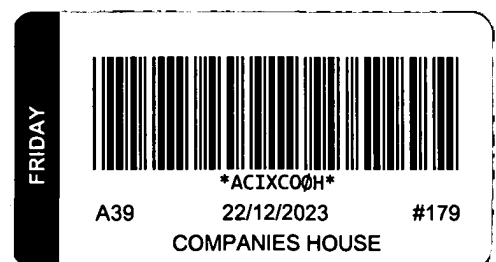

OPTOSAFE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



OPTOSAFE LIMITED

COMPANY INFORMATION

Directors	N P Rayet B W Howard
Registered number	SC442056
Registered office	15 Spiersbridge Way Thornliebank Glasgow G46 8NG
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 30 Finsbury Square London EC2A 1AG

OPTOSAFE LIMITED

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OPTOSAFE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors

The directors who served during year and after year end were:

N P Rayet
B W Howard
S G Owens (resigned 13 January 2023)

Directors' responsibilities statement

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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and 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;

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.

Basis of Preparation

At the time of approving these financial statements, the directors intend to place the Company into liquidation as part of a wider group structure simplification process. Accordingly these financial statements have been prepared on a basis other than that of the going concern basis. Long term assets and liabilities have been reclassified to current assets and liabilities. Further considerations were made including:

- a reassessment of the likely period of which certain loans and liabilities are to be realised potentially resulting in the acceleration of recognition of loan interest payable and receivable. This resulted in no adjustment to the net liabilities of Optosafe Limited as the net liabilities were hived up to Orbis Protect Limited as of 1st April 2023 at book value.
- Whether a provision was required for the estimated impairment losses on certain intra group loans and receivable; however no adjustment was required as the balances were transferred at book value to Orbis Protect Limited.

As at the date of these statutory accounts costs of £163k associated with this activity have been incurred and recognised in Orbis Protect Limited. No provision has been made for the future costs of terminating the business unless such costs were committed at the reporting date.

OPTOSAFE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Qualifying third party indemnity provisions

All the directors noted above benefited from qualifying third-party indemnity provisions in place during the year and at the date of this report. Conic Topco Limited also provided qualifying third-party indemnity provisions to certain of the directors above where they were also directors of subsidiary companies during the financial year and at the date of this report.

Post balance sheet events

The directors intend to place the Company into liquidation. The trade and assets of the Company were hived-up into Orbis Protect Limited, a wholly owned subsidiary of Conic Topco Limited with effect from 1st April 2023.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

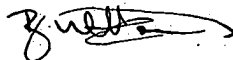
Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



B W Howard
Director

Date: 20/12/2023



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTOSAFE LIMITED

Opinion

We have audited the financial statements of Optosafe Limited (the 'Company') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Balance Sheet, 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 Financial Reporting Standard 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 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

Emphasis of matter – basis of preparation of the financial statements

We draw attention to note 2.1 in the financial statements, which describes the basis of preparation of the financial statements. As described in the note, following the year end the entity has entered into a solvent liquidation process. Accordingly the directors have prepared the financial statements on a basis other than going concern. Our opinion is not modified in respect of this matter.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTOSAFE LIMITED (CONTINUED)

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 contained within the Annual Report. 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.

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 themselves. 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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 Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTOSAFE LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006;
- We understood how the Company is complying with those legal and regulatory frameworks by making enquiries of management and those charged with governance. We corroborated our enquiries through our review of board minutes and other relevant correspondence received from legal advisors and regulatory bodies;
- We also enquired of management and those charged with governance concerning the Company's policies and procedures relating to the identification, evaluation, detection and response to the risks of fraud and the establishment of internal controls to mitigate risks related to fraud. We enquired as to whether they had any knowledge of actual, suspected or alleged fraud;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by considering management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were through management override of controls and fraudulent revenue recognition on revenue transactions throughout the period;



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTOSAFE LIMITED (CONTINUED)

- Audit procedures performed by the audit team included:
 - identifying and assessing the design and implementation of controls management utilises to prevent and detect fraud;
 - challenging key assumptions used and judgements made by management in relation to significant accounting estimates;
 - identifying and testing large or unusual journal entries which may carry a higher risk of fraud;
 - assessing the extent of compliance with the relevant laws and regulations as part of our audit procedures on the related financial statement item; and
 - performing audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements;
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates;
 - understanding of relevant legal and regulatory requirements specific to the entity;
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTOSAFE LIMITED (CONTINUED)

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.

Grant Thornton UK LLP

Elizabeth Collins BSc (Hons) ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: 20/12/2023

OPTOSAFE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Turnover	5	4,478,338	3,796,111
Cost of sales		(1,617,858)	(1,528,556)
Gross profit		<u>2,860,480</u>	<u>2,267,555</u>
Administrative expenses		(1,034,210)	(759,506)
Exceptional administrative expenses	8	-	(128,251)
Operating profit	6	<u>1,826,270</u>	<u>1,379,798</u>
Tax on profit		55,482	(126,677)
Profit for the financial year		<u><u>1,881,752</u></u>	<u><u>1,253,121</u></u>
Total comprehensive income for the year		<u><u>1,881,752</u></u>	<u><u>1,253,121</u></u>

There were no recognised gains and losses for 2023 or 2022 other than those included in the Statement of Comprehensive Income.

The notes on pages 12 to 22 form part of these financial statements.

OPTOSAFE LIMITED
REGISTERED NUMBER: SC442056

BALANCE SHEET
AS AT 31 MARCH 2023

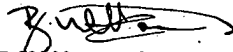
	Note	2023 £	2022 £
Fixed assets			
Intangible assets	9	142,582	72,977
Tangible assets	10	2,274,633	1,253,483
		<u>2,417,215</u>	<u>1,326,460</u>
Current assets			
Stocks		20,000	20,000
Debtors: amounts falling due within one year	11	3,626,566	2,495,509
Cash at bank and in hand	12	123,494	70,413
		<u>3,770,060</u>	<u>2,585,922</u>
Creditors: amounts falling due within one year	13	(2,144,760)	(1,711,942)
Net current assets		<u>1,625,300</u>	<u>873,980</u>
Total assets less current liabilities		<u>4,042,515</u>	<u>2,200,440</u>
Provisions for liabilities			
Deferred tax	14	(179,892)	(235,374)
Other provisions	15	(15,805)	-
		<u>(195,697)</u>	<u>(235,374)</u>
Net assets		<u><u>3,846,818</u></u>	<u><u>1,965,066</u></u>
Capital and reserves			
Called up share capital	16	150	150
Profit and loss account		3,846,668	1,964,916
		<u>3,846,818</u>	<u>1,965,066</u>

OPTOSAFE LIMITED
REGISTERED NUMBER: SC442056

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


B W Howard
Director

Date: 20/12/2023

The notes on pages 12 to 22 form part of these financial statements.

OPTOSAFE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	150	1,964,916	1,965,066
Comprehensive income for the year			
Profit for the year	-	1,881,752	1,881,752
At 31 March 2023	<u>150</u>	<u>3,846,668</u>	<u>3,846,818</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	150	711,795	711,945
Comprehensive income for the year			
Profit for the year	-	1,253,121	1,253,121
At 31 March 2022	<u>150</u>	<u>1,964,916</u>	<u>1,965,066</u>

The notes on pages 12 to 22 form part of these financial statements.

OPTOSAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

Optosafe Limited is a private company limited by shares & incorporated in England and Wales. Registered number SC442056. Its registered head office is located at 15 Spiersbridge Way, Thornliebank, Glasgow, Scotland, G46 8NG.

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except when otherwise stated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

At the time of approving these financial statements, the directors intend to place the Company into liquidation as part of a wider group structure simplification process. Accordingly these financial statements have been prepared on a basis other than that of the going concern basis. Long term assets and liabilities have been reclassified to current assets and liabilities. Further considerations were made including:

- a reassessment of the likely period of which certain loans and liabilities are to be realised potentially resulting in the acceleration of recognition of loan interest payable and receivable. This resulted in no adjustment to the net liabilities of Optosafe Limited as the net liabilities were hived up to Orbis Protect Limited as of 1st April 2023 at book value.
- Whether a provision was required for the estimated impairment losses on certain intra group loans and receivable; however no adjustment was required as the balances were transferred at book value to Orbis Protect Limited.

As at the date of these statutory accounts costs of £163k associated with this activity have been incurred and recognised in Orbis Protect Limited. No provision has been made for the future costs of terminating the business unless such costs were committed at the reporting date.

The following principal accounting policies have been applied:

OPTOSAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.4 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

OPTOSAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

2.6 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.7 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

OPTOSAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)**2.8 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	20% -33% straight line
Motor vehicles	-	50% straight line
Fixtures and fittings	-	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

OPTOSAFE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

There are no key estimates and judgements.

OPTOSAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>10,000</u>	<u>8,240</u>

In the current year Optosafe Limited also bore the cost of audit fees of its immediate parent company, Optosafe Holdings Limited and that of Optotronics Limited, another wholly Owned subsidiary in the same Group totalling £8,960 (2022: £8,240).

	2023 £	2022 £
Fees payable to the Company's auditor and its associates in respect of:		
Auditor's remuneration for non-audit services - accounts production	2,500	1,545
Auditor's remuneration for non-audit services - tax compliance	3,450	2,215
	<u>5,950</u>	<u>3,760</u>

In the current year Optosafe Limited also bore the cost of non-audit fees of its immediate parent company, Optosafe Holdings Limited and that of Optotronics Limited, another wholly owned subsidiary in the same Group totalling £1,500 (2022: £2,060) for accounts production, and £3,600 (2022: £4,430) for tax compliance.

5. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Hire revenue	<u>4,478,338</u>	<u>3,796,111</u>

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	<u>4,478,338</u>	<u>3,796,111</u>

OPTOSAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Operating profit

The operating profit is stated after charging:

	2023	2022
	£	£
Amortisation of intangible fixed assets	30,395	9,088
Depreciation of tangible fixed assets	509,254	336,277
Other operating lease rentals	-	51,440
	<u> </u>	<u> </u>

7. Employees

The average monthly number of employees, including directors, during the year was 22 (2022: 22).

8. Exceptional items

	2023	2022
	£	£
Other operating items - Restructuring	-	128,251
	<u> </u>	<u> </u>

OPTOSAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Intangible assets

	Computer software £	Other intangibles £	Total £
Cost			
At 1 April 2022	83,098	-	83,098
Additions	10,000	90,000	100,000
At 31 March 2023	<u>93,098</u>	<u>90,000</u>	<u>183,098</u>
Amortisation			
At 1 April 2022	10,121	-	10,121
Charge for the year	30,395	-	30,395
At 31 March 2023	<u>40,516</u>	<u>-</u>	<u>40,516</u>
Net book value			
At 31 March 2023	<u>52,582</u>	<u>90,000</u>	<u>142,582</u>
At 31 March 2022	<u>72,977</u>	<u>-</u>	<u>72,977</u>

Amortisation on intangible assets is charged to Admin expenses.

OPTOSAFE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2022	2,215,479	6,370	7,574	2,229,423
Additions	1,530,404	-	-	1,530,404
At 31 March 2023	<u>3,745,883</u>	<u>6,370</u>	<u>7,574</u>	<u>3,759,827</u>
Depreciation				
At 1 April 2022	968,907	5,771	1,262	975,940
Charge for the year	506,761	599	1,894	509,254
At 31 March 2023	<u>1,475,668</u>	<u>6,370</u>	<u>3,156</u>	<u>1,485,194</u>
Net book value				
At 31 March 2023	<u>2,270,215</u>	<u>-</u>	<u>4,418</u>	<u>2,274,633</u>
At 31 March 2022	<u>1,246,572</u>	<u>599</u>	<u>6,312</u>	<u>1,253,483</u>

11. Debtors

	2023 £	2022 £
Trade debtors	1,392,436	606,124
Amounts owed by group undertakings	2,078,726	1,858,394
Prepayments and accrued income	8,986	30,441
Tax recoverable	146,418	550
	<u>3,626,566</u>	<u>2,495,509</u>

Amounts owed by group undertakings are interest free and repayable on demand. An impairment loss of £77,114 (2021: £57,742) against trade debtors.

OPTOSAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>123,494</u>	<u>70,413</u>

13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	280,300	210,335
Amounts owed to group undertakings	1,589,066	1,339,960
Other taxation and social security	80,421	52,218
Other creditors	3,628	2,993
Accruals and deferred income	191,345	106,436
	<u>2,144,760</u>	<u>1,711,942</u>

The amounts owed to group undertakings are interest free and repayable on demand.

14. Deferred taxation

	2023 £
At beginning of year	(235,374)
Charged to profit or loss	55,482
At end of year	<u><u>(179,892)</u></u>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Fixed asset timing differences	(190,202)	(235,732)
Other timing differences	10,310	358
	<u><u>(179,892)</u></u>	<u><u>(235,374)</u></u>

OPTOSAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Provisions

	Other provisions £
Charged to profit or loss	15,805
At 31 March 2023	15,805

16. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
150 (2022: 150) Ordinary Share shares of £1.00 each	150	150

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

17. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £24,791 (2022: £18,953). Contributions totaling £3,628 (2022: £2,993) were payable to the fund at the balance sheet date and are included in creditors.

18. Controlling party

The Company's immediate parent company is Optosafe Holdings Limited The smallest group for which consolidated financial statements including the Company are prepared is that headed by Project Cube Topco Limited.

At the year end date the Company's ultimate controlling party was NorthEdge Capital II GP LLP. At the date of this report, the Company's ultimate controlling party is Synova Capital Gp 6 Limited.

19. Post balance sheet events

The directors intend to place the Company into liquidation. The trade and assets of the Company were hived-up into Orbis Protect Limited, a wholly owned subsidiary of Conic Topco Limited with effect from 1st April 2023.