

Optimal Holdings Limited
Group Strategic Report, Report of the Directors and
Consolidated Financial Statements
for the Period 1 January 2017 to 31 March 2018

Calcutt Matthews WBZ Ltd
Registered Auditor & Chartered Accountants
19 North Street
Ashford
Kent
TN24 8LF

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for the Period 1 January 2017 to 31 March 2018**

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Optimal Holdings Limited

**Company Information
for the Period 1 January 2017 to 31 March 2018**

DIRECTORS:

J Minto
J P McCormack

REGISTERED OFFICE:

Grove House
1 Sheldon Way
Larkfield
Kent
ME20 6SE

REGISTERED NUMBER:

10150492 (England and Wales)

AUDITORS:

Calcutt Matthews WBZ Ltd
Registered Auditor & Chartered Accountants
19 North Street
Ashford
Kent
TN24 8LF

**Group Strategic Report
for the Period 1 January 2017 to 31 March 2018**

The directors present their strategic report of the company and the group for the period 1 January 2017 to 31 March 2018.

REVIEW OF BUSINESS

The Group's principal activity during the period under review was that of courier services.

During the period the Group had turnover of £43.3 million and made loss before tax of £4.3 million. Part of this loss was attributable to new businesses that were set up in the US and India which made first year losses as the businesses established themselves in these regions. A large proportion of the Group's business was generated through one customer but during the period this increased to four major customers with a fifth starting just after the year end. The Group losses means that there are net liabilities on the Consolidated Statement of Financial Position, but continued support from the shareholders and key suppliers is enabling the group to reap the benefits of the expansion into new regions and the take on of new customers which will enable the Group to start generating significant profits.

	15 months Ended 31 March 2018	7months Ended 31 December 2016
Turnover	£43,292,662	£Nil
EBITDA	£(3,357,180)	£Nil
Gross Profit Margin	8.1%	-%

FUTURE DEVELOPMENTS

The Group actively continues to look for any opportunities that may arise to increase both market share and ultimately revenue and to expand into new jurisdictions. It is looking to both grow the amount of business it currently does for existing customers but also to increase the number of customers it provides services to both in the UK and abroad. This coupled with a tighter control on costs should see the Group become more profitable.

PRINCIPAL RISKS AND UNCERTAINTIES

A high proportion of current turnover is reliant on a small number of major customers however the Group is actively seeking to acquire additional customers and diversify.

As with any business growing quickly cashflow and working capital are key factors. The Group is working with its shareholders to secure an investment of additional capital.

The directors have carried out a robust assessment of the principal risks facing the group.

An external investment is currently being agrees which would be sufficient to restore liquidity.

ON BEHALF OF THE BOARD:


.....
J Minto - Director

Date: 03/07/2019

**Report of the Directors
for the Period 1 January 2017 to 31 March 2018**

The directors present their report with the financial statements of the company and the group for the period 1 January 2017 to 31 March 2018.

PRINCIPAL ACTIVITY

The principal activity of the group in the period under review was that of courier services.

DIVIDENDS

No dividends will be distributed for the period ended 31 March 2018.

DIRECTORS

J Minto has held office during the whole of the period from 1 January 2017 to the date of this report.

Other changes in directors holding office are as follows:

J H Bailey - resigned 4 January 2017

J P McCormack - appointed 4 January 2017

DISCLOSURE IN THE STRATEGIC REPORT

The directors have disclosed in their strategic report a review of the business and the principal risks and uncertainties to which the company is exposed.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 Financial Reporting Standard 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 of the company and the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Report of the Directors
for the Period 1 January 2017 to 31 March 2018**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:



J Minto - Director

Date: 03/07/2019

Opinion

We have audited the financial statements of Optimal Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 March 2018 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, 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 group's and of the parent company affairs as at 31 March 2018 and of the group's loss for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

Material uncertainty related to going concern

We draw attention to note 26 in the financial statements. The Group incurred a net loss of £3.8 million after tax for the period ended 31 March 2018 and, as of that date, the company's current liabilities exceeded its total assets by £3.5 million. As stated in note 26, these events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Conclusions relating to principal risks, going concern and viability statement

Aside from the impact of the matters disclosed in the material uncertainty related to going concern section, We have nothing to report in respect of the following information in the Group Strategic Report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

the disclosures in the Group Strategic Report set out on page 2 that describe the principal risks and explain how they are being managed or mitigated;

- the directors' confirmation set out on page 2 in the Group Strategic Report that they have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity;

- the directors' statement set out on page 14 in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the Group and the parent company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;

- the directors' explanation set out on page 2 in the Group Strategic Report and Note 26 to the Financial Statements as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Key audit matters

Except for the matter described in the material uncertainty related to going concern section, we have determined that there are no other key audit matters to be communicated in our report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 three, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
Optimal Holdings Limited**

Auditors' 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 a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Nick Hume

Nick Hume FCA (Senior Statutory Auditor)
for and on behalf of Calcutt Matthews WBZ Ltd
Registered Auditor & Chartered Accountants
19 North Street
Ashford
Kent
TN24 8LF

Date: 4 July 2019

5 JUL 2019

Optimal Holdings Limited

Consolidated Statement of Comprehensive Income
for the Period 1 January 2017 to 31 March 2018

	Notes	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
TURNOVER		43,292,662	-
Cost of sales		39,787,869	-
GROSS PROFIT		3,504,793	-
Administrative expenses		6,946,211	-
		(3,441,418)	-
Interest receivable and similar income		18,553	-
		(3,422,865)	-
Interest payable and similar expenses	5	862,009	-
LOSS BEFORE TAXATION	6	(4,284,874)	-
Tax on loss	8	(468,414)	-
LOSS FOR THE FINANCIAL PERIOD		(3,816,460)	-
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(3,816,460)	-
Loss attributable to: Owners of the parent		(3,816,460)	-
Total comprehensive income attributable to: Owners of the parent		(3,816,460)	-

The notes form part of these financial statements

Consolidated Statement of Financial Position
31 March 2018

	Notes	2018 £	2016 £
FIXED ASSETS			
Intangible assets	10	921,429	-
Tangible assets	11	260,772	-
Investments	12	-	-
		<u>1,182,201</u>	<u>-</u>
CURRENT ASSETS			
Debtors	13	3,566,705	-
Cash at bank and in hand		<u>121,570</u>	<u>100</u>
		3,688,275	100
CREDITORS			
Amounts falling due within one year	15	<u>8,407,985</u>	<u>-</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(4,719,710)</u>	<u>100</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(3,537,509)</u>	<u>100</u>
CREDITORS			
Amounts falling due after more than one year	16	<u>278,851</u>	<u>-</u>
NET (LIABILITIES)/ASSETS		<u><u>(3,816,360)</u></u>	<u><u>100</u></u>
CAPITAL AND RESERVES			
Called up share capital	21	100	100
Retained earnings		<u>(3,816,460)</u>	<u>-</u>
SHAREHOLDERS' FUNDS		<u><u>(3,816,360)</u></u>	<u><u>100</u></u>

The financial statements were approved by the Board of Directors on 03/07/2019 and were signed on its behalf by:


J Minto - Director

The notes form part of these financial statements

Company Statement of Financial Position
31 March 2018

	Notes	2018 £	2016 £
CURRENT ASSETS			
Investments	14	37,006	-
Cash in hand		100	100
		<u>37,106</u>	<u>100</u>
CREDITORS			
Amounts falling due within one year	15	37,006	-
		<u>100</u>	<u>100</u>
NET CURRENT ASSETS			
		<u>100</u>	<u>100</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called up share capital	21	100	100
SHAREHOLDERS' FUNDS		<u>100</u>	<u>100</u>
Company's profit for the financial year		<u>-</u>	<u>-</u>

The financial statements were approved by the Board of Directors on 03/07/2019 and were signed on its behalf by:



 Director

The notes form part of these financial statements

**Consolidated Statement of Changes in Equity
for the Period 1 January 2017 to 31 March 2018**

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Profit for the period	-	-	-
Issue of share capital	100	-	100
Balance at 31 December 2016	100	-	100
Changes in equity			
Deficit for the period	-	(3,816,460)	(3,816,460)
Total comprehensive loss	-	(3,816,460)	(3,816,460)
Balance at 31 March 2018	100	(3,816,460)	(3,816,360)

The notes form part of these financial statements

Optimal Holdings Limited

**Company Statement of Changes in Equity
for the Period 1 January 2017 to 31 March 2018**

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Profit for the period	-	-	-
Issue of share capital	100	-	100
Balance at 31 December 2016	100	-	100
Changes in equity			
Profit for the period	-	-	-
Balance at 31 March 2018	100	-	100

The notes form part of these financial statements

Consolidated Statement of Cash Flows
for the Period 1 January 2017 to 31 March 2018

	Notes	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
Cash flows from operating activities			
Cash generated from operations	1	1,864,595	-
Interest paid		(852,139)	-
Interest element of hire purchase payments paid		(9,870)	-
Tax paid		101,433	-
Net cash from operating activities		<u>1,104,019</u>	<u>-</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(26,673)	-
Purchase of tangible fixed assets		(179,904)	-
Purchase of fixed asset investments		(37,006)	-
Sale of tangible fixed assets		10,850	-
Cash on acquisitions		(1,257,230)	-
Interest received		18,553	-
Net cash from investing activities		<u>(1,471,410)</u>	<u>-</u>
Cash flows from financing activities			
New loans in year		1,100,768	-
Loan repayments in year		(1,454,223)	-
Bank loan repayments		(137,662)	-
New HP contracts		58,736	-
Capital repayments in year		(23,409)	-
Share issue		1	100
Net cash from financing activities		<u>(455,789)</u>	<u>100</u>
(Decrease)/increase in cash and cash equivalents		<u>(823,180)</u>	<u>100</u>
Cash and cash equivalents at beginning of period	2	100	-
Cash and cash equivalents at end of period	2	<u><u>(823,080)</u></u>	<u><u>100</u></u>

The notes form part of these financial statements

**Notes to the Consolidated Statement of Cash Flows
for the Period 1 January 2017 to 31 March 2018**

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
Loss before taxation	(4,284,874)	-
Depreciation charges	164,335	-
Exchange differences	(16,065)	-
Finance costs	862,009	-
Finance income	(18,553)	-
	<u>(3,293,148)</u>	<u>-</u>
Increase in trade and other debtors	(1,982,278)	-
Increase in trade and other creditors	7,140,021	-
	<u>7,140,021</u>	<u>-</u>
Cash generated from operations	<u><u>1,864,595</u></u>	<u><u>-</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Period ended 31 March 2018

	31.3.18 £	1.1.17 £
Cash and cash equivalents	121,570	100
Bank overdrafts	(944,650)	-
	<u>(823,080)</u>	<u>100</u>

Period ended 31 December 2016

	31.12.16 £	28.4.16 £
Cash and cash equivalents	100	-

3. ACQUISITION OF BUSINESS

During the year the group acquired Prospect Commercials Limited. Cashflow acquired have been shown in investing activities.

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements
for the Period 1 January 2017 to 31 March 2018**

1. STATUTORY INFORMATION

Optimal Holdings Limited 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 General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

Despite the excess of liabilities over assets, the financial statements have been prepared adopting the going concern basis for the reasons outlined in the note below entitled 'Going Concern Basis'.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 March 2018. The results of subsidiaries acquired during the year are consolidated for the periods from which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group. All inter-group transactions, balances, income and expense are eliminated on consolidation.

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.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Income recognition

Income represents the fair value of consideration received or receivable derived from the provision of services to customers during the year (excluding value added tax) and is recognised when the company becomes entitled to it, usually on the rendering of an invoice.

Income is recognised weekly upon completion of contracted routes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business has been fully amortised in the current year.

Intangible fixed assets

Amounts paid to purchase licences over courier routes are included at cost and amortised using the sum of the digit method over five years being the estimated useful economic life.

**Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Short leasehold	- 20% on cost
Plant and machinery	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Office equipment	- 50% on cost and 25% on reducing balance

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Financial instruments

The Company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Basic financial instruments are recognised at amortised cost, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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 period 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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

3. EMPLOYEES AND DIRECTORS

	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
Wages and salaries	8,633,238	-
Social security costs	807,021	-
Other pension costs	26,724	-
	<u>9,466,983</u>	<u>-</u>

The average number of employees during the period was as follows:

	Period 1.1.17 to 31.3.18	Period 28.4.16 to 31.12.16
Management and supervision	9	-
Operational	120	-
Administration	28	-
	<u>157</u>	<u>-</u>

The average number of employees by undertakings that were proportionately consolidated during the period was 157 (2016 - NIL).

	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
Directors' remuneration	<u>101,417</u>	<u>-</u>

**Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018**

4. EXCEPTIONAL ITEMS

	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
Loans written off	<u>(1,239,803)</u>	<u>-</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
Bank loan interest	844,499	-
Other interest	7,640	-
Hire purchase	9,870	-
	<u>862,009</u>	<u>-</u>

6. LOSS BEFORE TAXATION

The loss is stated after charging/(crediting):

	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
Hire of plant and machinery	143,325	-
Depreciation - owned assets	59,197	-
Depreciation - assets on hire purchase contracts	25,041	-
Patents and licences amortisation	80,097	-
Foreign exchange differences	<u>(16,067)</u>	<u>-</u>

7. AUDITORS' REMUNERATION

	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
Fees payable to the company's auditors for the audit of the company's financial statements	<u>5,467</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018

8. TAXATION**Analysis of the tax credit**

The tax credit on the loss for the period was as follows:

	Period 1.1.17 to 31.3.18 £	Period 28.4.16 to 31.12.16 £
Current tax:		
UK corporation tax	(408,783)	-
Deferred tax	(59,631)	-
Tax on loss	<u>(468,414)</u>	<u>-</u>

Reconciliation of total tax credit included in profit and loss

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.1.17 to 31.3.18 £
Loss before tax	<u>(4,284,874)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19%	(814,126)
Effects of:	
Expenses not deductible for tax purposes	235,909
Capital allowances in excess of depreciation	(11,449)
Deferred tax	(59,631)
Loss relief	371,441
Losses carried back	(101,655)
Non UK activities	218,225
US tax	<u>(307,128)</u>
Total tax credit	<u>(468,414)</u>

9. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018

10. INTANGIBLE FIXED ASSETS**Group**

	Goodwill £	Patents and licences £	Totals £
COST			
Additions	-	26,673	26,673
Acquisitions through business combinations	764,684	301,460	1,066,144
At 31 March 2018	764,684	328,133	1,092,817
AMORTISATION			
Amortisation for period	-	80,097	80,097
Acquisitions through business combinations	75,000	16,291	91,291
At 31 March 2018	75,000	96,388	171,388
NET BOOK VALUE			
At 31 March 2018	689,684	231,745	921,429

All intangibles are purchased assets.

11. TANGIBLE FIXED ASSETS**Group**

	Short leasehold £	Plant and machinery £	Motor vehicles £	Office equipment £	Totals £
COST					
Additions	-	38,014	106,159	35,731	179,904
Disposals	-	-	(10,850)	-	(10,850)
Acquisitions through business combinations	20,456	212,252	-	53,387	286,095
At 31 March 2018	20,456	250,266	95,309	89,118	455,149
DEPRECIATION					
Charge for period	5,114	47,893	13,321	17,910	84,238
Acquisitions through business combinations	15,342	79,880	-	14,917	110,139
At 31 March 2018	20,456	127,773	13,321	32,827	194,377
NET BOOK VALUE					
At 31 March 2018	-	122,493	81,988	56,291	260,772

All assets are pledged as security against loans.

Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018

11. TANGIBLE FIXED ASSETS - continued**Group**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
Acquisitions through business combinations	118,600
At 31 March 2018	<u>118,600</u>
DEPRECIATION	
Charge for period	25,041
Acquisitions through business combinations	38,472
At 31 March 2018	<u>63,513</u>
NET BOOK VALUE	
At 31 March 2018	<u><u>55,087</u></u>

12. FIXED ASSET INVESTMENTS

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries**Prospect Commercials Limited**

Registered office: Grove House, 1 Sheldon Way, Larksfield, Kent ME20 6SE

Nature of business: courier services

	%
Class of shares:	holding
Ordinary	100.00

Optimal-UK Logistics Ltd

Registered office: Grove House, 1 Sheldon Way, Larksfield, Kent ME20 6SE

Nature of business: courier services

	%
Class of shares:	holding
Ordinary	100.00

Optimal Delivery India Private Limited

Registered office: Mumbai, India

Nature of business: courier services

	%
Class of shares:	holding
Equity	100.00

**Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018**

12. FIXED ASSET INVESTMENTS - continued

Optimal US Logistics LLC

Registered office: 4500 140th Avenue, North Suite £101 Clearwater, Florida 33762-3823

Nature of business: courier services

	%
Class of shares:	holding
Ordinary	100.00

One Source Recruitment and Training Limited

Registered office: Grove House, 1 Sheldon Way, Larksfield, Kent ME20 6SE

Nature of business: Recruitment

	%
Class of shares:	holding
Ordinary	100.00

On 4 January 2017 Optimal Holdings Limited acquired 100% of the ordinary share capital of Prospect Commercials Limited for £10,002 consideration.

The following amounts of assets, liabilities and contingent liabilities were recognised at the acquisition date:

	Book Value	Adjustment	Fair Value
Property, plant and equipment	175,956	-	175,956
Intangible assets - licences	8,709	-	8,709
Intangible assets - software	276,460	-	276,460
Receivables	3,562,083	-	3,562,083
Cash and cash equivalents	(1,238,259)	-	(1,238,259)
Trade and other payables	(3,063,260)	-	(3,063,260)
Bank loans	(341,741)	-	(341,741)
Provisions	-	-	-
Deferred tax	(59,631)	-	(59,631)
	<u>(679,683)</u>		<u>(679,683)</u>
Goodwill			689,684
Total			<u><u>10,002</u></u>

Prospect Commercials Limited contributed £35,690,138 of revenue and £3,389,246 of losses to the group for the fifteen month period to 31 March 2018.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2016	2018	2016
	£	£	£	£
Trade debtors	2,062,733	-	-	-
Amounts owed by associates	100	-	-	-
Other debtors	595,355	-	-	-
Tax	307,350	-	-	-
Prepayments and accrued income	601,167	-	-	-
	<u>3,566,705</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018

14. CURRENT ASSET INVESTMENTS

	Company	
	2018	2016
	£	£
Shares in group undertakings	37,006	-
	<u>37,006</u>	<u>-</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2016	2018	2016
	£	£	£	£
Bank loans and overdrafts (see note 17)	1,058,590	-	-	-
Other loans (see note 17)	169,459	-	-	-
Hire purchase contracts (see note 18)	35,331	-	-	-
Trade creditors	2,193,217	-	-	-
Social security and other taxes	208,129	-	-	-
Other creditors	4,049,039	-	37,006	-
Accruals	694,220	-	-	-
	<u>8,407,985</u>	<u>-</u>	<u>37,006</u>	<u>-</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2018	2016
	£	£
Bank loans (see note 17)	90,139	-
Other loans (see note 17)	188,712	-
	<u>278,851</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018

17. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2018	2016
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	944,650	-
Bank loans	113,940	-
Other loans	169,459	-
	<u>1,228,049</u>	<u>-</u>
Amounts falling due between one and two years:		
Bank loans	84,797	-
Other loans	188,712	-
	<u>273,509</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans	5,342	-
	<u>5,342</u>	<u>-</u>

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2018	2016
	£	£
Net obligations repayable:		
Within one year	35,331	-
	<u>35,331</u>	<u>-</u>

Group

	Non-cancellable operating leases	
	2018	2016
	£	£
Within one year	64,361	-
Between one and five years	235,584	-
	<u>299,945</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2018	2016
	£	£
Bank overdraft	944,650	-
Bank loans	204,079	-
Hire purchase contracts	35,331	-
	<u>1,184,060</u>	<u>-</u>

The bank have a fixed and floating charge over the assets of the individual company in the group.

The invoice financing company hold a debenture containing a fixed and floating charge over all assets of the individual company within the group.

Hire purchase agreements are secured against the related assets.

20. PROVISIONS FOR LIABILITIES

Deferred tax is provided as follows:

	Group	
	2018	2016
	£	£
Acquired on business combination	59,631	-
Tax losses available	(59,631)	-
	<u>-</u>	<u>-</u>
Provision for deferred tax	<u>-</u>	<u>-</u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2016
			£	£
100,000	Ordinary	0.01p	<u>100</u>	<u>100</u>

Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the periods ended 31 March 2018 and 31 December 2016:

	2018	2016
	£	£
J Minto		
Balance outstanding at start of period	-	-
Amounts advanced	18,637	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of period	<u>18,637</u>	<u>-</u>

There are no conditions relating to advances to directors, nor is interest charged.

23. RELATED PARTY DISCLOSURES

During the period, a total of key management personnel compensation of £455,024 was paid.

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Daniel Latham.

25. CHANGE OF ACCOUNTING FREQUENCY

The financial statements are for a fifteen month period from 1 January 2017 to 31 March 2018. The directors changed the frequency of reporting in order to fall in line with potential new investors.

**Notes to the Consolidated Financial Statements - continued
for the Period 1 January 2017 to 31 March 2018**

26. GOING CONCERN REVIEW

Position 31/03/2018:

As at 31st March 2018 the company's balance sheet showed net assets of £100. The company acted as a holding company during the period and did not trade. There was therefore no profit or loss. The Consolidated balance sheet for the group shows net liabilities of £3.8M due to losses made in the subsidiary companies.

Position 31/03/2019:

One year further on, the company's balance sheet position has not changed. During the year a number of costs were charged through the company, such as head office salary costs, but this was recharged back to the subsidiary company as management charges.

The Consolidated balance sheet for the group shows that net liabilities have increased to £5.5M due to additional losses made in the subsidiary companies.

Whilst the Consolidated Balance Sheet shows net liabilities, the Group has a number of debts owed to connected parties and some key creditors of the group who have agreed to continue to support the group and will not require repayment of their debt until the group has the necessary resources, either from trading profits or from investment.

Forecasts

The Group has made significant cost savings during the year and revenues are picking up with more business across the group from its key customers. The Group is forecasting a profit for the year after financing costs of £1.9M based on the Group not receiving any additional investment. The Group is expected to make an EBITDA in 2019/20 of £3.2M. Optimal Holdings is itself expected to make a profit of £377K from investment income and profit on management fees. Profits will be higher if investment is received.

Investment

The Group is in the process of securing investment via a deal involving the Optimal group together with a number of other entities listing on the NASDAQ. A letter of intent has been signed and US audits of all of the companies concerned have become. It is anticipated that the Company will receive funds in the next 2-3 months and sufficient investment will be made to ensure that all of the Group's liabilities are met and there is additional funds available to grow the businesses both in the UK and the US going forward.

Conclusion

Given the improving performance of the Company and its Group and the imminent investment expected to be received, the Directors are confident that the Company is a Going Concern and able to continue trading, and that the financial statements should be prepared accordingly.