

**PRP Optoelectronics Limited**  
Annual Report and Unaudited Financial Statements  
for the Year Ended 31 December 2018

# PRP Optoelectronics Limited

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# **PRP Optoelectronics Limited**

## **Company Information**

<b>Directors</b>	Mr K R Peart Mr S J Cox Mr R Martin Mr A J McKerrow
<b>Registered office</b>	Unit 2 Western Gate Hillmead Enterprise Park Langley Road Swindon Wiltshire SN5 5WN
<b>Accountants</b>	Ross Brooke Limited Chartered Accountants 16 Dorcan Business Village Murdock Road, Dorcan Swindon Wiltshire SN3 5HY

**PRP Optoelectronics Limited**  
**(Registration number: 02383612)**  
**Balance Sheet as at 31 December 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	874,109	835,759
Tangible assets	<u>5</u>	<u>241,248</u>	<u>304,067</u>
		<u>1,115,357</u>	<u>1,139,826</u>
<b>Current assets</b>			
Stocks	<u>6</u>	816,900	751,343
Debtors	<u>7</u>	400,881	379,425
Cash at bank and in hand		<u>227,992</u>	<u>63,409</u>
		1,445,773	1,194,177
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	<u>(748,679)</u>	<u>(1,035,083)</u>
<b>Net current assets</b>		<u>697,094</u>	<u>159,094</u>
<b>Total assets less current liabilities</b>		1,812,451	1,298,920
<b>Creditors: Amounts falling due after more than one year</b>	<u>8</u>	<u>(27,141)</u>	-
<b>Net assets</b>		<u><u>1,785,310</u></u>	<u><u>1,298,920</u></u>
<b>Capital and reserves</b>			
Called up share capital		218,888	218,888
Share premium reserve		83,174	83,174
Capital redemption reserve		67,000	67,000
Profit and loss account		<u>1,416,248</u>	<u>929,858</u>
<b>Total equity</b>		<u><u>1,785,310</u></u>	<u><u>1,298,920</u></u>

The notes on pages 4 to 9 form an integral part of these financial statements.  
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**PRP Optoelectronics Limited**  
**(Registration number: 02383612)**  
**Balance Sheet as at 31 December 2018**

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 8 April 2019 and signed on its behalf by:

.....

Mr K R Peart  
Director

The notes on pages 4 to 9 form an integral part of these financial statements.

## **PRP Optoelectronics Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 2 Western Gate  
Hillmead Enterprise Park  
Langley Road  
Swindon  
Wiltshire  
SN5 5WN

#### **2 Accounting policies**

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

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

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

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

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

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

##### **Revenue recognition**

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.

Revenue from development orders is recognised when the significant risks and rewards of ownership of the development work have passed to the buyer (usually on inspection by the buyer on-site or acceptance of samples received), 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.

##### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

## PRP Optoelectronics Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### Tax

The tax expense for the period comprises current tax payable and deferred tax.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted and substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### Tangible assets

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

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

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	straight line basis over 6 years
Plant and machinery	straight line basis over 2 to 10 years

#### Development costs

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Internally generated development costs	over the useful life of the project once production commences.

#### Cash and cash equivalents

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

#### Debtors

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

#### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Notes to the Financial Statements for the Year Ended 31 December 2018

**Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

**Leases**

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

**Share capital**

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

**Defined contribution pension obligation**

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

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

**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.

**3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 34 (2017 - 34).



PRP Optoelectronics Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

4 Intangible assets

	Internally generated development costs £	Total £
<b>Cost or valuation</b>		
At 1 January 2018	835,759	835,759
Additions internally developed	135,365	135,365
At 31 December 2018	971,124	971,124
<b>Amortisation</b>		
Amortisation charge	97,015	97,015
At 31 December 2018	97,015	97,015
<b>Carrying amount</b>		
At 31 December 2018	874,109	874,109
At 31 December 2017	835,759	835,759

PRP Optoelectronics Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

5 Tangible assets

	Short leasehold property improvements £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 January 2018	137,548	1,413,312	1,550,860
Additions	4,695	16,989	21,684
At 31 December 2018	142,243	1,430,301	1,572,544
<b>Depreciation</b>			
At 1 January 2018	72,640	1,174,151	1,246,791
Charge for the year	24,076	60,429	84,505
At 31 December 2018	96,716	1,234,580	1,331,296
<b>Carrying amount</b>			
At 31 December 2018	45,527	195,721	241,248
At 31 December 2017	64,908	239,159	304,067

6 Stocks

	2018 £	2017 £
Work in progress	136,928	130,179
Other inventories	679,972	621,164
	816,900	751,343

7 Debtors

	Note	2018 £	2017 £
Trade debtors		289,280	292,701
Amounts owed by group undertakings and undertakings in which the company has a participating interest		9,427	4,309
Prepayments		68,397	82,415
Other debtors		33,777	-
		400,881	379,425

**PRP Optoelectronics Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2018**

**8 Creditors**

**Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Finance lease liabilities	15,671	31,096
Trade creditors	274,965	234,353
Payments on account	219,037	396,431
Taxation and social security	26,463	61,844
Other creditors	130,756	186,779
Accrued expenses	81,787	124,580
	<u>748,679</u>	<u>1,035,083</u>

Finance lease liabilities are secured on the assets concerned.

Payments on account include factored debts of £27,755 (2017 £59,743) which are secured on the amounts due.

Other creditors include company credit card liabilities of £9,965 (2017 £2,729) which are secured by a bank floating charge.

**Creditors: amounts falling due after more than one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Due after one year</b>		
Finance lease liabilities	27,141	-

**9 Financial commitments, guarantees and contingencies**

**Amounts not provided for in the balance sheet**

The total amount of financial commitments not included in the balance sheet is £215,876 (2017 - £249,709). These consist entirely of outstanding commitments for future minimum lease payments under non-cancellable operating leases.

**10 Parent and ultimate parent undertaking**

The company's immediate parent is Hillmead Technology Limited. It is a private company limited by shares incorporated in England and Wales: Registered Number 09557787.

The registered office is Unit 2 Western Gate, Hillmead Enterprise Park, Langley Road, Swindon, Wiltshire, SN5 5WN.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.