses.

#### Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

MJ Carberry

JG Conway

L Johnston

DM Thorn

C McGuirk

#### Future developments

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

#### Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

*C McGuirk*

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C McGuirk

**Director**

22/09/23

Date: .....

# **THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2022**

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The directors are responsible for preparing the Strategic Report and the 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED**

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## **Opinion**

We have audited the financial statements of The Optoplast Actman Eyewear Co Limited (the 'company') for the year ended 30 June 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **Opinions on other matters 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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED (CONTINUED)**

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

In the light of the 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 or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' responsibilities statement set out on page 4, 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED (CONTINUED)

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspected legal expenditure.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing the appropriateness of journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and assessing whether the judgements made in making accounting estimates are indicative of potential bias. In respect of revenue recognition, the revenue recognition policies of the company were scrutinized. Substantive tests of detail were performed over a sample of sales recorded around the year end to determine appropriate cut off treatment. A sample of sales orders were traced through to sales invoices and data analytics procedures were used to review revenue transactions which fell outside the expected revenue cycle.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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.

*Laura Inglesby*

Laura Inglesby FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
14th Floor  
20 Chapel Street  
Liverpool  
L3 9AG

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22/09/23

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	16,461,728	10,997,382
Cost of sales		(11,474,491)	(8,671,521)
<b>Gross profit</b>		4,987,237	2,325,861
Distribution costs		(207,904)	(63,740)
Administrative expenses (including exceptional items of £94,508 (2021 - £Nil))		(4,319,988)	(1,848,628)
Other operating income (including exceptional income of £Nil (2021 - £1,298,086))		-	1,387,127
<b>Operating profit</b>	<b>7</b>	459,345	1,800,620
Interest receivable and similar income	<b>8</b>	588	-
Interest payable and similar expenses	<b>9</b>	(511,808)	(245,433)
<b>(Loss)/profit before taxation</b>		(51,875)	1,555,187
Tax on (loss)/profit	<b>10</b>	84,536	111,485
<b>Profit for the financial year</b>		32,661	1,666,672

**THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Goodwill	11		111,941		144,728
Other intangible assets	11		159,463		247,167
Total intangible assets			271,404		391,895
Tangible assets	12		1,953,330		1,055,243
Investments	13		2		2
			2,224,736		1,447,140
<b>Current assets</b>					
Stocks	15	6,255,735		5,109,542	
Debtors	16	2,956,159		3,596,725	
Cash at bank and in hand		83,739		381,034	
			9,295,633		9,087,301
<b>Creditors: amounts falling due within one year</b>	17	(9,264,763)		(8,311,496)	
<b>Net current assets</b>			30,870		775,805
<b>Total assets less current liabilities</b>			2,255,606		2,222,945
<b>Capital and reserves</b>					
Called up share capital	20		101		101
Share premium account	21		21,099		21,099
Profit and loss reserves	21		2,234,406		2,201,745
<b>Total equity</b>			2,255,606		2,222,945

22/09/23

The financial statements were approved by the board of directors and authorised for issue on ..... and are signed on its behalf by:

*C McGuirk*

.....  
C McGuirk  
Director

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 July 2020</b>	101	21,099	535,073	556,273
<b>Period ended 30 June 2021:</b>				
Profit and total comprehensive income for the period	-	-	1,666,672	1,666,672
<b>Balance at 30 June 2021</b>	101	21,099	2,201,745	2,222,945
<b>Year ended 30 June 2022:</b>				
Profit and total comprehensive income for the year	-	-	32,661	32,661
<b>Balance at 30 June 2022</b>	101	21,099	2,234,406	2,255,606

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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### 1 Accounting policies

#### Company information

The Optoplast Actman Eyewear Co Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 83 Sefton Lane, Maghull, Liverpool, L31 8BU.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

#### Consolidated financial statements

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

The Optoplast Actman Eyewear Co Limited is a wholly owned subsidiary of Millmead Optical Group Limited and the results of The Optoplast Actman Eyewear Co Limited are included in the consolidated financial statements of Millmead Optical Group Limited which are available from its registered office.

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

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### 1 Accounting policies (Continued)

#### Going concern

In the previous financial year and in response to the first wave of Covid-19 the Directors carried out a full review of the Company's operations and implemented strategic changes to ensure that the Company could still generate profits and cash. Subsequently since the first lockdown the Company has generated profits and cash despite trading continuing to be impacted by Covid-19 during the current financial year.

The Company monitors its funding position and its liquidity risk throughout the year to ensure it has access to sufficient funds to meet forecast cash requirements. Cash forecasts are regularly produced and reviewed by the Board to ensure the Company can honour its cash commitments.

The Company is a wholly owned subsidiary of Millmead Optical Group Limited. The Group has provided written confirmation to the Company that support will be provided as required for a period of not less than twelve months from the date of approval of these financial statements, and that repayment of intercompany creditors will not be demanded by the Group unless the Company has sufficient funds to do so.

Forecasts have been prepared by the Directors that have been sensitised to reflect the impact of the Ukraine War and subsequent cost of living crisis. The forecasts for the Company, as considered together with the wider group of which the Company is a part, demonstrate that the Company will have sufficient cash reserves to meet its obligations as they fall due for a period of at least 12 months from the date of signing these financial statements.

As such, the directors are satisfied that the Company has adequate resources to operate for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing these financial statements.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### Research and development expenditure

Research and development expenditure is written off against profits in the year in which it is incurred.

#### Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is between 5 and 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

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### 1 Accounting policies (Continued)

#### **Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	4 years straight line
Patents and licences	5 years straight line

#### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets over their useful lives on the following bases:

Leasehold land and buildings	10-20% per annum on a straight line basis
Plant and equipment	10-20% per annum on a straight line basis
Fixtures and fittings	10-33% per annum on a straight line basis
Computers	10-33% per annum on a straight line basis
Motor vehicles	25% per annum on a straight line basis

#### **Tangible fixed assets (continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### **Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

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### 1 Accounting policies (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.



# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2022

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#### 1 Accounting policies (Continued)

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

##### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### ***Taxation***

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

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### 1 Accounting policies (Continued)

#### Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

#### Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

### 2 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 amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

### 2 Judgements and key sources of estimation uncertainty (Continued)

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Valuation of stock

An increase has been made against the stock provision resulting in a debit in the Statement of Comprehensive Income of £166,528 (2021 - £98,112 credit) during the period.

#### Recoverability of trade debtors

There has been a decrease in the provision for bad debts of £15,611 (2021 - £158,885 decrease) during the period. The directors have considered these debts to be doubtful and have provided accordingly for what they consider the company's exposure to be.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022 £	2021 £
<b>Turnover analysed by class of business</b>		
Optical & sunglasses cases and frames	12,577,949	7,610,148
Jewellery boxes	1,110,978	1,091,582
Lenses	2,770,845	2,269,841
Other	1,956	25,811
	<u>16,461,728</u>	<u>10,997,382</u>
	2022 £	2021 £
<b>Other revenue</b>		
Interest income	588	-
Grants received	-	89,041
	<u></u>	<u></u>
	2022 £	2021 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	14,729,775	9,551,735
Europe	771,498	874,512
Rest of World	960,455	571,135
	<u>16,461,728</u>	<u>10,997,382</u>

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 4 Exceptional items

	2022 £	2021 £
<b>Income</b>		
Exceptional item - Other operating income	-	1,298,086
<b>Expenditure</b>		
Exceptional item - Administrative costs	94,508	-

In the current period the company has provided against inter-group balances that are not deemed to be recoverable.

In the prior period the company incurred exceptional income in relation to an intercompany balance waiver following the hive across of assets from Continental Eyewear Limited, a fellow member of the group headed by Millmead Optical Group Limited.

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Management	11	10
Administration	53	42
Production	34	28
<b>Total</b>	<b>98</b>	<b>80</b>

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	2,883,314	2,097,600
Social security costs	287,387	194,160
Pension costs	55,400	37,488
	<b>3,226,101</b>	<b>2,329,248</b>

### 6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	187,635	58,476
Company pension contributions to defined contribution schemes	1,321	90
	<b>188,956</b>	<b>58,566</b>

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

### 6 Directors' remuneration (Continued)

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

### 7 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	256,801	(307,906)
Research and development costs	317,923	487,530
Government grants	-	(89,041)
Fees payable to the company's auditor for the audit of the company's financial statements	34,500	30,000
Depreciation of owned tangible fixed assets	251,145	220,261
Amortisation of intangible assets	135,316	148,356
Operating lease charges	483,671	457,213
	<u>          </u>	<u>          </u>

### 8 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	588	-
	<u>          </u>	<u>          </u>

### 9 Interest payable and similar expenses

	2022 £	2021 £
Interest on bank overdrafts and loans	407,549	223,742
Interest on invoice finance arrangements	104,259	21,691
	<u>          </u>	<u>          </u>
	511,808	245,433
	<u>          </u>	<u>          </u>

### 10 Taxation

	2022 £	2021 £
Current tax		
Adjustments in respect of prior periods	(9,536)	(79,627)
Other tax reliefs	(75,000)	(38,244)
	<u>          </u>	<u>          </u>
Total current tax	(84,536)	(117,871)
	<u>          </u>	<u>          </u>
Deferred tax		
Origination and reversal of timing differences	-	6,386
	<u>          </u>	<u>          </u>
Total tax credit	(84,536)	(111,485)
	<u>          </u>	<u>          </u>

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

### 10 Taxation (Continued)

	2022 £	2021 £
(Loss)/profit before taxation	(51,875)	1,555,187
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(9,856)	295,486
Tax effect of expenses that are not deductible in determining taxable profit	25,425	508
Tax effect of income not taxable in determining taxable profit	(2,755)	(246,636)
Change in unrecognised deferred tax assets	(109,065)	95,689
Adjustments in respect of prior years	(9,536)	(79,627)
Group relief	8,780	62,033
Depreciation on assets not qualifying for tax allowances	890	15,240
Other permanent differences	-	5,609
Additional deduction for R&D expenditure	(78,527)	(120,420)
Surrender of tax losses for R&D tax credit refund	169,959	11,869
Adjust deferred tax to average rate	(79,851)	(151,236)
Taxation credit for the year	(84,536)	(111,485)

Corporation tax is calculated at 19% (2021 - 19%) of the estimated assessable profit for the year. In the 3 March 2021 Budget it was announced that the UK tax rate will increase to 25% from 1 April 2023 and this rate was substantively enacted on 24 May 2021. Deferred tax balances at the year-end have been measured at 25% (2021 - 25%).

Deferred tax is not recognised in respect of tax losses of £3,462,477 (2021 - £3,095,090) as it is not probable that they will be recovered in full against the reversal of deferred tax liabilities or future taxable profits over the next 12 months.

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

### 11 Intangible fixed assets

	Goodwill	Software	Patents and licences	Total
	£	£	£	£
<b>Cost</b>				
At 1 July 2021	423,268	543,893	13,672	980,833
Additions - separately acquired	-	14,825	-	14,825
At 30 June 2022	423,268	558,718	13,672	995,658
<b>Amortisation and impairment</b>				
At 1 July 2021	278,540	300,828	9,570	588,938
Amortisation charged for the year	32,787	99,794	2,735	135,316
At 30 June 2022	311,327	400,622	12,305	724,254
<b>Carrying amount</b>				
At 30 June 2022	111,941	158,096	1,367	271,404
At 30 June 2021	144,728	243,065	4,102	391,895

### 12 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 July 2021	561,226	818,512	560,318	241,344	40,115	2,221,515
Additions	266,293	846,374	11,868	24,697	-	1,149,232
At 30 June 2022	827,519	1,664,886	572,186	266,041	40,115	3,370,747
<b>Depreciation and impairment</b>						
At 1 July 2021	236,620	277,938	402,661	208,938	40,115	1,166,272
Depreciation charged in the year	73,463	109,508	53,067	15,107	-	251,145
At 30 June 2022	310,083	387,446	455,728	224,045	40,115	1,417,417
<b>Carrying amount</b>						
At 30 June 2022	517,436	1,277,440	116,458	41,996	-	1,953,330
At 30 June 2021	324,606	540,574	157,657	32,406	-	1,055,243

### 13 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	14	2	2

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

### 13 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 July 2021 & 30 June 2022	2
<b>Carrying amount</b>	
At 30 June 2022	2
At 30 June 2021	2

### 14 Subsidiaries

These financial statements are separate company financial statements for The Optoplast Actman Eyewear Co Limited.

Details of the company's subsidiaries at 30 June 2022 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct
Actman and Mico Limited	1	Dormant	Ordinary	100.00
Andrew Actman Limited	1	Dormant	Ordinary	100.00

Registered office addresses (all UK unless otherwise indicated):

1 83 Sefton Lane, Liverpool, L31 8BU

On 3 August 2023, the investment in Victoria Collections GmbH, originally held by Optoplast Limited and Custom Fabrications (UK) Limited (as nominee) was transferred over to The Optoplast Actman Eyewear Co Limited as part of a group restructure.

### 15 Stocks

	2022 £	2021 £
Finished goods and goods for resale	6,255,735	5,109,542



# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

### 16 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	2,467,872	2,777,597
Corporation tax recoverable	121,068	284,346
Amounts owed by group undertakings	25,053	94,508
Other debtors	59,534	59,534
Prepayments and accrued income	282,632	380,740
	<u>2,956,159</u>	<u>3,596,725</u>

Amounts owed by group undertakings are interest free and are repayable on demand.

### 17 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans and overdrafts	18	76,687	124,658
Other borrowings	18	4,831,664	2,984,556
Trade creditors		991,439	1,602,932
Amounts owed to group undertakings		2,095,292	1,824,899
Taxation and social security		516,850	751,226
Other creditors		11,589	71,339
Accruals and deferred income		741,242	951,886
		<u>9,264,763</u>	<u>8,311,496</u>

Amounts owed to group undertakings are interest free and are repayable on demand.

### 18 Borrowings

	2022 £	2021 £
Bank overdrafts	76,687	124,658
Other loans	4,831,664	2,984,556
	<u>4,908,351</u>	<u>3,109,214</u>
Payable within one year	<u>4,908,351</u>	<u>3,109,214</u>

The bank loans, overdrafts and other borrowings, which include import loans and invoice discounting facilities, are secured by means of a fixed charge over the book debts and a floating charge over all other assets of all companies that constitute the Millmead Optical Group in favour of HSBC Bank Plc.

The import loans accrue interest at a rate of 2.8% plus Bank of England base rate and cover a maximum period of between 120 and 240 days.

# THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

### 19 Retirement benefit schemes

	2022 £	2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	55,400	37,488

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 20 Share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of £1 each	101	101	101	101

#### Ordinary share rights

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

### 21 Reserves

#### Share premium

Consideration received for shares issued above their nominal value net of transaction cost.

#### Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

### 22 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	433,070	378,935
Between one and five years	770,759	36,885
	1,203,829	415,820

### 23 Financial commitments, guarantees and contingent liabilities

There is a debenture dated 17 January 2009, in favour of HSBC Bank Plc, secured by way of fixed and floating charges over all of the groups assets.

There is an unlimited composite company guarantee across all companies in the Millmead Optical Group over all bank borrowings. The total amount outstanding in relation to the associated banking facilities at the year end was £2,471,126 (2021: £3,074,301).

# **THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022**

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### **24 Directors' transactions**

The company has received loans from directors with the amount outstanding at the period end being £Nil (2021: £54,000). The loans were interest free and repayable on demand.

### **25 Ultimate controlling party**

The immediate and ultimate parent company of The Optoplast Actman Eyewear Co Limited is Millmead Optical Group Limited, a company incorporated and registered in England and Wales.

The consolidated financial statements of this group are available to the public from its registered office at:

83 Sefton Lane  
Maghull  
Liverpool  
Merseyside  
L31 8BU