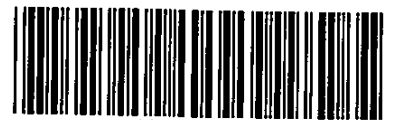


Registration number 03579622

Cooke Optics Limited
Abbreviated accounts
for the year ended 30 June 2011

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Cooke Optics Limited

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Cooke Optics Limited

Director's report for the year ended 30 June 2011

The directors present their report and the accounts for the year ended 30 June 2011

Principal activity and review of the business

The principal activity of the company continued to be that of the design and manufacture of precision optical components

Business review

The sales for the year were £5,931,224 (2010 £5,377,001) at a similar gross margin to 2010. Administrative expenses reduced from £2,243,965 in 2010 to £1,952,293 this year resulting in a net profit of £712,173 (2010 £180,073)

Results and dividends

The results for the year are set out on page 4

The directors do not recommend payment of a final dividend.

Financial risk management objectives and policies

The company will always seek to operate within its agreed overdraft facility with the bank. Most of the sales are arranged by the receipts from customers in advance as deposits on future orders and most of the suppliers are UK based. The company does not therefore need to have hedging arrangements in respect to trade debtors or creditors

The company is reliant on overdraft facilities from the bank and therefore has a cash flow and liquidity risk although at present due to successful trading does not have the requirement to use the facilities in place. The bank is currently satisfied with the company's financial performance and the directors do not think there is any risk of facilities being withdrawn or reduced

Fixed assets

There was no significant variation in the market value of the Freehold Land and Buildings compared with the carrying value at the balance sheet date

Future developments

The company is continuing to research and develop further optical systems and is in a good market position to take advantage of opportunities which may arise in the future

Directors

The directors who served during the year are as stated below.

L Zellan
R D Howard
G Genin
B Lowry

Cooke Optics Limited

Director's report for the year ended 30 June 2011

. . . continued

Statement of directors' responsibilities

The directors are responsible for preparing 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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and 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.

In so far as the directors are aware

- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Brooks Mayfield Audit Limited are deemed to be reappointed in accordance with an elective resolution made under Section 386(1) of the Companies Act 1985 which continues in force under the Companies Act 2006.

This report was approved by the Board on 4 November 2011 and signed on its behalf by



L. Zellan
Director

**Independent auditors' report to Cooke Optics Limited
under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 4 to 16 together with the financial statements of Cooke Optics Limited for the year ended 30 June 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. 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 auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "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 Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with that provision.

.
W H Oates (senior statutory auditor)
For and on behalf of Brooks Mayfield Audit Limited
Chartered Accountants and
Registered Auditors

12 Bridgford Road
West Bridgford
Nottingham
NG2 6AB

Cooke Optics Limited

**Abbreviated profit and loss account
for the year ended 30 June 2011**

		Continuing operations	
		2011	2010
	Notes	£	£
Turnover		5,931,224	5,377,001
Gross profit		2,711,151	2,482,425
Administrative expenses		(1,952,293)	(2,243,965)
Operating profit	2	758,858	238,460
Other interest receivable and similar income	4	94	224
Interest payable and similar charges	5	(46,779)	(58,611)
Profit on ordinary activities before taxation		712,173	180,073
Tax on profit on ordinary activities	8	(146,896)	27,344
Profit for the year	18	565,277	207,417
Retained profit brought forward		1,397,609	1,190,192
Retained profit carried forward		1,962,886	1,397,609

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 7 to 16 form an integral part of these financial statements.

Cooke Optics Limited

**Abbreviated balance sheet
as at 30 June 2011**

		2011		2010	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		1,783,968		2,005,193
Current assets					
Stocks	11	2,003,495		2,239,965	
Debtors	12	351,455		317,331	
Cash at bank and in hand		169,354		9,094	
		<u>2,524,304</u>		<u>2,566,390</u>	
Creditors: amounts falling due within one year	13	<u>(1,597,779)</u>		<u>(2,262,755)</u>	
Net current assets			<u>926,525</u>		<u>303,635</u>
Total assets less current liabilities			2,710,493		2,308,828
Creditors: amounts falling due after more than one year	14		(311,500)		(555,056)
Provisions for liabilities	15		<u>(79,944)</u>		<u>-</u>
Net assets			<u>2,319,049</u>		<u>1,753,772</u>
Capital and reserves					
Called up share capital	17		16,290		16,290
Share premium account	18		338,018		338,018
Other reserves	18		1,855		1,855
Profit and loss account	18		<u>1,962,886</u>		<u>1,397,609</u>
Shareholders' funds	19		<u>2,319,049</u>		<u>1,753,772</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Section 445(3) of the Companies Act 2006 relating to medium-sized companies

The abbreviated accounts were approved by the Board on 4 November 2011 and signed on its behalf by


L Zellan
Director

Registration number 03579622

The notes on pages 7 to 16 form an integral part of these financial statements.

Cooke Optics Limited

**Cash flow statement
for the year ended 30 June 2011**

	Notes	2011 £	2010 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		758,858	238,460
Depreciation		231,533	294,185
Decrease in stocks		236,470	(146,761)
(Increase) in debtors		(34,124)	(121,543)
(Decrease) in creditors		(175,135)	16,773
Net cash inflow from operating activities		<u>1,017,602</u>	<u>281,114</u>
Cash flow statement			
Net cash inflow from operating activities		1,017,602	281,114
Returns on investments and servicing of finance	21	(46,685)	(58,387)
Taxation	21	-	42,472
Capital expenditure	21	(10,306)	(16,581)
		<u>960,611</u>	<u>248,618</u>
Financing	21	(334,734)	(190,350)
Increase in cash in the year		<u>625,877</u>	<u>58,268</u>
Reconciliation of net cash flow to movement in net funds (Note 22)			
Increase in cash in the year		625,877	58,268
Cash movement from reduction in debts and lease financing		334,734	190,350
		<u>960,611</u>	<u>248,618</u>
Change in net funds resulting from cash flows		(1,365,136)	(1,613,754)
Net debt at 1 July 2010		<u>(1,365,136)</u>	<u>(1,613,754)</u>
Net debt at 30 June 2011		<u>(404,525)</u>	<u>(1,365,136)</u>

Cooke Optics Limited

Notes to the abbreviated financial statements for the year ended 30 June 2011

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of goods provided to customers and work carried out in respect of services provided to customers

1.3. Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Land and buildings	-	over 50 years
Plant and machinery	-	variable over 2-10 years
Fixtures, fittings and equipment	-	variable over 2-3 years
Motor vehicles	-	over 4 years

1.5. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period

1.6. Stock

Stock is valued at the lower of cost and net realisable value

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

Cooke Optics Limited

Notes to the abbreviated financial statements for the year ended 30 June 2011

... continued

1.8. 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 exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

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.

1.9. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

2. Operating profit	2011 £	2010 £
Operating profit is stated after charging:		
Depreciation		
- written off owned tangible fixed assets	138,003	177,666
- written off tangible fixed assets on HP/Finance lease	93,670	117,119
Research and development		
- expenditure in current year	233,505	411,853
Auditors' remuneration (Note 3)	7,350	7,200
	<u> </u>	<u> </u>
and after crediting:		
Profit on disposal of tangible fixed assets	140	600
Net foreign exchange gain	12,613	(709)
	<u> </u>	<u> </u>

Cooke Optics Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2011**

.. continued

3. Auditors' remuneration

	2011	2010
	£	£
Auditors' remuneration - audit of the financial statements	<u>5,300</u>	<u>5,200</u>
Auditors' remuneration - other fees		
- taxation services	800	800
- Accounts preparation	<u>1,250</u>	<u>1,200</u>
	<u>2,050</u>	<u>2,000</u>

4. Interest receivable and similar income

	2011	2010
	£	£
Bank interest	<u>94</u>	<u>224</u>

5. Interest payable and similar charges

	2011	2010
	£	£
Interest payable on loans < 1 yr	33,073	37,288
Hire purchase interest	<u>13,706</u>	<u>21,323</u>
	<u>46,779</u>	<u>58,611</u>

6. Employees

Number of employees	2011	2010
The average monthly numbers of employees (including the directors) during the year were		
Administration	4	6
Manufacturing	<u>69</u>	<u>71</u>
	<u>73</u>	<u>77</u>

Cooke Optics Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2011**

continued

6.1. Directors' remuneration	2011	2010
	£	£
Remuneration and other emoluments	107,575	109,693
Pension contributions	55,060	30,060
	<u>162,635</u>	<u>139,753</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>1</u>	<u>1</u>

7. Pension costs

The company operates a defined contribution pension scheme in respect of the directors and employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £139,465 (2010 - £119,957).

Cooke Optics Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2011**

. continued

8. Tax on profit on ordinary activities

Analysis of charge in period	2011 £	2010 £
Current tax		
UK corporation tax	66,952	-
Adjustments in respect of previous periods	-	1,963
	<u>66,952</u>	<u>1,963</u>
Total current tax charge	<u>66,952</u>	<u>1,963</u>
Deferred tax		
Timing differences, origination and reversal	79,944	(29,307)
Total deferred tax	<u>79,944</u>	<u>(29,307)</u>
Tax on profit on ordinary activities	<u>146,896</u>	<u>(27,344)</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (27.50 per cent). The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>712,173</u>	<u>180,073</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 27.50% (30 June 2010 - 21.00%)	195,848	37,815
Effects of:		
Expenses not deductible for tax purposes	7,091	1,515
Capital allowances for period in excess of depreciation	23,542	20,284
Utilisation of tax losses	(100,278)	5,253
Research and development tax credit	(51,196)	(64,867)
Marginal rate relief	(8,055)	-
Current tax charge for period	<u>66,952</u>	<u>-</u>

Cooke Optics Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2011**

... continued

9. Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 July 2010	733,560	733,560
At 30 June 2011	733,560	733,560
Amortisation		
At 1 July 2010	733,560	733,560
At 30 June 2011	733,560	733,560

The total gross cost of goodwill carried in the balance sheet is £733,560 relating to the acquisition of Cooke Optics Limited, a division of Taylor Hobson Limited

Cooke Optics operates in an established and profitable market sector and has over 100 years continuous years of history. The sector has high market entry barriers due to the specialised and skilled workforce required.

The directors have considered the costs and decided to amortise the goodwill on a straight line basis over ten years from the date of purchase. The total cost of the goodwill has now been written off in the accounts.

10. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 July 2010	1,719,715	3,716,533	192,105	13,500	5,641,853
Additions	-	568	8,428	1,450	10,446
Disposals	-	-	(3,100)	(13,500)	(16,600)
At 30 June 2011	1,719,715	3,717,101	197,433	1,450	5,635,699
Depreciation					
At 1 July 2010	749,751	2,686,700	186,707	13,500	3,636,658
On disposals	-	-	(3,100)	(13,500)	(16,600)
Charge for the year	25,221	202,151	4,220	81	231,673
At 30 June 2011	774,972	2,888,851	187,827	81	3,851,731
Net book values					
At 30 June 2011	944,743	828,250	9,606	1,369	1,783,968
At 30 June 2010	969,964	1,029,833	5,398	-	2,005,195

Cooke Optics Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2011**

continued

Included above are assets held under finance leases or hire purchase contracts as follows

Asset description	2011		2010	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Equipment	<u>599,090</u>	<u>93,670</u>	<u>673,876</u>	<u>117,119</u>
11. Stocks			2011 £	2010 £
Finished goods and goods for resale			<u>2,003,495</u>	<u>2,239,965</u>
12. Debtors			2011 £	2010 £
Trade debtors			245,882	222,754
Other debtors			68,296	44,148
Prepayments and accrued income			<u>37,277</u>	<u>50,429</u>
			<u>351,455</u>	<u>317,331</u>
13. Creditors: amounts falling due within one year			2011 £	2010 £
Bank overdraft			-	487,996
Bank loan			120,000	120,000
Net obligations under finance leases and hire purchase contracts			142,381	211,178
Trade creditors			694,388	843,886
Amounts owed to group undertaking			310,043	238,353
Corporation tax			66,952	-
Other taxes and social security costs			-	46,727
Accruals and deferred income			<u>264,015</u>	<u>314,615</u>
			<u>1,597,779</u>	<u>2,262,755</u>

The bank loan is secured on a legal charge over the company's freehold property and a debenture over all assets of the company.

Cooke Optics Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2011**

.. continued

14. Creditors: amounts falling due after more than one year	2011 £	2010 £
Bank loan	210,000	330,000
Net obligations under finance leases and hire purchase contracts	101,500	225,056
	<u>311,500</u>	<u>555,056</u>

15. Provisions for liabilities

	Deferred taxation (Note 16) £	Total £
Movements in the year	79,944	79,944
At 30 June 2011	<u>79,944</u>	<u>79,944</u>

16. Provision for deferred taxation	2011 £	2010 £
Deferred tax charge in profit and loss account	79,944	
Provision at 30 June 2011	<u>79,944</u>	

Cooke Optics Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2011**

. continued

17. Share capital	2011	2010
	£	£
Authorised		
16,290 Ordinary shares of £1 each	<u>16,290</u>	<u>16,290</u>
Allotted, called up and fully paid		
16,290 Ordinary shares of £1 each	<u>16,290</u>	<u>16,290</u>
Equity Shares		
16,290 Ordinary shares of £1 each	<u>16,290</u>	<u>16,290</u>

18. Equity Reserves	Share premium account £	Profit and loss account £	Capital redemption reserve £	Total £
At 1 July 2010	338,018	1,397,609	1,855	1,737,482
Profit for the year		<u>565,277</u>		<u>565,277</u>
At 30 June 2011	<u>338,018</u>	<u>1,962,886</u>	<u>1,855</u>	<u>2,302,759</u>

19. Reconciliation of movements in shareholders' funds	2011	2010
	£	£
Profit for the year	565,277	207,417
Opening shareholders' funds	<u>1,753,772</u>	<u>1,546,355</u>
Closing shareholders' funds	<u>2,319,049</u>	<u>1,753,772</u>

20. Related party transactions

The company made sales during the year to ZGC Inc of £2,080,629 (2010 £1,452,409) ZGC Inc are related to the holders of a majority holding in Cooke Optics Limited, ZGC Llc by virtue of common ownership. The transactions are at arms length and normal commercial terms

The company paid a management charge to ZGC Inc of £78,000 (2010 £78,000) for management and other services provided during the year. At the end of the year there was a balance owing to ZGC Inc of £310,043 (2010 £238,352)

Cooke Optics Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2011**

... continued

21. Gross cash flows

	2011	2010
	£	£
Returns on investments and servicing of finance		
Interest received	94	224
Interest paid	(46,779)	(58,611)
	<u>(46,685)</u>	<u>(58,387)</u>
Taxation		
Corporation tax repaid	-	42,472
	<u>-</u>	<u>42,472</u>
Capital expenditure		
Payments to acquire tangible assets	(10,446)	(17,181)
Receipts from sales of tangible assets	140	600
	<u>(10,306)</u>	<u>(16,581)</u>
Capital element of finance leases and hire purchase contracts	<u>(334,734)</u>	<u>(190,350)</u>

22. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	9,094	160,260	169,354
Overdrafts	(487,996)	487,996	-
	<u>(478,902)</u>	<u>648,256</u>	<u>169,354</u>
Debt due within one year	(120,000)	-	(120,000)
Debt due after one year	(330,000)	120,000	(210,000)
Finance leases and hire purchase contracts	(436,234)	192,353	(243,881)
	<u>(886,234)</u>	<u>312,353</u>	<u>(573,881)</u>
Net funds	<u>(1,365,136)</u>	<u>960,609</u>	<u>(404,527)</u>