

**C.A. LEITH OPTICIANS LIMITED**

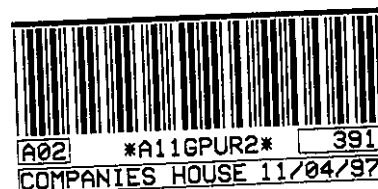
**COMPANY NUMBER 01364961**

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The following pages for not form part of the statutory accounts

Trading and Profit and Loss Account 11



**C.A. LEITH (OPTICIANS) LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 30TH SEPTEMBER 1996**

The directors present their report and the financial statements for the year ended 30th September 1996.

**Principal Activities**

The company's principal activity continues to be that of dispensing optician.

**Directors**

The director who served during the year and his beneficial interests in the company's issued ordinary share capital were:

	<b>Number of Shares</b>
C.A. Leith	50

**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 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;
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and the detection of fraud and other irregularities.

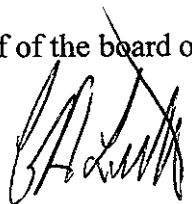
## **Auditors**

The auditors, Harrison & Co., are deemed to be reappointed in accordance with Section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 15th March 1993.

This report was approved by the board on 15th March 1997, taking advantage of special exemptions available to small companies.

Signed on behalf of the board of directors.

Mr. C. A. Leith

A handwritten signature in black ink, appearing to be 'C. A. Leith', written over the printed name.

**C. A. LEITH (OPTICIANS) LIMITED**  
**AUDITOR'S REPORT**  
**TO THE MEMBERS OF C. A. LEITH (OPTICIANS) LIMITED**

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies on page 6.

**Respective responsibilities of directors and auditors**

As described on page 2 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.

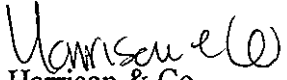
**Basis of opinion**

We conducted our audit in accordance with the 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 companies 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 of 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 September 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

  
Harrison & Co.  
Registered Auditors  
and Chartered Accountants  
Bridge Farm  
Addington  
Bucks  
MK18 2JX

15<sup>th</sup> March 1997

**C.A. LEITH (OPTICIANS) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR YEAR ENDED 30TH SEPTEMBER 1996**

	Notes	1996 £	1995 £
Turnover	2	497137	497230
Cost of Sales		113689	145167
		-----	-----
Gross Profit		383448	352063
Administrative expenses		398085	340034
		-----	-----
<b>Operating (Loss)/Profit</b>	3	(14637)	12029
Other income	5	120632	97000
		-----	-----
		105995	109029
Interest charged	6	17076	29575
		-----	-----
<b>Profit on ordinary activities before taxation</b>		88919	79454
Taxation	4	23456	9797
		-----	-----
Profit for the financial year		65463	69657
Retained Profit/Deficit brought forward		27034	(42623)
		-----	-----
Retained Profit carried forward		£92497	£27034
		=====	=====

There are no recognised gains or losses other than the Profit for the year shown

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

The attached notes 1 to 11 form part of these accounts

**C.A. LEITH (OPTICIANS) LIMITED**  
**BALANCE SHEET**  
**AS AT 30TH SEPTEMBER 1996**

	Notes	1996 £	1995 £
<b>Fixed Assets</b>			
Intangible assets	5	25000	25000
Tangible assets	6	114511	106825
		-----	-----
		139511	131825
<b>Current assets</b>			
Stocks and work in progress	7	65685	68680
Debtors	8	18873	7146
Cash at bank and in hand		24083	67
		-----	-----
		108641	75893
<b>Creditors: amounts falling due within one year</b>	9	(102518)	(111849)
		-----	-----
<b>Net current Assets/(liabilities)</b>		6123	(35956)
		-----	-----
<b>Total assets less current liabilities</b>		145634	95869
		-----	-----
<b>Creditors: amounts falling due after more than one year</b>	10	(53037)	(68735)
		-----	-----
		£92597	£27134
		=====	=====
<b>Capital and reserves</b>			
Called up share capital	11	100	100
Profit and loss account	13	92497	27034
		-----	-----
		£92597	£27134
		=====	=====

Approved by the board of directors on 15<sup>th</sup> March and signed on its behalf. The directors have relied on special exemptions available to small companies on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

  
C.A. Leith  
Director

The notes on pages 1 to 11 form part of these accounts

**C.A.LEITH (OPTICIANS) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH SEPTEMBER 1996**

**1. Accounting Policies**

**Basis of accounting**

The accounts have been prepared under the historical cost convention and in accordance with standard accounting practice.

**Turnover**

Turnover is invoiced sales less returns exclusive of Value Added Tax.

**Depreciation**

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

Leasehold land and buildings	Nil
Fixtures, fittings and machinery	25% straight line method
Motor Vehicles	25% straight line method

**Stocks and Work in Progress**

Stock and work in progress as valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

**Leased Assets**

Tangible fixed assets acquired under finance leases or higher purchase contracts are capitalised at their fair value at the date of acquisition. The capital element of future lease payments is included in creditors falling due within or after one year as appropriate.

**C.A. LEITH (OPTICIANS) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30TH SEPTEMBER 1996**

**2. Turnover**

The turnover and Profit are attributable to the principal activity of the company carried out wholly within the United Kingdom.

**3. Operating profit**

	1996 £	1995 £
This is stating after charging or crediting:		
Interest Received	632	-
Directors Remuneration	43004	10840
Auditors Remuneration	2750	2750
Depreciation	14118	9671
Loss on disposal of tangible fixed assets	-	312
	<u>=====</u>	<u>=====</u>

**4. Taxation**

Corporation tax at 24/25% (1995 - 25%)	23456	9797
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**5. Intangible Assets**

This relates to Goodwill and in the opinion of the director has useful and economic life.



**C.A. LEITH (OPTICIANS) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30TH SEPTEMBER 1996**

**6. Tangible fixed assets**

	<b>Land and Buildings</b>	<b>Fixtures &amp; fittings plant</b>	<b>Motor Vehicles</b>	<b>Total</b>
	£	£	£	£
<b>Cost</b>				
At 1.10.95	90068	128140	29009	247217
Additions	-	5198	16606	21804
Disposals	-	-	-	-
At 30.9.96	90068	133338	45615	269021
<b>Depreciation</b>				
At 1.10.95	-	128140	12252	140392
Provided during the year	-	5198	8920	14118
Disposals	-	-	-	-
At 30.9.96	-	133338	21172	154510
<b>Net book value:</b>				
At 30.9.96	90068	-	24443	114511
At 30.9.95	90068	-	16757	106825

The net book value of tangible fixed assets include £23443 (1995 £16757) in respect of assets held under finance leases and hire purchase contracts.

The net book value of land and buildings comprises:

	<b>1996</b>	<b>1995</b>
	£	£
Freehold property	90068	90068

**C.A. LEITH (OPTICIANS) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30TH SEPTEMBER 1996**

	1996	1995
<b>7. Stocks</b>		
Finished goods	65685	68680
	-----	-----
	65685	68680
	=====	=====
<b>8. Debtors</b>		
Prepayments	18873	7146
	-----	-----
	18873	7146
	=====	=====
<b>9. Creditors: amounts falling due within one year</b>		
Bank overdraft (see below)	49440	28033
Current instalment on bank loan (see below)	16156	40152
Trade creditors	-	6839
Hire Purchase and finance lease liabilities	3986	13092
Corporation Tax	23456	9797
Other taxes and social security	6239	7932
Accruals and deferred income	3241	6004
	-----	-----
	102518	111849
	=====	=====

The overdraft is secured by a charge over the companies leasehold properties and a debenture over the remaining assets. The bank loans are secured by a charge over the companies leasehold and freehold properties and a debenture over the remaining assets.

**C.A. LEITH (OPTICIANS) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30TH SEPTEMBER 1996**

**10. Creditors: amounts falling due after more than one year**

	<b>1996</b>	<b>1995</b>
	£	£
Bank loan (see note 9)	53037	68735
Directors loans - deferred	-	-
	-----	-----
	53037	68735
	-----	-----
 Repayable within five years	 53037	 68735
	-----	-----
	53037	68735
	=====	=====

**11. Share Capital**

**Authorised:**

100 Ordinary shares of £1 each	100	100
	=====	=====

**Issued and fully paid**

100 Ordinary shares of £1 each	100	100
	=====	=====

**12. Pensions**

The company operates a defined contribution scheme in respect of the director C.A. Leith

**13. Shareholders Funds**

	<b>1996</b>	<b>1995</b>
Opening Balance	27134	(42523)
Profit/(Loss) for the Year	65463	69657
	-----	-----
Closing Balance	92597	27134
	=====	=====

**14. Contingent Income**

The Company in the year received from HM Customs & Excise £120,000 (£97,000 1995) (on account) in respect of vat overpaid on the supply of glasses. This is shown as other income. The company believes further refunds are due but is unable to quantify these figures as no calculation method has yet been agreed.