

Registration number: 05770902

Scarborough Specsavers Hearcare Limited

Report and Unaudited Financial Statements (Filleled Accounts)

for the Period from 1 April 2017 to 28 February 2018



Scarborough Specsavers Hearcare Limited

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Scarborough Specsavers Hearcare Limited

Company Information

Directors Specsavers Hearcare Group Limited
Alasdair Corbett
Craig McWilliams

Company secretary Specsavers Hearcare Group Limited

Registered office Forum 6
Parkway
Solent Business Park
Whiteley, Fareham
United Kingdom
PO15 7PA

Registration number 05770902

Scarborough Specsavers Hearcare Limited

(Registration number: 05770902)
Balance Sheet as at 28 February 2018

	Note	28 February 2018 £	31 March 2017 £
Fixed assets			
Tangible assets	5	4,259	5,395
Current assets			
Stocks	6	12,313	5,114
Debtors	7	7,940	2,841
Cash and cash equivalents	8	17,440	5,441
		<u>37,693</u>	<u>13,396</u>
Creditors: Amounts falling due within one year	9	<u>(51,931)</u>	<u>(57,022)</u>
Net current liabilities		<u>(14,238)</u>	<u>(43,626)</u>
Total assets less current liabilities		<u>(9,979)</u>	<u>(38,231)</u>
Creditors: Amounts falling due after more than one year	9	<u>(2,096)</u>	<u>(1,936)</u>
Net liabilities		<u>(12,075)</u>	<u>(40,167)</u>
Capital and reserves			
Called up share capital	12	120	120
Profit and loss account		<u>(12,195)</u>	<u>(40,287)</u>
Total equity		<u>(12,075)</u>	<u>(40,167)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities. The Company has elected not to file a Profit and Loss Account.

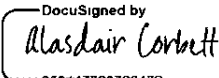
For the period ending 28 February 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

3/8/2018 | 4:06 BST

Approved and authorised by the Board on and signed on its behalf by:

DocuSigned by

352*17728725473.....
 Director
 Alasdair Corbett

The notes on pages 3 to 11 form an integral part of these financial statements.

Scarborough Specsavers Hearcare Limited

Notes to the Financial Statements for the Period from 1 April 2017 to 28 February 2018

1 General information

The company is a private company limited by share capital incorporated in the United Kingdom.

The address of its registered office is:

Forum 6
Parkway
Solent Business Park
Whiteley, Fareham
United Kingdom
PO15 7PA

2 Change of reporting date

The financial year end of the Company was changed from 31 March to 28 February so as to be coterminous with the year end of its ultimate parent company. Accordingly, the current year's period of account is for the 11 months from 1 April 2017 to 28 February 2018. As a result, the comparative figures stated in the profit and loss account, statement of comprehensive income, statement of changes in equity and the related notes are not directly comparable with those presented for the current period.

3 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with the provisions of Financial Reporting Standard 102 Section 1A – small entities.

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling which is the functional currency of the company and are rounded to the nearest £.

Scarborough Specsavers Hearcare Limited

Notes to the Financial Statements for the Period from 1 April 2017 to 28 February 2018

3 Accounting policies (continued)

Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from the sale of goods and services is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods, or when services are provided and 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.

Deferred revenue arises when cash is received in advance of revenue being earned, either in the form of deposits received for hearing aids which have not been collected or payments in relation to hearing aid servicing, some or all of which is to be provided in a future period. Deferred revenue is a liability on the Balance Sheet until it is earned.

Tax

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Scarborough Specsavers Hearcare Limited

Notes to the Financial Statements for the Period from 1 April 2017 to 28 February 2018

3 Accounting policies (continued)

Key areas of estimation uncertainty and judgments

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Taxation

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

Tangible fixed assets

Tangible assets are stated in the Balance Sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is provided on a straight line basis at the following rates in order to write off the cost less estimated residual value of each asset over its estimated useful life (or if held under a finance lease, over the lease term, whichever is the shorter):

Asset class	Depreciation method and rate
Furniture, fittings and equipment	14-25% on cost
Other property, plant and equipment	14-33% on cost

Impairment of non-financial assets

The company assesses at each reporting date whether an asset may be impaired. If any such indication exists the company estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss unless the asset is carried at a revalued amount where the impairment loss of a revalued asset is a revaluation decrease. An impairment loss recognised for all assets is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. The directors have included the balances owed to and from Specsavers Finance (Guernsey) Limited, the Group Treasury Company within cash equivalents. If the overall cash balance with the Group Treasury Company is overdrawn, this is classified as a current liability alongside any other overdrawn external cash balances.

Scarborough Specsavers Hearcare Limited

Notes to the Financial Statements for the Period from 1 April 2017 to 28 February 2018

3 Accounting policies (continued)

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other operating expenses.

Work in progress

Included within the accounts is a balance relating to work in progress for private sales. The private WIP relates to customer orders received prior to the year end and where the fitting and balance is completed/paid post year end.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average method. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

4 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 2 (2017 - 2).

Scarborough Specsavers Hearcare Limited

Notes to the Financial Statements for the Period from 1 April 2017 to 28 February 2018

5 Tangible fixed assets

	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost or valuation			
At 1 April 2017	9,523	17,672	27,195
At 28 February 2018	9,523	17,672	27,195
Depreciation			
At 1 April 2017	9,523	12,277	21,800
Charge for the period	-	1,136	1,136
At 28 February 2018	9,523	13,413	22,936
Carrying amount			
At 28 February 2018	-	4,259	4,259
At 31 March 2017	-	5,395	5,395

6 Stocks

	28 February 2018 £	31 March 2017 £
Finished goods and goods for resale	9,609	3,762
Work in progress	2,704	1,352
	12,313	5,114

7 Debtors

	28 February 2018 £	31 March 2017 £
Note		
Other debtors	838	2,355
Prepayments	163	97
Taxation and social security	-	388
Corporation tax asset	1	1
Deferred tax assets	6,938	-
Total trade and other debtors	7,940	2,841

Total trade and other debtors

Deferred tax assets of £6,558 (2017: £Nil) are classified as non current.

Scarborough Specsavers Hearcare Limited

Notes to the Financial Statements for the Period from 1 April 2017 to 28 February 2018

8 Cash and cash equivalents

	Note	28 February 2018 £	31 March 2017 £
Cash on hand		4,082	5,441
Group Treasury Company	13	13,358	-
		<u>17,440</u>	<u>5,441</u>

9 Creditors

	Note	28 February 2018 £	31 March 2017 £
Due within one year			
Loans and borrowings	10	6,000	15,074
Trade creditors		369	4,936
Taxation and social security		5,378	152
Other creditors		2,396	4,836
Amounts owed to related parties	13	28,746	30,058
Deferred income		9,042	1,966
		<u>51,931</u>	<u>57,022</u>
Due after one year			
Deferred income		<u>2,096</u>	<u>1,936</u>

10 Loans and borrowings

	Note	28 February 2018 £	31 March 2017 £
Current loans and borrowings			
Group Treasury Company	13	-	9,074
Directors' loans	13	6,000	6,000
		<u>6,000</u>	<u>15,074</u>

Scarborough Specsavers Hearcare Limited

Notes to the Financial Statements for the Period from 1 April 2017 to 28 February 2018

11 Financial commitments, guarantees and contingencies

Pension contributions

Contributions in relation to the defined contribution pension scheme totalling £113 were outstanding at the year end (2017: £83). The assets of the scheme are held separately from those of the Company in an independently administered fund.

12 Share capital

Allotted, called up and fully paid shares

	28 February 2018		31 March 2017	
	No.	£	No.	£
"A" Ordinary of £0.50 each	120	60	120	60
"B" Ordinary of £0.50 each	120	60	120	60
	<u>240</u>	<u>120</u>	<u>240</u>	<u>120</u>

Rights, preferences and restrictions

In accordance with the Articles of Association the following rights attach to 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 UK Holdings 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 in the shareholders' agreement.

13 Related party transactions

During the year the company entered into transactions, in the ordinary course of business, with other related parties. Trading balances outstanding at 28 February 2018, are as follows:

	Parent	Other group
	£	undertakings
2018		£
Assets	-	13,358
	<u> </u>	<u> </u>
2017		£
Assets	-	-
	<u> </u>	<u> </u>

Scarborough Specsavers Hearcare Limited

Notes to the Financial Statements for the Period from 1 April 2017 to 28 February 2018

13 Related party transactions (continued)

	Parent £	Other group undertakings £
2018		
Liabilities	<u>6,940</u>	<u>21,806</u>
2017		
Liabilities	<u>5,210</u>	<u>33,922</u>
Directors' loans		

	At 1 April 2017 £	Advances/ credits £	Repayments £	Other £	Written off £	Waived £	At 28 February 2018 £
2018							
Craig McWilliams	3,000	-	-	-	-	-	3,000
Alasdair Corbett	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
2017							
	At 1 April 2016 £	Advances/ credits £	Repayments £	Other £	Written off £	Waived £	At 31 March 2017 £
Craig McWilliams	3,000	-	-	-	-	-	3,000
Alasdair Corbett	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>

Unless otherwise agreed by the Shareholders each Loan advanced to the Company under clause 2.1.4 of the standard shareholders agreement shall:

1. not bear interest until 12 months after the date on which such Loan is advanced to the Company.
2. shall bear interest at a fixed rate equal to the standard Specsavers Finance (Guernsey) Limited rate published from time to time, discounted by 1%. Such interest to be compounded and capitalised into such Loan, to be payable in equal monthly instalments with the first interest payment being due on the date which is one month following the period of 12 months after the date on which such Loan is advanced to the Company.
3. subject to clause 2.4 of the standard shareholders agreement be repaid to the relevant Shareholder pro rata over the period of 36 months by equal monthly payments starting on the date which is one month following the period of 12 months after the date on which such Loan is advanced to the Company.

All other directors' loans shall be repayable on demand or according to defined terms as per the agreement.

Scarborough Specsavers Hearcare Limited

Notes to the Financial Statements for the Period from 1 April 2017 to 28 February 2018

14 Parent and ultimate parent undertaking

As at the year end Specsavers International Healthcare Limited was the ultimate parent company of Scarborough Specsavers Hearcare 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.

Specsavers UK Holdings Limited is the parent company of the smallest group for which consolidated financial statements are drawn up and in which Scarborough Specsavers Hearcare Limited is a member. Specsavers UK Holdings Limited registered office is:

Forum 6
Parkway
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Whiteley
Fareham
Hampshire
PO15 7PA