

REGISTERED NUMBER: 08575493 (England and Wales)

Unaudited Financial Statements for the Year Ended 31 December 2022

for

Optalysys Ltd

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for the Year Ended 31 December 2022

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Optalysys Ltd

Company Information
for the Year Ended 31 December 2022

Directors: Dr N New
Mr R J Todd
Mr A W Ward
Mr G P J Llewellyn
Mr C Vancura

Registered office: 7d Platform New Station Street
Leeds
West Yorkshire
LS1 4JB

Registered number: 08575493 (England and Wales)

Accountants: Langricks (Holmfirth) Limited
4 Greenfield Road
Holmfirth
West Yorkshire
HD9 2JT

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Optalysys Ltd

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Optalysys Ltd for the year ended 31 December 2022 which comprise the Statement of Income and Retained Earnings, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Optalysys Ltd, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Optalysys Ltd and state those matters that we have agreed to state to the Board of Directors of Optalysys Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Optalysys Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Optalysys Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Optalysys Ltd. You consider that Optalysys Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Optalysys Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Langricks (Holmfirth) Limited
4 Greenfield Road
Holmfirth
West Yorkshire
HD9 2JT

26 September 2023

Balance Sheet
31 December 2022

	Notes	31.12.22		31.12.21	
		£	£	£	£
FIXED ASSETS					
Intangible assets	4		1,763,261		1,655,193
Tangible assets	5		116,707		56,468
Investments	6		<u>1</u>		<u>1</u>
			1,879,969		1,711,662
CURRENT ASSETS					
Debtors	7	160,785		423,543	
Cash at bank		<u>394,919</u>		<u>133,548</u>	
		555,704		557,091	
CREDITORS					
Amounts falling due within one year	8	<u>2,118,811</u>		<u>4,915,162</u>	
NET CURRENT LIABILITIES			<u>(1,563,107)</u>		<u>(4,358,071)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>316,862</u>		<u>(2,646,409)</u>
CAPITAL AND RESERVES					
Called up share capital			552		490
Share premium			8,978,857		4,091,925
Retained earnings			<u>(8,662,547)</u>		<u>(6,738,824)</u>
			<u>316,862</u>		<u>(2,646,409)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Optalysys Ltd (Registered number: 08575493)

Balance Sheet - continued

31 December 2022

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 26 September 2023 and were signed on its behalf by:

Dr N New - Director

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. **STATUTORY INFORMATION**

Optalysys Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of five years.

Research and development costs are being amortised evenly over their estimated useful life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 12 (2021 - 11).

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
Cost	
At 1 January 2022	5,967,468
Additions	989,844
At 31 December 2022	<u>6,957,312</u>
Amortisation	
At 1 January 2022	4,312,275
Charge for year	881,776
At 31 December 2022	<u>5,194,051</u>
Net book value	
At 31 December 2022	<u>1,763,261</u>
At 31 December 2021	<u>1,655,193</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
Cost				
At 1 January 2022	145,444	10,501	61,747	217,692
Additions	82,560	17,245	15,633	115,438
Disposals	(114,220)	-	-	(114,220)
At 31 December 2022	<u>113,784</u>	<u>27,746</u>	<u>77,380</u>	<u>218,910</u>
Depreciation				
At 1 January 2022	92,285	8,408	60,531	161,224
Charge for year	14,186	2,712	2,975	19,873
Eliminated on disposal	(78,894)	-	-	(78,894)
At 31 December 2022	<u>27,577</u>	<u>11,120</u>	<u>63,506</u>	<u>102,203</u>
Net book value				
At 31 December 2022	<u>86,207</u>	<u>16,626</u>	<u>13,874</u>	<u>116,707</u>
At 31 December 2021	<u>53,159</u>	<u>2,093</u>	<u>1,216</u>	<u>56,468</u>

6. FIXED ASSET INVESTMENTS

	Shares in group undertakin £
Cost	
At 1 January 2022 and 31 December 2022	<u>1</u>
Net book value	
At 31 December 2022	<u>1</u>
At 31 December 2021	<u>1</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22 £	31.12.21 £
Amounts owed by group undertakings	-	310,320
Other debtors	<u>160,785</u>	<u>113,223</u>
	<u>160,785</u>	<u>423,543</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade creditors	51,176	2
Other creditors	<u>2,067,635</u>	<u>4,915,160</u>
	<u>2,118,811</u>	<u>4,915,162</u>

Included within other creditors are convertible loan notes of £1,976,100 (2021: £4,845,672).

9. RELATED PARTY DISCLOSURES

During the year the company wrote off a loan of £310,616 to its US subsidiary, Optalysys Inc. At the year end the company was owed nil (2021: £310,320).

During the period consultancy fees in total of £18,000 (2021: £18,000) were charged by Ms B J Hurley, Mr D Ward and Mr T Beese, who were directors of the company during the year.

10. ULTIMATE CONTROLLING PARTY

The company is controlled on an operational basis by Dr N New.

There is no ultimate controlling party.

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.