

Company Registration No. 03734065 (England and Wales)

A C STEPHENS (OPTICIANS) LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

PAGES FOR FILING WITH REGISTRAR

A C STEPHENS (OPTICIANS) LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------|
| Balance sheet | 1 |
| Notes to the financial statements | 2 - 6 |

A C STEPHENS (OPTICIANS) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-----------------|---------------|-----------------|---------------|
| Fixed assets | | | | | |
| Tangible assets | 4 | | 2,033 | | 2,710 |
| Current assets | | | | | |
| Stocks | | 6,500 | | 9,500 | |
| Debtors | 5 | 6,193 | | 8,406 | |
| Cash at bank and in hand | | 41,540 | | 32,737 | |
| | | <u>54,233</u> | | <u>50,643</u> | |
| Creditors: amounts falling due within one year | 6 | <u>(17,055)</u> | | <u>(17,076)</u> | |
| Net current assets | | | 37,178 | | 33,567 |
| Total assets less current liabilities | | | 39,211 | | 36,277 |
| Provisions for liabilities | | | (386) | | (515) |
| Net assets | | | <u>38,825</u> | | <u>35,762</u> |
| Capital and reserves | | | | | |
| Called up share capital | 7 | | 100 | | 100 |
| Profit and loss reserves | | | 38,725 | | 35,662 |
| Total equity | | | <u>38,825</u> | | <u>35,762</u> |

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 5 September 2020 and are signed on its behalf by:

A C Stephens

Director

Company Registration No. 03734065

A C STEPHENS (OPTICIANS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

A C Stephens (Opticians) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Newstead House, Pelham Road, Nottingham, NG5 1AP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

A C STEPHENS (OPTICIANS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--------------------------------|----------------------|
| Fixtures, fittings & equipment | 25% reducing balance |
| Computer equipment | 33.3% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

A C STEPHENS (OPTICIANS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2019 - 3).

| | 2020 Number | 2019 Number |
|-------|----------------|----------------|
| Total | 3 | 3 |

A C STEPHENS (OPTICIANS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Intangible fixed assets

| | Goodwill £ |
|------------------------------------|---------------|
| Cost | |
| At 1 April 2019 and 31 March 2020 | 59,923 |
| Amortisation and impairment | |
| At 1 April 2019 and 31 March 2020 | 59,923 |
| Carrying amount | |
| At 31 March 2020 | - |
| At 31 March 2019 | - |

4 Tangible fixed assets

| | Fixtures, fittings & equipment £ | Computer equipment £ | Total £ |
|------------------------------------|--|----------------------------|------------|
| Cost | | | |
| At 1 April 2019 and 31 March 2020 | 41,843 | 669 | 42,512 |
| Depreciation and impairment | | | |
| At 1 April 2019 | 39,133 | 669 | 39,802 |
| Depreciation charged in the year | 677 | - | 677 |
| At 31 March 2020 | 39,810 | 669 | 40,479 |
| Carrying amount | | | |
| At 31 March 2020 | 2,033 | - | 2,033 |
| At 31 March 2019 | 2,710 | - | 2,710 |

5 Debtors

| | 2020 £ | 2019 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 4,609 | 5,785 |
| Other debtors | 1,584 | 2,621 |
| | 6,193 | 8,406 |

A C STEPHENS (OPTICIANS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Creditors: amounts falling due within one year

| | 2020 | 2019 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 7,620 | 8,395 |
| Taxation and social security | 6,010 | 5,546 |
| Other creditors | 3,425 | 3,135 |
| | <u>17,055</u> | <u>17,076</u> |

7 Called up share capital

| | 2020 | 2019 |
|--------------------------------|-------------|-------------|
| | £ | £ |
| Ordinary share capital | | |
| Issued and fully paid | | |
| 100 ordinary shares of £1 each | <u>100</u> | <u>100</u> |

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