REGISTERED NUMBER: 3240721 (England and Wales)

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Abbreviated Financial Statements

for the Year Ended 31 March 2003

for

Durham Specsavers Limited



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Durham Specsavers Limited

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Durham Specsavers Limited

Company Information
for the Year Ended 31 March 2003

DIRECTORS:	Specsavers Optical Group Ltd Mrs M L Perkins P Archibald B R Kidney
SECRETARY:	Specsavers Optical Group Ltd
REGISTERED OFFICE:	Unit 2 1-4 North Road Durham CO. DURHAM DH1 4PW
REGISTERED NUMBER:	3240721 (England and Wales)
AUDITORS:	HLB AV Audit plc Registered Auditors Crown House 37/41 Prince Street Bristol BS1 4PS

Durham Specsavers Limited

Report of the Independent Auditors to
Durham Specsavers Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 March 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B of the Companies Act 1985. 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.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.

HLB AV Audit plc
Registered Auditors
Crown House
37/41 Prince Street
Bristol
BS1 4PS

Dated: 7 January 2004

Durham Specsavers Limited

Abbreviated Balance Sheet
31 March 2003

	Notes	31.3.03 £	31.3.02 £
FIXED ASSETS:			
Tangible assets	2	76,280	81,303
CURRENT ASSETS:			
Stocks		21,288	15,264
Debtors		35,245	38,531
Group Treasury Company		131,590	103,780
Cash in hand		50	50
		188,173	157,625
CREDITORS: Amounts falling due within one year	3	(218,966)	(205,541)
NET CURRENT LIABILITIES:		(30,793)	(47,916)
TOTAL ASSETS LESS CURRENT LIABILITIES:		45,487	33,387
CREDITORS: Amounts falling due after more than one year	3	(6,459)	(1,164)
PROVISIONS FOR LIABILITIES AND CHARGES:		(983)	(1,668)
		£38,045	£30,555
CAPITAL AND RESERVES:			
Called up share capital	4	100	100
Profit and loss account		37,945	30,455
SHAREHOLDERS' FUNDS:		£38,045	£30,555

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

.....
- DIRECTOR

FOR SPECSAVERS OPTICAL GROUP

.....
AUTHORISED SIGNATORY

APPROVED BY THE BOARD OF

DIRECTORS ON 7th January 2004.

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover
Turnover represents the net amounts invoiced to customers net of value added tax.

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.

Optical Equipment	- 14% on cost
Fixtures and fittings	- 14-25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Stocks
Stock is valued at the lower of cost and net realisable value. Cost is determined on an average cost basis. Net realisable is based on estimated selling price allowing for all further costs of completion and disposal.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

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 the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pension Costs
The company operates a defined contribution scheme for two of the directors under which the pension costs charged against profits represent the amount of contributions payable to the scheme for the period.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 April 2002	199,961
Additions	22,332
Disposals	(55,120)
At 31 March 2003	167,173
DEPRECIATION:	
At 1 April 2002	118,658
Charge for year	27,355
Eliminated on disposals	(55,120)
At 31 March 2003	90,893
NET BOOK VALUE:	
At 31 March 2003	76,280
At 31 March 2002	81,303

3. CREDITORS

The following secured debts are included within creditors:

	31.3.03	31.3.02
	£	£
Finance Leases & HP Contracts	10,686	1,975

4. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.03 £	31.3.02 £
100	"A" Shares	£.50	50	50
100	"B" Shares	£.50	50	50
			100	100

In accordance with the Articles of Association the following rights attach to the shares a) to "A" shares, the right to receive that part (including the whole) of the profits of the company which the directors shall, from time to time, determine to distribute as dividends. b) to "B" shares, the right to appoint the chairman of the board of directors and of the general meeting of the company. The "B" shares are held by Specsavers Optical Group Limited. In all other respects both classes of share carry equal rights over the assets of the company, subject to those provisions as laid out within the shareholders agreement.

5. ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

As at the year end Specsavers International Healthcare Limited could technically be considered to be the ultimate parent company of Durham Specsavers Limited. Mr and Mrs Perkins have the controlling interest in the ordinary share capital of Specsavers International Healthcare Limited, the ultimate parent company. Specsavers International Healthcare Limited is a Guernsey registered company and its accounts are not available to the public.

6. RELATED PARTY TRANSACTIONS

During the year the company has conducted the following transactions with its director, Specsavers Optical Group Limited and its subsidiaries. Specsavers Optical Group Limited is wholly owned by Specsavers International Healthcare Limited.

Purchases of Goods £151,142 (2002: £123,204), Overhead Costs £265,716 (2002: £253,198) and Other Income £3,639 (2002: £3,516).

These transactions were made on an arms length basis during the normal course of trading and Specsavers Optical Group Limited has confirmed that it will continue to provide these goods and services for the foreseeable future.

The balance with the Group Treasury Company is held with Specsavers Finance (Guernsey) Limited, a fellow subsidiary of Specsavers International Healthcare Limited. Specsavers Finance (Guernsey) Limited is incorporated in Guernsey, and provides treasury services to the company and other Specsavers Group companies.