

Reg.

H T S OPTICAL GROUP LIMITED

FINANCIAL STATEMENTS

30TH JUNE 1995

Registered number: 2034630

GIBSON APPLEBY

CHARTERED ACCOUNTANTS

Brighton



G/A

H T S OPTICAL GROUP LIMITED  
FINANCIAL STATEMENTS  
for the year ended 30th June 1995

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## H T S OPTICAL GROUP LIMITED

## COMPANY INFORMATION

30th June 1995

Incorporated in England and Wales on 7th July 1986

Number 2034630

CHAIRMAN	A R King Esq
OTHER DIRECTORS	Mrs J B King
SECRETARY	Mrs J B King
REGISTERED OFFICE	Blenheim House 120 Church Street Brighton East Sussex BN1 1AU
BANKERS	Barclays Bank Plc South Coast Group of Branches PO Box 358 Brighton East Sussex East Sussex BN1 1SF
ACCOUNTANTS	Gibson Appleby Chartered Accountants Blenheim House 120 Church Street Brighton BN1 1AU

## H T S OPTICAL GROUP LIMITED

## DIRECTORS' REPORT

30th June 1995

The directors present their report and the financial statements for the year ended 30th June 1995.

**Principal activity**

The principal activity of the company during the year continued to be that of manufacturing opticians.

**Directors**

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	30th June 1995 Ordinary shares	1st July 1994 Ordinary shares
A R King Esq	2	2
Mrs J B King	1,420	1,420

In accordance with the Articles of Association, Mr A R King retires by rotation and offers himself for re-election.

**Small company exemptions**

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

On behalf of the board

*Jean B. King*  
Mrs J B King  
Secretary

Blenheim House  
120 Church Street  
Brighton  
East Sussex BN1 1AU

27 Nov 1995

## H T S OPTICAL GROUP LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements we are required to:

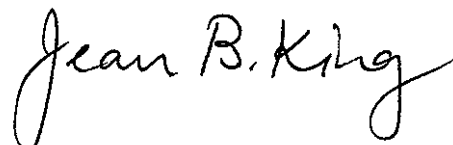
- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

27 Nov 1995

On behalf of the board



Mrs J B King  
Secretary

## H T S OPTICAL GROUP LIMITED

## AUDITORS' REPORT

Auditors' report to the members of

HTS Optical Group Limited

We have audited the financial statements on pages 5 to 12 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

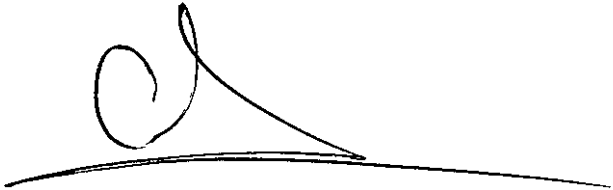
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Brighton  
27 Nov 1995



Gibson Appleby  
Registered Auditor  
Chartered Accountants

## H T S OPTICAL GROUP LIMITED

## PROFIT AND LOSS ACCOUNT

for the year ended 30th June 1995

	Note	1995 £	1994 £
Turnover	2	385,301	387,373
Cost of sales		(284,535)	(277,427)
Gross profit		100,766	109,946
Net operating expenses			
Distribution costs		(9,059)	(8,880)
Administrative expenses		(84,505)	(101,013)
Operating profit	3	7,202	53
Investment income	5	3,484	3,484
Interest payable	6	(8,869)	(9,726)
Profit/(loss) on ordinary activities before taxation		1,817	(6,189)
Taxation	7	(846)	-
Profit/(loss) on ordinary activities after taxation	16	971	(6,189)

Other movements in reserves are shown in notes 15 to 16.

## CONTINUING ACTIVITIES

None of the company's activities were acquired or discontinued during the above financial year.

## TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains and losses in 1995 or 1994 other than the profit/(loss) for the year.

## H T S OPTICAL GROUP LIMITED

## BALANCE SHEET

at 30th June 1995

	Note	£	1995	£	£	1994	£
<b>Fixed assets</b>							
Intangible assets	8		2,500			5,000	
Tangible assets	9		57,549			58,400	
			<u>60,049</u>			<u>63,400</u>	
<b>Current assets</b>							
Stocks	10	44,398			46,994		
Debtors	11	71,195			65,653		
Cash at bank and in hand		127			48		
			<u>115,720</u>		<u>112,695</u>		
Creditors: amounts falling due within one year	12	(85,541)			(77,263)		
Net current assets			<u>30,179</u>		<u>35,432</u>		
Total assets less current liabilities			<u>90,228</u>		<u>98,832</u>		
Creditors: amounts falling due after more than one year	13	(52,066)			(61,641)		
Net Assets			<u>38,162</u>		<u>37,191</u>		
<b>Capital and reserves</b>							
Called up share capital	14	28,076			28,076		
Other reserves	15	12,500			12,500		
Profit and loss account	16	(2,414)			(3,385)		
Equity shareholders' funds	17	<u>38,162</u>			<u>37,191</u>		

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 5 to 12 were approved by the board of directors on 27 Nov 1995.

A R King Esq

Director





## H T S OPTICAL GROUP LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

**1 Accounting policies****Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

**Depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings	Unexpired period of the lease
Plant and machinery	10% per annum on net book value
Motor vehicles	25% per annum on net book value
Fixtures and fittings	10% per annum on net book value
Goodwill	over a period of 10 years

**Leases and hire purchase contracts**

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

**Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**2 Turnover**

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK. (1994 nil)

## H T S OPTICAL GROUP LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 3 Operating profit

	1995 £	1994 £
Operating profit is stated after crediting		
Bad debts recovered	226	-
and after charging		
Auditors' remuneration	4,000	4,000
Operating leases		
Rent	15,850	15,850
Loss on sale of assets	227	-
Depreciation of tangible fixed assets (note 9)		
owned assets	4,394	4,465
leased assets	2,418	2,029
Amortisation of intangible fixed assets (note 8)	2,500	2,500
	9,312	8,994
The total amount charged against profits in respect of finance leases and hire purchase contracts is (of which part is shown as depreciation and the balance is shown as interest payable in note 6)	3,765	3,965

## 4 Directors

	1995 £	1994 £
Directors' emoluments	19,834	19,566

## 5 Investment income

	1995 £	1994 £
Other non-trading income	3,484	3,484
	3,484	3,484

## 6 Interest payable

	1995 £	1994 £
Finance lease and hire purchase contracts	1,347	1,936
Other interest payable	7,522	7,790
	8,869	9,726

## H T S OPTICAL GROUP LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 7 Taxation

	1995 £	1994 £
Corporation tax on profit on ordinary activities at 25% (1994 25%)	846	-

## 8 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
1st July 1994 and 30th June 1995	25,000
<b>Amortisation</b>	
1st July 1994	20,000
Charge for year	2,500
30th June 1995	22,500
<b>Net book amount</b>	
30th June 1995	2,500
30th June 1994	5,000

## H T S OPTICAL GROUP LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 9 Tangible fixed assets

Cost or valuation	Land and Buildings £	Plant and Machinery etc £	Total £
1st July 1994	14,658	89,879	104,537
Additions	-	7,838	7,838
Disposals	-	(4,325)	(4,325)
30th June 1995	14,658	93,392	108,050
Depreciation			
1st July 1994	4,154	41,983	46,137
Charge for year	553	6,259	6,812
Disposals	-	(2,448)	(2,448)
30th June 1995	4,707	45,794	50,501
Net book amount			
30th June 1995	9,951	47,598	57,549
30th June 1994	10,504	47,896	58,400

The net book amount of fixed assets includes £13,191 (1994 £12,684) in respect of assets held under finance leases and hire purchase contracts, the depreciation of which is shown in note 3.

## 10 Stocks

	1995 £	1994 £
Stocks	44,398	46,994

## 11 Debtors

	1995 £	1994 £
Amounts falling due within one year		
Trade debtors	41,543	39,789
Amounts owed by group undertakings and undertakings in which the company has a participating interest	16,500	16,500
Other debtors	13,152	9,364
	71,195	65,653

Included in other debtors is an amount of £ 6,204 (1994: £ 2332) respect of amounts owed to the company by A R King Esq. The amount represents monies withdrawn from the company by the director. The maximum amount owed to the company during the year was £ 6,204.

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## H T S OPTICAL GROUP LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 12 Creditors: amounts falling due within one year

	1995 £	1994 £
Bank loans	5,408	6,526
Bank overdraft	23,435	11,240
Trade creditors	27,580	32,006
Other taxation and social security	11,769	10,261
Other creditors	-	1,672
Accruals and deferred income	11,893	9,376
Finance leases and HP contracts - note 13	5,456	6,182
	<u>85,541</u>	<u>77,263</u>

## 13 Creditors: amounts falling due after more than one year

	1995 £	1994 £
Bank loans	50,390	56,618
Obligations under finance leases	1,676	5,023
	<u>52,066</u>	<u>61,641</u>

Creditors with instalments due for payment after more than five years

	<u>55,798</u>	<u>62,763</u>
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Instalments due after more than five years

	<u>29,550</u>	<u>40,671</u>
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## Secured creditors

Bank loans and overdrafts

	<u>79,233</u>	<u>74,384</u>
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Obligations under finance leases and hire purchase contracts

Amounts included above are repayable over varying periods by monthly instalments as follows:

In the next year

	5,456	6,182
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In the second to fifth year

	1,676	5,023
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	<u>7,132</u>	<u>11,205</u>
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## H T S OPTICAL GROUP LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 14 Called up share capital

	1995		1994	
	Number of	£	Number of	£
	shares		shares	
Authorised				
Equity shares				
£1 ordinary shares	1,000,000	1,000,000	1,000,000	1,000,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Allotted called up and fully paid				
Equity shares				
£1 ordinary shares	28,076	28,076	28,076	28,076
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## 15 Other reserves

	1995 £
30th June 1994 and 30th June 1995	<u>12,500</u>

The value of this reserve represents the valuation placed on the leasehold property by the company's bankers for security purposes. The lease was taken over by the company at the commencement of trade during the period to 30th June 1987 and the reserve should be regarded as non-distributable.

## 16 Profit and loss account

	1995 £
1st July 1994	(3,385)
Retained profit for the year	<u>971</u>
30th June 1995	<u>(2,414)</u>

## 17 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
Profit/(loss) for the financial year representing a Net addition to/(subtraction from) shareholders' funds	971	(6,189)
Opening shareholders' funds	<u>37,191</u>	<u>43,380</u>
Closing shareholders' funds	<u>38,162</u>	<u>37,191</u>

## H T S OPTICAL GROUP LIMITED

## NOTES ON FINANCIAL STATEMENTS

30th June 1995

## 18 Ultimate parent undertaking

The company's ultimate parent undertaking at the balance sheet date was HTS Optical Limited (formerly Southdown Optical Company Limited), a company incorporated in England and Wales.

## 19 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 30th June 1996

	1995 Land and Buildings £	1994 Land and Buildings £
Expiring		
After five years	15,850	15,850
	<u>15,850</u>	<u>15,850</u>