

Wessex Technology Opto-Electronic Products Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2017

MMO Limited
Chartered Accountants
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

**Chartered Accountants' Report to the Director on the Preparation of the
Unaudited Statutory Accounts of
Wessex Technology Opto-Electronic Products Limited
for the Year Ended 31 December 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Wessex Technology Opto-Electronic Products Limited for the year ended 31 December 2017 as set out on pages [2](#) to [11](#) 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 at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

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

It is your duty to ensure that Wessex Technology Opto-Electronic Products Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Wessex Technology Opto-Electronic Products Limited. You consider that Wessex Technology Opto-Electronic Products Limited 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 accounts of Wessex Technology Opto-Electronic Products Limited. 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 accounts.

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MMO Limited
Chartered Accountants
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

16 July 2018

Wessex Technology Opto-Electronic Products Limited

(Registration number: 02833845) Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	6,832	8,399
Investments	6	200	-
		<u>7,032</u>	<u>8,399</u>
Current assets			
Stocks	7	72,458	63,090
Debtors	8	205,699	315,473
Cash at bank and in hand		162,287	275,611
		<u>440,444</u>	<u>654,174</u>
Creditors: Amounts falling due within one year	9	<u>(11,487)</u>	<u>(28,278)</u>
Net current assets		<u>428,957</u>	<u>625,896</u>
Net assets		<u>435,989</u>	<u>634,295</u>
Capital and reserves			
Called up share capital	10	400	400
Profit and loss account		435,589	633,895
		<u>435,989</u>	<u>634,295</u>
Total equity		<u>435,989</u>	<u>634,295</u>

For the financial year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 director on 16 July 2018

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Mr Alan Joseph Bell
Director

The notes on pages [3](#) to [11](#) form an integral part of these financial statements.

Wessex Technology Opto-Electronic Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

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

The address of its registered office is:

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN
England

The principal place of business is:

Unit 16 Somerset House
Hussar Court
Westside View
Waterlooville
PO7 7SG
England

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by Section 399(4) of the Companies Act 2006 and has not prepared group accounts. .

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Wessex Technology Opto-Electronic Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

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
Plant and machinery	20% reducing balance
Fixtures and fittings	20% reducing balance

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

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
Patents	Fully written off
Goodwill	Fully written off

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Wessex Technology Opto-Electronic Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

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.

Trade debtors

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

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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.

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.

Wessex Technology Opto-Electronic Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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.

Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, analysed by category was as follows:

	2017 No.	2016 No.
Administration and support	11	11

Wessex Technology Opto-Electronic Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

4 Intangible assets

	Goodwill £	Trademarks, patents and licenses £	Total £
Cost or valuation			
At 1 January 2017	10,000	15,000	25,000
At 31 December 2017	10,000	15,000	25,000
Amortisation			
At 1 January 2017	10,000	15,000	25,000
At 31 December 2017	10,000	15,000	25,000
Carrying amount			
At 31 December 2017	-	-	-

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2016 - £Nil).

Wessex Technology Opto-Electronic Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

5 Tangible assets

	Furniture, fittings and equipment £	Other tangible assets £	Total £
Cost or valuation			
At 1 January 2017	21,548	51,997	73,545
Additions	-	133	133
	<hr/>	<hr/>	<hr/>
At 31 December 2017	21,548	52,130	73,678
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2017	19,324	45,822	65,146
Charge for the year	444	1,256	1,700
	<hr/>	<hr/>	<hr/>
At 31 December 2017	19,768	47,078	66,846
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 December 2017	1,780	5,052	6,832
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2016	2,224	6,175	8,399
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

6 Investments

	2017 £	2016 £
Investments in subsidiaries	200	-
	<hr/>	<hr/>

Subsidiaries

Cost or valuation

At 1 January 2017	200
	<hr/>

Provision

Carrying amount

At 31 December 2017	200
	<hr/> <hr/>

Joint ventures

Cost

Provision

Carrying amount

At 31 December 2017	
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Wessex Technology Opto-Electronic Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking		Registered office	Holding	Proportion of voting rights and shares held	
				2017	2016
Subsidiary undertakings					
Wessex Limited	Technology	Wellesley House 204 London Road Waterlooville Po7 7AN England	ordinary and preference	100%	100%

The principal activity of Wessex Technology Limited is Dormant

The profit for the financial period of Wessex Technology Limited was £- and the aggregate amount of capital and reserves at the end of the period was £(200).

7 Stocks

	2017 £	2016 £
Other inventories	72,458	63,090

8 Debtors

	Note	2017 £	2016 £
Trade debtors		13,500	167,791
Amounts owed by group undertakings and undertakings in which the company has a participating interest	13	-	200
Prepayments		7,034	8,949
Other debtors		185,165	138,533
		205,699	315,473

Wessex Technology Opto-Electronic Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

9 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	11	174	174
Trade creditors		9,672	3,307
Taxation and social security		4,566	28,991
Accruals and deferred income		5,950	5,580
Other creditors		(8,875)	(9,774)
		<u>11,487</u>	<u>28,278</u>

10 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary of £1 each	200	200	200	200
Preference of £1 each	200	200	200	200
	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>

11 Loans and borrowings

	2017 £	2016 £
Current loans and borrowings		
Other borrowings	<u>174</u>	<u>174</u>

12 Dividends

Final dividends paid

	2017 £	2016 £
Final dividend of £Nil (2016 - £75.76) per each Preference	-	15,000

Interim dividends paid

	2017 £	2016 £
Interim dividend of £Nil (2016 - £176.77) per each Ordinary	-	35,000

Wessex Technology Opto-Electronic Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

13 Related party transactions

Transactions with directors

	At 1 January 2017 £	At 31 December 2017 £
2017		
Mr Alan Joseph Bell		
Undated, unsecured and interest free directors loan account which is repayable on demand	174	174
	<hr/>	<hr/>

	At 1 January 2016 £	At 31 December 2016 £
2016		
Mr Alan Joseph Bell		
Undated, unsecured and interest free directors loan account which is repayable on demand	174	174
	<hr/>	<hr/>

Dividends paid to directors

	2017 £	2016 £
Mr Alan Joseph Bell		
Ordinary interim	-	35,000
	<hr/>	<hr/>

Summary of transactions with other related parties

Applied Countermark Technology Limited

Mr A Bell is a director and shareholder of Applied Countermark Technology Limited

Loans to related parties

	Other related parties £
2017	
At start of period	138,531
	<hr/>
2016	
At start of period	86,350
Advanced	52,181
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