

# financial statements abbreviated

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## **PRP Optoelectronics Limited**

For the year ended 30 September 2006

Company registration number: 2383612



# **PRP Optoelectronics Limited**

## **Abbreviated Accounts**

**Year ended 30 September 2006**

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# PRP Optoelectronics Limited

## Independent Auditor's Report to PRP Optoelectronics Limited

### UNDER SECTION 247B OF THE COMPANIES ACT 1985

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We have examined the abbreviated accounts which comprise the Balance Sheet, Accounting Policies and the related notes, together with the financial statements of PRP Optoelectronics Limited for the year ended 30 September 2006 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of the directors and the auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

#### Basis of opinion

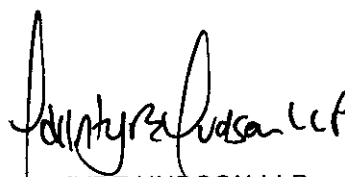
We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Peterbridge House  
The Lakes  
Northampton  
NN4 7HB

8 November 2006



MACINTYRE HUDSON LLP  
Chartered Accountants  
& Registered Auditors

# PRP Optoelectronics Limited

## Abbreviated Balance Sheet

30 September 2006

	Note	2006		2005 (restated)
		£	£	£
<b>Fixed assets</b>	<b>1</b>			
Tangible assets			<u>144,186</u>	<u>146,406</u>
<b>Current assets</b>				
Stocks		734,119		664,468
Debtors		306,491		253,170
Cash at bank and in hand		656,316		819,128
		<u>1,696,926</u>		<u>1,736,766</u>
<b>Creditors: amounts falling due within one year</b>		<u>285,679</u>		<u>184,075</u>
<b>Net current assets</b>			<u>1,411,247</u>	<u>1,552,691</u>
<b>Total assets less current liabilities</b>			<u>1,555,433</u>	<u>1,699,097</u>
<b>Provisions for liabilities and charges</b>			<u>60,426</u>	<u>55,099</u>
			<u><b>£1,495,007</b></u>	<u><b>£1,643,998</b></u>
<b>Capital and reserves</b>				
Called-up equity share capital	<b>3</b>		197,000	264,000
Other reserves			67,000	-
Profit and loss account			<u>1,231,007</u>	<u>1,379,998</u>
<b>Shareholders' funds</b>			<u><b>£1,495,007</b></u>	<u><b>£1,643,998</b></u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 6 November 2006 and are signed on their behalf by:



Dr P B Hart



Mr P J Abbey

The accounting policies and notes on pages 3 to 6 form part of these abbreviated accounts.

# **PRP Optoelectronics Limited**

## **Accounting Policies**

**Year ended 30 September 2006**

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### **Basis of accounting**

The financial statements have been prepared under the historical cost convention.

### **Changes in accounting policies**

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

#### **FRS 21 'Events after the Balance Sheet date (IAS 10)'**

The adoption of FRS 21 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the financial statements, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the financial statements. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

#### **FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'**

The adoption of FRS 25 has resulted in a change to the way in which the company's equity dividends are presented in the financial statements. Previously equity dividends were presented as a distribution on the face of the profit & loss account. However, now equity dividends are disclosed as a distribution directly from reserves as shown in the notes to the financial statements. This is purely a presentational change and does not affect the company's operating results.

### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

### **Turnover**

The turnover represents net invoiced sales and services to customers exclusive of value added tax

### **Fixed assets**

All fixed assets are initially recorded at cost.

### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and machinery                      - straight line basis over 3 - 10 years

The company undertakes some capital development work. Costs attributable to such projects are treated as fixed asset expenditure during production. Once completed, these assets are depreciated evenly in common with all of the other fixed assets of the company over their estimated useful lives.

# **PRP Optoelectronics Limited**

## **Accounting Policies *(continued)***

**Year ended 30 September 2006**

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### **Stocks**

Stock and work in progress are valued at the lower of cost and net realisable value.

Cost is calculated on an average basis and includes a proportion of overheads and direct labour costs.

### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### **Foreign currencies**

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

### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# PRP Optoelectronics Limited

## Notes to the Abbreviated Accounts

Year ended 30 September 2006

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### 1. Fixed assets

	<b>Tangible Assets £</b>
<b>Cost</b>	
At 1 October 2005	805,216
Additions	20,323
Disposals	(3,002)
<b>At 30 September 2006</b>	<b><u>£822,537</u></b>
<b>Depreciation</b>	
At 1 October 2005	658,810
Charge for year	22,543
On disposals	(3,002)
<b>At 30 September 2006</b>	<b><u>£678,351</u></b>
<b>Net book value</b>	
<b>At 30 September 2006</b>	<b><u>£144,186</u></b>
At 30 September 2005	<u>£146,406</u>

### 2. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

# PRP Optoelectronics Limited

## Notes to the Abbreviated Accounts

Year ended 30 September 2006

### 3. Share capital

#### Authorised share capital:

	2006 £	2005 £
200,000 Ordinary shares of £1 each	200,000	200,000
108,000 'A' Ordinary shares of £1 each	108,000	108,000
100,000 Preference shares of £1 each	100,000	100,000
	<u>£408,000</u>	<u>£408,000</u>

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

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	197,000	197,000	197,000	197,000
'A' Ordinary shares of £1 each	-	-	67,000	67,000
	<u>197,000</u>	<u>£197,000</u>	<u>264,000</u>	<u>£264,000</u>
<b>Equity shares</b>				
Ordinary shares of £1 each	197,000	197,000	197,000	197,000
'A' Ordinary shares of £1 each	-	-	67,000	67,000
	<u>197,000</u>	<u>£197,000</u>	<u>264,000</u>	<u>£264,000</u>

During the year the company purchased 67,000 'A' Ordinary shares for £300,000 from an existing shareholder.