

Yeovil VE Limited
Annual report and financial statements
for the year ended 31 December 2005

Registered number: 03754276



Yeovil VE Limited

Annual report and financial statements for the year ended 31 December 2005

	Page
Directors and advisors	1
Directors' report for the year ended 31 December 2005	2
Independent auditors' report to the members of Yeovil VE Limited	4
Profit and loss account for the year ended 31 December 2005	5
Balance sheet as at 31 December 2005.....	6
Notes to the financial statements for the year ended 31 December 2005	7

Yeovil VE Limited

Directors and advisors

Directors

J Prideaux
D Smith
Abbeyfield VE Limited
Linkmel VE Limited

Company secretary

Abbeyfield VE Limited

Registered office

Abbeyfield Road
Lenton Industrial Estate
Lenton
Nottingham
NG7 2SP

Auditors

PricewaterhouseCoopers LLP
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

Bankers

HSBC Bank plc
12 Victoria Street
Nottingham
NG1 2FF

Solicitors

Freeth Cartwright
80 Mount Street
Nottingham
NG1 6HH

Yeovil VE Limited

Directors' report for the year ended 31 December 2005

The directors present their annual report and the financial statements for the year ended 31 December 2005.

Business review

The company's principal activity during the year was the provision of optical goods and services. No change is planned to these activities.

Results and dividends

The results for the year are shown in the attached profit and loss account.

Details of dividends are shown in note 8.

Directors

The directors who held office during the year were:

J Prideaux
D Smith
Abbeyfield VE Limited
Linkmel VE Limited

Directors' interests

The directors have the following interests in the share capital of the company:

	'A' Ordinary £1 shares		'B' Ordinary £1 shares	
	2005	2004	2005	2004
	Number	Number	Number	Number
J Prideaux	25	25	-	-
D Smith	25	25	-	-
Abbeyfield VE Limited	-	-	50	50
Linkmel VE Limited	-	-	-	-
	50	50	50	50

Yeovil VE Limited

Directors' report for the year ended 31 December 2005 (continued)

Statement of directors' responsibilities

Company law requires the directors 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 for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Auditors

During the period KPMG resigned as auditors and PricewaterhouseCoopers LLP were appointed to fill the casual vacancy. A resolution to appoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the board



R Reed
Company Secretary

On behalf of Abbeyfield VE Limited 18/9/06

Independent auditors' report to the members of Yeovil VE Limited

We have audited the financial statements of Yeovil VE Limited for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within in.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issue 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 other irregularity or error. 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
East Midlands

25 October 2006

Yeovil VE Limited

Profit and loss account for the year ended 31 December 2005

	Note	2005 £'000	2004 £'000
Turnover	2	758	754
Cost of sales		(148)	(142)
Gross profit		610	612
Administrative expenses		(490)	(493)
Operating profit		120	119
Other interest receivable and similar income	4	5	5
Interest payable and similar charges	5	(2)	(2)
Profit on ordinary activities before taxation	6	123	122
Tax on profit on ordinary activities	7	(35)	(40)
Profit on ordinary activities after taxation		88	82
Dividends	8	(101)	(122)
Loss for the financial year	16	(13)	(40)

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account.

In both the current and preceding year, the company made no material acquisitions and had no discontinued operations.

There are no material differences between the profit on ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents

Yeovil VE Limited

Balance sheet as at 31 December 2005

	Note	2005 £'000	2004 £'000
Fixed assets			
Tangible assets	9	88	98
Current assets			
Stocks	10	45	35
Debtors	11	40	26
Cash at bank and in hand		55	78
		140	139
Creditors: amounts falling due within one year	12	(99)	(95)
Net current assets		41	44
Net assets		129	142
Capital and reserves			
Called up share capital	15	-	-
Profit and loss account	16	129	142
Equity shareholders' funds	17	129	142

These financial statements were approved by the board of directors on 18th Sept 2006 and were signed on its behalf by:

X 
J Prideaux
Director

X 
D Smith
Director

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

Changes in accounting policies

The company has adopted FRS21, "Events after the balance sheet date" and FRS25, "Financial instruments disclosure and presentation" in these financial statements. The adoption of these financial reporting standards has had no impact on the financial statements.

Basis of preparation

These financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Cash flow statement

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Depreciation

Depreciation is provided on all tangible and intangible fixed assets at annual rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Leasehold improvements	10 years
Fixtures and equipment	3-10 years

Premiums, reverse premiums and similar incentives

Premiums, reverse premiums and similar incentives on property leases are held on the balance sheet as deferred income or other debtors and are released to the profit and loss account on a straight line basis over the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Leasing commitments

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

1 Accounting policies (continued)

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Bank account

Abbeyfield VE Limited (who hold a 50% shareholding in the company) has the legal ownership of the company's bank account. However the company is exposed to substantially all of the risks and rewards of ownership of the bank account and therefore records the balance as either cash at bank or bank overdraft in the balance sheet.

2 Turnover

Turnover represents the invoiced amount of optical goods sold and services provided, excluding value added tax. Turnover received in respect of warranty agreements has been spread over the period of the warranty. Payments received for goods not collected by the year end have been excluded from turnover. All turnover arose in the UK.

3 Employees and directors

	2005	2004
	£'000	£'000
Staff costs (including directors)		
Wages and salaries	176	185
Social security costs	18	19
Pension costs	6	6
	200	210

The average number of employees during the year was made up as follows:

	2005	2004
	Number	Number
Management	1	1
Store retail	4	5
Store laboratory	1	1
Opticians	1	1
	7	8

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

3 Employees and directors (continued)

Directors' emoluments

The aggregate emoluments of the directors of the company were:

	2005	2004
	£'000	£'000
Directors' emoluments	96	88
Company contributions to money purchase pension schemes	6	6
	102	94

The emoluments are with respect to the management of the affairs of the company.

Retirement benefits are accruing to two (2004: two) directors under defined contribution pension schemes.

4 Other interest receivable and similar income

	2005	2004
	£'000	£'000
Bank interest	5	5

5 Interest payable and similar charges

	2005	2004
	£'000	£'000
On bank loans and overdrafts	2	-
Finance charges payable in respect of finance leases and hire purchase contracts	-	2
	2	2

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

6 Profit on ordinary activities before taxation

This is stated after charging:

	2005	2004
	£'000	£'000
Auditors' remuneration - audit	1	1
Depreciation - owned assets	18	25
- leased assets	4	13
Rentals under operating leases - land and buildings	56	42

7 Tax on profit on ordinary activities

	2005	2004
	£'000	£'000
Tax on profit on ordinary activities is as follows:		
UK corporation tax at 30% (2004: 30%)		
Current tax	36	42
Total current tax charge	36	42
Deferred taxation (note 14)		
Origination and reversal of timing differences	(1)	(2)
Tax on profit on ordinary activities	35	40

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

7 Tax on profit on ordinary activities (continued)

Factors affecting the tax charge for the current year

The current tax charge for the year is higher than (2004: higher than) the standard rate of corporation tax in the UK of 30% (2004: 30%). The differences are explained below:

	2005	2004
	£'000	£'000
Current tax reconciliation		
Profit on ordinary activities before tax	124	122
Current tax at 30%	37	37
Effects of		
Expenses not deductible for tax purposes	4	3
Utilisation of tax losses	-	2
Capital allowances in excess of depreciation	(5)	-
Total current tax charge (see above)	36	42

8 Dividends

	2005	2004
	£'000	£'000
Dividends paid on 'A' ordinary shares	101	122
	101	122

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

9 Tangible fixed assets

	Leasehold improve- ments	Fixtures and equipment	Total
	£'000	£'000	£'000
Cost			
At 1 January 2005	124	153	277
Additions	-	12	12
At 31 December 2005	124	165	289
Accumulated depreciation			
At 1 January 2005	60	119	179
Charge for the period	12	10	22
At 31 December 2005	72	129	201
Net book value			
At 31 December 2005	52	36	88
At 31 December 2004	64	34	98

The cost and net book value of assets held under finance leases and capitalised at 31 December was £88,000 and £20,000 (2004: £88,000 and £24,000).

10 Stocks

	2005	2004
	£'000	£'000
Finished goods and goods for resale	45	35

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

11 Debtors

	2005	2004
	£'000	£'000
Trade debtors	10	6
Other debtors	7	3
Prepayments and accrued income	19	14
Deferred tax asset (note 14)	4	3
	40	26

12 Creditors: amounts falling due within one year

	2005	2004
	£'000	£'000
Obligations under finance leases (note 13)	-	8
Trade creditors	35	25
Corporation tax	22	21
Other creditors including taxation and social security	10	11
Accruals and deferred income	32	30
	99	95

There has been a reclassification within 2004 year end creditors due within one year, so as to more accurately reflect the nature of the balances.

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

13 Obligations under finance leases

	2005	2004
	£'000	£'000
Amounts payable within one year (note 12)	-	8
	-	8

Obligations under finance leases are secured against the assets to which they relate.

14 Provisions for liabilities and charges

	Deferred tax (asset)		Other provisions		Total	
	2005	2004	2005	2004	2005	2004
	£'000	£'000	£'000	£'000	£'000	£'000
At beginning of year	(3)	(1)	-	1	(3)	-
Credited to profit and loss account	(1)	(2)	-	(1)	(1)	(3)
At end of year	(4)	(3)	-	-	(4)	(3)

Tax effect of timing differences because of:

	2005	2004
	£'000	£'000
Differences between accumulated depreciation and capital allowances	(4)	(3)
	(4)	(3)

The deferred tax asset has been recognised within debtors (note 11).

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

15 Called up share capital

	2005	2004
	£	£
Authorised, allotted, called up and fully paid		
50 'A' ordinary shares of £1 each	50	50
50 'B' ordinary shares of £1 each	50	50
	100	100

Both the 'A' and 'B' ordinary shares have voting rights. The 'B' ordinary shares entitle the holders to appoint three 'B' directors, including the chairman.

The 'B' ordinary shares do not entitle the holders to receive a dividend.

On a winding up the 'A' and 'B' ordinary shares rank pari passu.

16 Reserves

	Profit and loss account
	£'000
At 1 January 2005	142
Loss sustained for the year	(13)
At 31 December 2005	129

17 Reconciliation of movement in equity shareholders' funds

	2005	2004
	£'000	£'000
Profit for the financial year	88	82
Dividends	(101)	(122)
Net change in equity shareholders' funds	(13)	(40)
Opening equity shareholders' funds	142	182
Closing equity shareholders' funds	129	142

Yeovil VE Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

18 Operating lease commitments

The annual commitments in respect of non-cancellable operating leases are as follows:

	2005	2004
	£'000	£'000
Land and buildings		
Leases expiring after five years	56	42

19 Related party transactions

During the accounting year ended 31 December 2005 Yeovil VE Limited entered into transactions with other members of the Vision Express (UK) Limited group, and Abbeyfield VE Limited who hold a 50% shareholding in the company. Abbeyfield VE Limited is a wholly owned subsidiary of Vision Express (UK) Limited.

	2005	2004
	£'000	£'000
The value of the intercompany trading for the resale of stock items and the invoicing of service fees amounted to:	249	294

At each respective year the amounts listed below are owed by the company to the relevant related party, as disclosed:

Vision Express (UK) Limited	14	5
Abbeyfield VE Limited	3	5
Central Lab VE Limited	-	-
Vision Express (CLS) Limited	6	2
Vision Express Group Limited	2	3
Bournemouth VE Limited	2	-

In the period £13,000 (2004: Nil) was paid to Vision Express Group Limited in respect of the purchase of the clinical record system.