

Company Registration No. 06809321 (England and Wales)

**THE OPTOPLAST ACTMAN EYEWEAR CO
LIMITED**

**REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2019**



THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

COMPANY INFORMATION

Directors	MJ Carberry JG Conway L Johnston DM Thorn
Company number	06809321
Registered office	83 Sefton Lane Maghull Liverpool L31 8BU
Auditor	RSM UK Audit LLP Chartered Accountants 5th Floor One City Place Queens Road Chester CH1 3BQ
Bankers	HSBC Bank Plc 9th Floor Royal Liver Building Pier Head Liverpool L3 1HU
Solicitors	Hill Dickinson No.1 St. Paul's Square Liverpool L3 9SJ

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 30 JUNE 2019

The directors present the strategic report for the period ended 30 June 2019.

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 the directors are disappointed with the overall result for the period it is a significant improvement to the previous financial year.

Past investments have started to realise profits and trading results are expected to improve further for the financial year ended 30 June 2020.

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 loss for the period was £275,252 (2018: £1,158,859 loss)

Financial Highlights:

Margins have been under pressure as a result of a weakening pound together with general cost increases. Despite this the operating loss has been reduced by 76% compared to the prior year.

Stock levels have increased from the previous period at £4,730,039 (2018: £4,535,803). There has been a decrease in debtors to £3,967,583 (2018: £4,282,965). There has been an increase in current liabilities to £9,396,612 (2018: £9,158,411).

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 PERIOD ENDED 30 JUNE 2019

Strategy and Future Developments

The Company has a highly regarded reputation in both domestic and global markets as the leading independent supplier 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.

Summary and Outlook

Whilst trading is expected to be challenging in the UK as a result of the current economic climate the Directors remain optimistic to achieve the Companies goals.

As a result of previous investment's 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 growth strategy.

On behalf of the board


.....
DM Thom
Director

Date: 9/10/19

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 JUNE 2019

The directors present their annual report and financial statements for the period ended 30 June 2019.

Principal activities

The principal activity of the company continued to be the provision of distribution, consultancy and design services to the optical industry.

Directors

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

MJ Carberry
JG Conway
L Johnston
DM Thorn

Results and dividends

The results for the period are set out on page 7.

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

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

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

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


.....
DM Thorn
Director

Date: 4/10/19.....

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 30 JUNE 2019

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

Opinion

We have audited the financial statements of The Optoplast Actman Eyewear Co Limited (the 'company') for the period ended 30 June 2019 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 a summary of 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 2019 and of its loss for the period 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report 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 period 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)

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 and the directors' report.

We have nothing to report in respect of the following matters where 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.

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

RSM UK Audit LLP

Michael Fairhurst FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
5th Floor
One City Place
Queens Road
Chester
CH1 3BQ

4 October 2019

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2019

		Period ended 30 June 2019 £	Year ended 31 December 2018 £
	Notes		
Turnover	3	5,997,141	13,791,588
Cost of sales		(4,771,498)	(10,029,570)
Gross profit		1,225,643	3,762,018
Distribution costs		(224,760)	(589,064)
Administrative expenses		(1,276,135)	(4,337,038)
Other operating income		-	5,225
Operating loss	6	(275,252)	(1,158,859)
Interest receivable and similar income	7	-	2,380
Interest payable and similar expenses	8	(147,634)	(189,569)
Loss before taxation		(422,886)	(1,346,048)
Tax on loss	9	63,979	126,918
Loss for the financial period		(358,907)	(1,219,130)

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2019**

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Goodwill	10		237,636		290,981
Other intangible assets	10		334,585		291,129
Total intangible assets			572,221		582,110
Tangible assets	11		1,338,335		1,464,955
Investments	12		2		2
			1,910,558		2,047,067
Current assets					
Stocks	14	4,730,039		4,535,803	
Debtors	15	3,967,583		4,282,965	
Cash at bank and in hand		587,834		450,885	
			9,285,456		9,269,653
Creditors: amounts falling due within one year	16	(9,396,612)		(9,158,411)	
Net current (liabilities)/assets			(111,156)		111,242
Total assets less current liabilities			1,799,402		2,158,309
Capital and reserves					
Called up share capital	20		101		101
Share premium account	21		21,099		21,099
Profit and loss reserves	21		1,778,202		2,137,109
Total equity			1,799,402		2,158,309

The financial statements were approved by the board of directors and authorised for issue on 9/10/19
and are signed on its behalf by:


DM Thorn
Director

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2019

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2018	101	21,099	3,356,239	3,377,439
Period ended 31 December 2018:				
Loss and total comprehensive income for the period	-	-	(1,219,130)	(1,219,130)
Balance at 31 December 2018	101	21,099	2,137,109	2,158,309
Period ended 30 June 2019:				
Loss and total comprehensive income for the period	-	-	(358,907)	(358,907)
Balance at 30 June 2019	101	21,099	1,778,202	1,799,402

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

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.

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.

Going concern

The directors have concluded that it is appropriate to prepare the accounts on a going concern basis as the company has adequate cash resources and financial projections indicate that the company will continue to trade within its current bank facilities.

Reporting period

The company is producing accounts for the 6 month period to 30 June 2019. As a result figures may not be entirely comparable with the prior period.

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.

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

1 Accounting policies (Continued)

Turnover (continued)

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.

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.

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

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.

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

1 Accounting policies (Continued)

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.

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.

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

1 Accounting policies (Continued)

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.

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.

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

1 Accounting policies (Continued)

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.

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.

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

1 Accounting policies (Continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

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

An increase has been made against the stock provision resulting in a debit of £3,414 (2018 - £194,358 reversal) during the period.

There has been a reduction in the provision for bad debts of £12,258 (2018 - £13,458 increase) during the period. The directors have considered these debts to be doubtful and have provided accordingly for what they consider the group's exposure to be.

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

3 Turnover and other revenue

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

	2019 £	2018 £
Turnover analysed by class of business		
Optical & sunglasses cases and frames	4,649,082	10,892,849
Jewellery boxes	546,425	1,456,806
Lenses	801,634	1,441,933
	<u>5,997,141</u>	<u>13,791,588</u>

	2019 £	2018 £
Other revenue		
Interest income	-	2,380
	<u>-</u>	<u>2,380</u>

	2019 £	2018 £
Turnover analysed by geographical market		
United Kingdom	4,228,495	10,838,032
Europe	616,356	1,053,871
Rest of World	1,152,290	1,899,685
	<u>5,997,141</u>	<u>13,791,588</u>

4 Employees

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

	2019 Number	2018 Number
Management	13	16
Administration	46	44
Production	24	28
	<u>83</u>	<u>88</u>

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

4 Employees (Continued)

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	1,155,897	2,407,830
Social security costs	104,477	197,309
Pension costs	17,962	24,887
	<u>1,278,336</u>	<u>2,630,026</u>

5 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	25,427	49,799
Company pension contributions to defined contribution schemes	524	703
	<u>25,951</u>	<u>50,502</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2018 - 1).

6 Operating loss

	2019 £	2018 £
Operating loss for the period is stated after charging:		
Exchange losses	32,445	1,575
Research and development costs	191,841	259,701
Fees payable to the company's auditor for the audit of the company's financial statements	23,000	25,000
Depreciation of owned tangible fixed assets	136,275	306,688
Amortisation of intangible assets	116,456	117,595
Operating lease charges	164,387	146,220
	<u></u>	<u></u>

7 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	-	2,380
	<u></u>	<u></u>

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

8 Interest payable and similar expenses

	2019 £	2018 £
Interest on bank overdrafts and loans	130,453	141,157
Interest on invoice finance arrangements	16,975	44,846
Interest on finance leases and hire purchase contracts	206	3,566
	<u>147,634</u>	<u>189,569</u>

9 Taxation

	2019 £	2018 £
Current tax		
Adjustments in respect of prior periods	-	(21,931)
Other tax reliefs	(63,979)	(85,984)
Total current tax	<u>(63,979)</u>	<u>(107,915)</u>
Deferred tax		
Origination and reversal of timing differences	-	(19,003)
Total tax credit	<u>(63,979)</u>	<u>(126,918)</u>

	2019 £	2018 £
Loss before taxation	<u>(422,886)</u>	<u>(1,346,048)</u>

Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(80,348)	(255,749)
Tax effect of expenses that are not deductible in determining taxable profit	1,644	2,850
Change in unrecognised deferred tax assets	24,977	221,826
Adjustments in respect of prior years	-	(21,931)
Group relief	43,093	-
Depreciation on assets not qualifying for tax allowances	12,480	(39,943)
Research and development tax credit	(63,979)	(85,984)
Other non-reversing timing differences	-	688
Adjust deferred tax to average rate	<u>(1,846)</u>	<u>51,325</u>
Taxation credit for the period	<u>(63,979)</u>	<u>(126,918)</u>

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2019

10 Intangible fixed assets

	Goodwill	Software	Patents and licences	Total
	£	£	£	£
Cost				
At 1 January 2019	397,673	254,777	47,255	699,705
Additions	-	106,567	-	106,567
At 30 June 2019	397,673	361,344	47,255	806,272
Amortisation and impairment				
At 1 January 2019	106,692	-	10,903	117,595
Amortisation charged for the period	53,345	57,659	5,452	116,456
At 30 June 2019	160,037	57,659	16,355	234,051
Carrying amount				
At 30 June 2019	237,636	303,685	30,900	572,221
At 31 December 2018	290,981	254,777	36,352	582,110

Included in Software are assets with a cost of £106,760 that are not currently in use and as a result have not been amortised.

11 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2019	561,226	637,398	477,301	298,425	40,115	2,014,465
Additions	-	6,299	-	3,356	-	9,655
Transfers	-	22,757	79,998	(93,923)	-	8,832
At 30 June 2019	561,226	666,454	557,299	207,858	40,115	2,032,952
Depreciation and impairment						
At 1 January 2019	68,761	73,876	299,695	67,681	39,497	549,510
Depreciation charged in the period	34,601	38,478	46,674	15,904	618	136,275
Transfers	-	2,942	(79,732)	85,622	-	8,832
At 30 June 2019	103,362	115,296	266,637	169,207	40,115	694,617
Carrying amount						
At 30 June 2019	457,864	551,158	290,662	38,651	-	1,338,335
At 31 December 2018	492,465	563,522	177,606	230,744	618	1,464,955

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

12 Fixed asset investments

	Notes	2019 £	2018 £
Investments in subsidiaries	13	2	2

13 Subsidiaries

Details of the company's subsidiaries at 30 June 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Actman and Mico Limited	UK	Dormant	Ordinary	100.00
Andrew Actman Limited	UK	Dormant	Ordinary	100.00

14 Stocks

	2019 £	2018 £
Finished goods and goods for resale	4,730,039	4,535,803

15 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	2,530,952	2,465,149
Corporation tax recoverable	171,894	107,915
Amounts owed by group undertakings	494,508	882,903
Other debtors	434,329	572,167
Prepayments and accrued income	335,900	254,831
	<u>3,967,583</u>	<u>4,282,965</u>

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

16 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Bank loans and overdrafts	17	235,832	617,062
Obligations under finance leases	18	-	10,351
Other borrowings	17	3,621,539	3,633,086
Trade creditors		1,931,212	1,726,587
Amounts owed to group undertakings		2,691,296	2,247,495
Taxation and social security		165,472	115,107
Other creditors		63,304	60,327
Accruals and deferred income		687,957	748,396
		<u>9,396,612</u>	<u>9,158,411</u>

17 Borrowings

	2019 £	2018 £
Bank overdrafts	235,832	617,062
Other loans	3,621,539	3,633,086
	<u>3,857,371</u>	<u>4,250,148</u>
Payable within one year	<u>3,857,371</u>	<u>4,250,148</u>

The bank loans, overdrafts and other borrowings 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.

18 Finance lease obligations

	2019 £	2018 £
Future minimum lease payments due under finance leases:		
Less than one year	<u>-</u>	<u>10,351</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 1 year. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

19 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	17,962	24,887

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

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
101 Ordinary shares of £1 each	101	101
	<u>101</u>	<u>101</u>

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:

	2019 £	2018 £
Within one year	507,524	482,244
Between one and five years	1,356,219	984,520
In over five years	60,063	-
	<u>1,923,806</u>	<u>1,466,764</u>

THE OPTOPLAST ACTMAN EYEWEAR CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2019

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 £1,425,895 (2018: £1,919,649).

24 Related party transactions

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
Amounts due from related parties		
Entities under common control of the directors	232,281	229,855

25 Directors' transactions

The company received additional loans from directors in the period of £nil (2018: £54,000). The balance outstanding at the period end was £nil (2018: £54,000). The loans are interest free and repayable on demand.

26 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