

## **Hawley Optical Limited**

Unaudited Financial Statements

Year Ended

31 March 2017

Company Number 03297302

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# Hawley Optical Limited

## **Chartered Accountants' Report to the Board of Directors on the preparation of the Unaudited Statutory Financial Statements of Hawley Optical Limited for the Year Ended 31 March 2017**

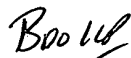
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Hawley Optical Limited for the year ended 31 March 2017 which comprise the Balance Sheet and the related notes from the Company accounting records and from information 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 Hawley Optical Limited, as a body, in accordance with the terms of our engagement letter dated 6 January 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Hawley Optical Limited and state those matters that we have agreed to state to the Board of Directors of Hawley Optical Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hawley Optical Limited and its Board of Directors, as a body, for our work or for this report.

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

We have not been instructed to carry out an audit or review of the financial statements of Hawley Optical 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 financial statements.



### **BDO LLP**

Regent House  
Clinton Avenue  
Nottingham  
NG5 1AZ

Date: 6 December 2017

# Hawley Optical Limited

Registered number: 03297302

## Balance Sheet As at 31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	3	349,572	361,498
		<u>349,572</u>	<u>361,498</u>
<b>Current assets</b>			
Stocks	4	14,662	29,713
Debtors: amounts falling due within one year	5	95,687	91,219
Cash at bank and in hand	6	9,939	13
		<u>120,288</u>	<u>120,945</u>
Creditors: amounts falling due within one year	7	(186,257)	(175,195)
<b>Net current liabilities</b>		<u>(65,969)</u>	<u>(54,250)</u>
<b>Total assets less current liabilities</b>		<u>283,603</u>	<u>307,248</u>
Creditors: amounts falling due after more than one year	8	(316,032)	(342,419)
<b>Net liabilities</b>		<u><u>(32,429)</u></u>	<u><u>(35,171)</u></u>

# Hawley Optical Limited

Registered number: 03297302

## Balance Sheet (continued) As at 31 March 2017

	Note	2017 £	2016 £
<b>Capital and reserves</b>			
Called up share capital		3	3
Profit and loss account		(32,432)	(35,174)
		<u>(32,429)</u>	<u>(35,171)</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

Mr M L Dean  
Director



28-11-17

The notes on pages 4 to 9 form part of these financial statements.

# Hawley Optical Limited

## Notes to the Financial Statements For the Year Ended 31 March 2017

### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

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 following principal accounting policies have been applied:

#### 1.2 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:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 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.

#### 1.3 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.

# Hawley Optical Limited

## Notes to the Financial Statements For the Year Ended 31 March 2017

### 1. Accounting policies (continued)

#### 1.3 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 and reducing balance methods.

Depreciation is provided on the following basis:

Freehold property	-	2% Straight line
Plant and machinery	-	15% Reducing Balance
Fixtures, fittings and equipment	-	15% Reducing Balance
Computer equipment	-	25% Reducing Balance

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 Income and Retained Earnings.

#### 1.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

#### 1.5 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.

#### 1.6 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 1.7 Financial instruments

The Company only enters into basic financial instruments 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 non-puttable ordinary shares.

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.

# **Hawley Optical Limited**

## **Notes to the Financial Statements For the Year Ended 31 March 2017**

### **1. Accounting policies (continued)**

#### **1.8 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.

#### **1.9 Finance costs**

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### **1.10 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

#### **1.11 Borrowing costs**

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

### **2. Employees**

The average monthly number of employees, including directors, during the year was 8 (2016 - 8).

# Hawley Optical Limited

## Notes to the Financial Statements For the Year Ended 31 March 2017

### 3. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2016	360,856	519,707	-	10,690	891,253
Additions	-	-	10,860	-	10,860
At 31 March 2017	360,856	519,707	10,860	10,690	902,113
<b>Depreciation</b>					
At 1 April 2016	93,879	428,510	-	7,366	529,755
Charge for the year on owned assets	6,646	13,680	1,629	831	22,786
At 31 March 2017	100,525	442,190	1,629	8,197	552,541
<b>Net book value</b>					
At 31 March 2017	260,331	77,517	9,231	2,493	349,572
At 31 March 2016	266,977	91,197	-	3,324	361,498

### 4. Stocks

	2017 £	2016 £
Finished goods and goods for resale	14,662	29,713
	14,662	29,713

### 5. Debtors

	2017 £	2016 £
Trade debtors	95,179	77,845
Prepayments and accrued income	508	13,374
	95,687	91,219



# Hawley Optical Limited

## Notes to the Financial Statements For the Year Ended 31 March 2017

### 6. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	9,939	13
Less: bank overdrafts	-	(41,129)
	<u>9,939</u>	<u>(41,116)</u>

### 7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	-	41,129
Bank loans	38,388	26,188
Trade creditors	94,779	26,460
Other taxation and social security	9,154	7,882
Other creditors	14,788	39,088
Accruals and deferred income	29,148	34,448
	<u>186,257</u>	<u>175,195</u>

### 8. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	88,032	114,419
Other creditors	228,000	228,000
	<u>316,032</u>	<u>342,419</u>

# Hawley Optical Limited

## Notes to the Financial Statements For the Year Ended 31 March 2017

### 9. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
<b>Amounts falling due within one year</b>		
Bank loans	38,388	26,188
	<u>38,388</u>	<u>26,188</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	37,680	26,765
	<u>37,680</u>	<u>26,765</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	50,352	87,654
	<u>50,352</u>	<u>87,654</u>
	<u>126,420</u>	<u>140,607</u>

The loans are secured on the assets to which they relate.

### 10. Related party transactions

The shareholders of the company are members of Hawley Enterprise LLP. Hawley Enterprise LLP has provided funding to Hawley Optical Limited. The balance of the is contained within Other Creditors due after more than one year £228,000 (2016: £228,000).

During the year the company made sales of £43,682 (2016: £25,048) to Hawley Optical Outlet Limited, a company under common control. At the year end the company also owed £13,477 (2016: £37,514) to Hawley Optical Outlet Limited. Contained within other creditors.

The shareholders of the company are also shareholders and directors of Huddersfield Specsavers Limited. During the year the company provided goods and services to Huddersfield Specsavers Limited. At the balance sheet date the total amount due (to)/from Huddersfield Specsavers Limited was £(919) (2016: £(174)).

### 11. Controlling party

The company is controlled by Mr R Hurdley and Mr A Hawkins.

### 12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.