

REGISTERED NUMBER: 5051255 (England and Wales)

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Abbreviated Accounts
for the Year Ended 28 February 2006
for
Gateshead Specsavers Limited



Gateshead Specsavers Limited

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for the Year Ended 28 February 2006

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Gateshead Specsavers Limited

Company Information
for the Year Ended 28 February 2006

DIRECTORS: Specsavers Optical Group Limited
Mrs M L Perkins
J P Loughran

SECRETARY: Specsavers Optical Group Limited

REGISTERED OFFICE: 2nd Floor
Mitchell House
Southampton Road
Eastleigh
Hampshire
SO50 9FJ

REGISTERED NUMBER: 5051255 (England and Wales)

AUDITORS: Deloitte & Touche
Chartered Accountants &
Registered Auditors
St Peter Port
Guernsey

Report of the Independent Auditors to
Gateshead Specsavers Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages three to seven, together with the full financial statements of the company for the year ended 28 February 2006 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

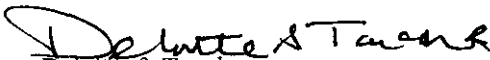
The directors are responsible for preparing the abbreviated accounts in accordance with Sections 246 (5) and (6) of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the abbreviated financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 247, 247A and 249 of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with Sections 246 (5) and (6) of the Companies Act 1985, in respect of the year ended 28 February 2006 and the abbreviated accounts on pages three to seven are properly prepared in accordance with those provisions.


Deloitte & Touche
Chartered Accountants &
Registered Auditors
St Peter Port
Guernsey

17 MAY 2006

Date:

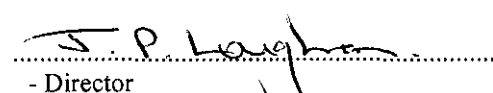
Gateshead Specsavers Limited

Abbreviated Balance Sheet
28 February 2006

		28.2.06	28.2.05 as restated
	Notes	£	£
FIXED ASSETS:			
Tangible assets	2	94,718	103,797
Investments	3	<u>120</u>	<u>120</u>
		<u>94,838</u>	<u>103,917</u>
CURRENT ASSETS:			
Stocks		12,903	10,342
Debtors		<u>8,419</u>	<u>57,712</u>
		21,322	68,054
CREDITORS: Amounts falling due within one year	4	<u>(186,689)</u>	<u>(126,922)</u>
NET CURRENT LIABILITIES:		<u>(165,367)</u>	<u>(58,868)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		(70,529)	45,049
CREDITORS: Amounts falling due after more than one year	4	(16,354)	(47,851)
PROVISIONS FOR LIABILITIES AND CHARGES:		<u>-</u>	<u>(1,672)</u>
		<u>£(86,883)</u>	<u>£(4,474)</u>
CAPITAL AND RESERVES:			
Called up share capital	5	120	120
Profit and loss account		<u>(87,003)</u>	<u>(4,594)</u>
SHAREHOLDERS' DEFICIT:		<u>£(86,883)</u>	<u>£(4,474)</u>

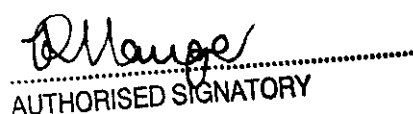
These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

ON BEHALF OF THE BOARD:


- Director

Approved by the Board on 17 MAY 2006

FOR SPECSAVERS OPTICAL GROUP LTD


AUTHORISED SIGNATORY

The notes form part of these abbreviated accounts

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective June 2002).

Turnover

Turnover represents the net amounts invoiced to customers during the period net of value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Optical Equipment	- 14% on cost
Fixtures and fittings	- 14-25% on cost
Computer equipment	- 33% on cost

Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on an average cost basis. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

Deferred tax

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

Dividends

In accordance with Financial Reporting Standard number 21, "Events after the balance sheet date", the Company has amended its accounting policy on the recognition of dividends. Dividends are recognised in the period in which they are declared. The effect of the change from the policy adopted in preceding years whereby dividends declared after the balance sheet date are recognised at the balance sheet date, is more fully set out in the restatement of comparatives and prior year earnings.

Hire purchase and leasing commitments

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the lease term, even if the payments are not made on such a basis.

Group Accounts

The company is a subsidiary of Specsavers Optical Superstores Limited, a company registered in England and Wales. The company has taken advantage of the exemption not to prepare statutory consolidated financial statements under Section 228 of the Companies Act 1985. Accordingly these financial statements present information about the company and not its group.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value.

Gateshead Specsavers Limited

Notes to the Abbreviated Accounts
for the Year Ended 28 February 2006

2. **TANGIBLE FIXED ASSETS**

	Total
	£
COST:	
At 1 March 2005	110,357
Additions	<u>15,345</u>
At 28 February 2006	<u>125,702</u>
DEPRECIATION:	
At 1 March 2005	6,560
Charge for year	<u>24,424</u>
At 28 February 2006	<u>30,984</u>
NET BOOK VALUE:	
At 28 February 2006	<u>94,718</u>
At 28 February 2005	<u>103,797</u>

3. **FIXED ASSET INVESTMENTS**

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Gateshead Visionplus Limited

Country of incorporation: England & Wales

Nature of business: Ophthalmic Opticians

	%		
Class of shares:	holding		
Ordinary	100.00		
		28.2.06	28.2.05 as restated
		£	£
Aggregate capital and reserves		24,280	(33,291)
Profit/(Loss) for the year/period		<u>57,571</u>	<u>(33,411)</u>

Investments were as follows:

	28.2.06	28.2.05 as restated
	£	£
Gateshead Visionplus Limited	<u>120</u>	<u>120</u>

4. **CREDITORS**

The following secured debts are included within creditors:

	28.2.06	28.2.05 as restated
	£	£
Finance Leases & HP Contracts	<u>9,248</u>	<u>-</u>

Gateshead Specsavers Limited

Notes to the Abbreviated Accounts
for the Year Ended 28 February 2006

5. **CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	28.2.06	28.2.05 as restated
			£	£
120	Ordinary "A"	0.50	60	60
120	Ordinary "B"	0.50	<u>60</u>	<u>60</u>
			<u>120</u>	<u>120</u>

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 Optical Group Limited. In all other respects both classes of share carry equal rights, subject to those provisions as laid out in the shareholders' agreement.

6. **ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY**

As at 28 February 2006 the ultimate parent company of Gateshead Specsavers Limited was Specsavers International Healthcare 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 the largest group in which the results of the company are consolidated. It is a Guernsey registered company and its accounts are not available to the public.

The company's immediate parent company is Specsavers Optical Superstores Limited.

The smallest group in which the results of the company are consolidated is Specsavers Optical Superstores Limited, a company incorporated in England and Wales. Its accounts are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF4 3UZ, Wales.

7. RELATED PARTY TRANSACTIONS

During the period the company has conducted the following transactions with its ultimate parent company, Specsavers International Healthcare Limited and its subsidiaries, including Specsavers Optical Group Limited, its director.

Sales £106,975 (2005: £25,885), Purchases of Goods £50,914 (2005: £14,043), Overhead Costs £122,200 (2005: £44,603) and Other Income £50,550 (2005: £59,321).

These transactions were made on an arms length basis during the normal course of trading and Specsavers International Healthcare Limited has confirmed that it will continue to provide these goods and services for the foreseeable future.

The balance due to the Group Treasury Company as at 28 February 2006 is £69,609 (2005: £84,983). This is held with Specsavers Finance (Guernsey) Limited, a fellow subsidiary of Specsavers International Healthcare Limited. Specsavers Finance (Guernsey) Limited is incorporated in Guernsey and provides treasury services to the company and other Specsavers Group companies.

Included within this balance is a loan of £54,581 (2005: £70,490) which is repayable on demand, secured on the company's "A" shares and interest is charged at 3% over Base Rate.

Directors loans at period end:

Specsavers Optical Group Limited £40,000 (2005: £40,000), D Pouton £Nil (2005: £10,000) and J P Loughran £2,000 (2005: £2,000).

Included within the balance due to Ultimate Parent & Subsidiaries is the following loan:

Specsavers Optical Superstores Limited £20,000 (2005: £10,000)

The loans are unsecured, interest free and repayable on demand.

Pension loan as at period end:

Newcastle 3 Unapproved Pension Scheme £16,382 (2005: £18,000).

The loan is unsecured and bears interest at 3% above the Bank of England base lending rate calculated quarterly in arrears. No capital repayments are due until November 2005. J P Loughran is a member of the scheme.

8. POST BALANCE SHEET EVENTS

In March 2006 the company received a dividend from its wholly owned subsidiary, Gateshead Visionplus Limited of £36,000 (2005: £Nil). These financial statements do not reflect this dividend which will be accounted for as income in the year ended 28 February 2007.