

Registered number
03754276

Yeovil VE Limited

Annual report and financial statements
for the year ended 31 December 2008



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for the year ended 31 December 2008

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Yeovil VE Limited
Directors and advisors

Directors

David Smith
John Prideaux
Abbeyfield VE Limited
Linkmel VE Limited

Secretary

Abbeyfield VE Limited

Independent Auditors

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

Solicitors

Freeth Cartwright
80 Mount Street
Nottingham
NG1 6HH

Registered office

Abbeyfield Road
Lenton Industrial Estate
Lenton
Nottingham
NG7 2SP

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Yeovil VE Limited
Directors' report
for the year ended 31 December 2008

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2008. The directors' report has been prepared in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

Principal activities and future developments

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 on page 5.
Details of dividends are shown in note 16.

Directors

The following directors held office during the year:

David Smith
John Prideaux
Abbeyfield VE Limited
Linkmel VE Limited

Statement of disclosure of information to auditors

In respect of each of those persons who was a director of the company at the date at which the directors' report was approved:

- a) So far as each director is aware, there is no relevant information of which the company's auditors are unaware; and
- b) Each director has taken all the steps they ought to have taken in their duty as a director in order to make themselves aware of any relevant audit information and establish that the company's auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

Yeovil VE Limited
Directors' report
for the year ended 31 December 2008 (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report 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 accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, the directors are required to:

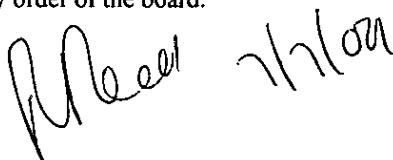
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by order of the board.

R Reed

A handwritten signature in dark ink, appearing to read 'R Reed', is written over the printed name.

On behalf of Abbeyfield VE Limited
Company Secretary

**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 2008 which comprise the Profit and Loss account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises the Directors' Report and the Directors and Advisors page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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 2008 and of its profit and cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
East Midlands

11 September 2009

Yeovil VE Limited
Profit and loss account
for the year ended 31 December 2008

	Note	2008 £'000	2007 £'000
Turnover	2	816	823
Cost of sales		(163)	(164)
Gross profit		653	659
Administrative expenses		(552)	(551)
Operating profit	4	101	108
Interest receivable and similar income	5	4	6
Interest payable and similar charges	6	-	(2)
Profit on ordinary activities before taxation		105	112
Tax on profit on ordinary activities	7	(38)	(37)
Profit for the financial year	14	67	75

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been presented.

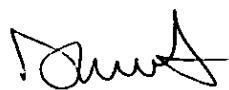
All results derive from continuing operations.

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

Yeovil VE Limited
Balance sheet
as at 31 December 2008

	Note	2008 £'000	2007 £'000
Fixed assets			
Tangible assets	8	<u>33</u>	<u>39</u>
		33	39
Current assets			
Stock - goods for resale		43	43
Debtors	9	<u>120</u>	<u>108</u>
		163	151
Creditors: amounts falling due within one year	10	<u>(80)</u>	<u>(82)</u>
Net current assets		83	69
Total assets less current liabilities		<u>116</u>	<u>108</u>
Provisions for liabilities and charges	12	<u>(22)</u>	<u>(24)</u>
Net assets		<u>94</u>	<u>84</u>
Capital and reserves			
Called up share capital	13	-	-
Profit and loss account	14	94	84
Total shareholders' funds	15	<u>94</u>	<u>84</u>

The financial statements were approved by the board of directors on 7 July 2009 and were signed on its behalf by:



David Smith
Director

7 July 2009



Jon
~~Jon~~ Prideaux
Director

Yeovil VE Limited
Cash flow statement
for the year ended 31 December 2008

	Note	2008 £'000	2007 £'000
Net cash inflow from operating activities	17	116	157
Return on investments and servicing of finance			
Interest received		4	6
Interest paid		-	(2)
Net cash inflow from returns on investments and servicing of finance		4	4
Taxation		(32)	(32)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(17)	-
Net cash (outflow) for capital expenditure and financial investment		(17)	-
Dividend paid to shareholders		(57)	(134)
Increase/(decrease) in cash	18	<u>14</u>	<u>(5)</u>

As discussed in note 1, the parent company acts as the Company's bankers. The increase in cash is represented within the movement in amounts owed by the parent company as disclosed in note 9.

Yeovil VE Limited
Notes to the financial statements
for the year ended 31 December 2008

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.

Basis of preparation

These financial statements have been prepared on the going concern basis, in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom and under the historical cost accounting rules.

Cash at bank and in hand

Abbeyfield VE Limited, the immediate parent undertaking, has control over the company's banking arrangements and hence the company's cash balance has been included in amounts owed by parent company in notes 9 and 20.

Depreciation

Depreciation is provided on all tangible 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

Stocks

Stock is valued at the lower of cost and net realisable value.

Leasing and hire purchase 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.

Deferred 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 "Deferred tax". A deferred tax asset is recognised to the extent that it is regarded as recoverable.

Pensions

The company makes payments into personal pension schemes on behalf of certain employees. The amount charged to the profit and loss account represents amounts payable into the schemes in respect of the accounting period.

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.

Provisions

Provisions have been recognised in respect of a special method override notice served by HM Revenue and Customs for VAT. The provision represents the best estimate of likely outflows under the notice and is not discounted.

Yeovil VE Limited
Notes to the financial statements
for the year ended 31 December 2008

2 Turnover

Turnover represents the income receivable for providing optical goods and services and is generated wholly in the United Kingdom.

3 Employees and directors

	2008	2007
	£'000	£'000
Wages and salaries	212	213
Social security costs	22	22
Pension costs	7	6
	<u>241</u>	<u>241</u>

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

	2008	2007
	Number	Number
Management	1	1
Store retail	7	7
Opticians	1	1
	<u>9</u>	<u>9</u>

The aggregate emoluments of the directors of the company were:

	2008	2007
	£'000	£'000
Directors' emoluments	121	124
Company contributions to personal pension schemes	7	6
	<u>128</u>	<u>130</u>

Number of directors benefiting from payments into personal pension schemes

<u>2</u>	<u>2</u>
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4 Operating profit

	2008	2007
	£'000	£'000

This is stated after charging:

Auditors' remuneration - audit	1	1
Depreciation of owned fixed assets	23	25
Rentals under operating leases - land and buildings	<u>56</u>	<u>56</u>

Yeovil VE Limited
Notes to the financial statements
for the year ended 31 December 2008

5 Interest receivable and similar income	2008	2007
	£'000	£'000
Interest receivable from parent company	<u>4</u>	<u>6</u>
	4	6

6 Interest payable and similar charges	2008	2007
	£'000	£'000
Interest payable on amounts owed to parent company	<u>-</u>	<u>2</u>
	-	2

7 Taxation	2008	2007
	£'000	£'000
UK corporation tax at 28.5% (2007: 30%)		
Current tax	33	35
Adjustments to tax in respect of prior periods	<u>3</u>	<u>1</u>
	36	36
Deferred tax (note 11)		
Origination and reversal of timing differences	-	1
Adjustments to tax in respect of prior years	<u>2</u>	<u>-</u>
Tax on profit on ordinary activities	38	37

Factors affecting the tax charge for the current year

The current tax charge for the year is higher (2007: higher) than the standard rate of corporation tax in the UK of 28.5% (2007: 30%). The differences are explained below:

Current tax reconciliation	2008	2007
	£'000	£'000
Profit on ordinary activities before tax	105	112
Current tax at 28.5% (2007: 30%)	<u>30</u>	<u>34</u>
Effects of		
Expenses not allowable for tax purposes	3	2
Accelerated capital allowances	-	(1)
Adjustments to tax in respect of prior periods	<u>3</u>	<u>1</u>
Total current tax	36	36

Yeovil VE Limited
Notes to the financial statements
for the year ended 31 December 2008

8 Tangible fixed assets

	Leasehold Improvements £'000	Fixtures and equipment £'000	Total £'000
Cost			
At 1 January 2008	124	166	290
Additions	5	12	17
At 31 December 2008	129	178	307
Depreciation			
At 1 January 2008	98	153	251
Charge for the year	13	10	23
At 31 December 2008	111	163	274
Net book value			
At 31 December 2008	18	15	33
At 31 December 2007	26	13	39

9 Debtors

	2008 £'000	2007 £'000
Trade debtors	6	7
Amounts owed by parent company	90	76
Other debtors	4	3
Prepayments and accrued income	18	18
Deferred tax (note 11)	2	4
	120	108

10 Creditors: amounts falling due within one year

	2008 £'000	2007 £'000
Trade creditors	17	19
Amounts owed to parent company	7	7
Corporation tax	20	16
Other creditors including taxation and social security	7	8
Accruals and deferred income	29	32
	80	82

Yeovil VE Limited
Notes to the financial statements
for the year ended 31 December 2008

11 Deferred tax (asset)

	2008 £'000	2007 £'000
At 1 January	(4)	(5)
Charged to profit and loss account	2	1
At 31 December	<u>(2)</u>	<u>(4)</u>
Tax effect of timing differences because of:		
Differences between accumulated depreciation and capital allowances	<u>(2)</u>	<u>(4)</u>

The deferred tax asset has been recognised within debtors (note 9).

12 Provisions for liabilities and charges

Disallowed VAT provision

	£'000
As at 1 January 2008	24
Charged to profit and loss account	12
Utilised in the year	(14)
As at 31 December 2008	<u>22</u>

The company is making a provision in respect of the special method override notice served due to the current special method of calculating partial exemption on taxable supplies. During the year a payment was made in relation to this provision following receipt of an assessment from HM Revenue and Customs. The remaining provision will be utilised as further assessments are received and a partial exemption special method is agreed with HM Revenue and Customs.

13 Called up share capital

	2008 £	2007 £
Authorised, allotted, called up and fully paid		
50 'A' Ordinary shares of £1 each	50	50
50 'B' Ordinary shares of £1 each	<u>50</u>	<u>50</u>
	<u>100</u>	<u>100</u>

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.

Yeovil VE Limited
Notes to the financial statements
for the year ended 31 December 2008

14 Reserves

Profit and loss account
£'000

As at 1 January 2008	84
Profit for the year	67
Dividends	(57)
As at 31 December 2008	<u>94</u>

15 Reconciliation of movement in total shareholders' funds

2008
£'000

2007
£'000

Profit for the financial year	67	75
Dividends	(57)	(134)
Net increase/(decrease) in total shareholders' funds	<u>10</u>	<u>(59)</u>
Opening total shareholders' funds	84	143
Closing total shareholders' funds	<u>94</u>	<u>84</u>

16 Dividends

2008
£'000

2007
£'000

Dividends paid on 'A' ordinary shares - £1,140 per share (2007: £2,680)	57	134
	<u>57</u>	<u>134</u>

17 Cash flow from operating activities

Reconciliation of operating profit to net cash inflow from operating activities:

Continuing Operations

2008
£'000

2007
£'000

Operating profit	101	108
Depreciation charge	23	25
Decrease in debtors	-	9
(Decrease)/increase in creditors	(6)	4
(Decrease)/increase in provisions	(2)	11
Net cash inflow from continuing operations	<u>116</u>	<u>157</u>

Yeovil VE Limited
Notes to the financial statements
for the year ended 31 December 2008

18 Reconciliation of movement in net cash

	As at 1 Jan 2008	Non cash flow	Cash flow	As at 31 Dec 2008
	£'000	£'000	£'000	£'000
Amounts owed by parent company	76	-	14	90
	<u>76</u>	<u>-</u>	<u>14</u>	<u>90</u>

19 Other financial commitments

2008
£'000

2007
£'000

At the year end the company had annual commitments under non-cancellable operating leases expiring as set out below:

Land and Buildings:
in over five years

<u>56</u>	<u>56</u>
<u>56</u>	<u>56</u>

20 Related parties

During the year ended 31 December 2008 Yeovil VE Limited entered into transactions with other members of the Vision Express (UK) Limited group, and Abbeyfield VE Limited, the immediate parent company. Abbeyfield VE Limited is a wholly owned subsidiary of Vision Express (UK) Limited.

2008
£'000

2007
restated
£'000

The value of the intercompany trading for the resale of stock items and the invoicing of service fees amounted to:

302 **292**

The 2007 restatement relates to the inclusion of all related party transactions with related parties as listed below.

At each respective year end the amounts listed below were owed from/(to) the company to/(from) the relevant related party, as follows:

Vision Express (UK) Limited	4	8
Abbeyfield VE Limited	(83)	(69)
Vision Express (CLS) Limited	2	2
Vision Express Group Limited	5	4

Yeovil VE Limited
Notes to the financial statements
for the year ended 31 December 2008

21 Parent and ultimate parent company

The company is a subsidiary of Abbeyfield VE Limited a company registered in the UK. The ultimate controlling party and ultimate parent company is HAL Trust, a trust under Bermuda Law. HAL Trust's financial statements are available to the public from Millennium Tower, Weena 696, 3012, CN Rotterdam, The Netherlands.