

Report of the Members and
Financial Statements
for the Year Ended 28 February 2011
for
Haine & Smith Partnership LLP

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Haine & Smith Partnership LLP

Contents of the Financial Statements
for the Year Ended 28 February 2011

	Page
General Information	1
Report of the Members	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Financial Statements	11
Trading and Profit and Loss Account	16
Capital Accounts Summary Schedule	18
Capital Account Schedule	19
Property Capital Accounts Schedule	20
Current Accounts Schedule	21
Taxation Provision Amounts Schedule	22

Haine & Smith Partnership LLP
General Information
for the Year Ended 28 February 2011

DESIGNATED MEMBERS

Mrs S C Haine
B J Smith

REGISTERED OFFICE.

Unit 7 & 8
Salisbury Road Business Park
Pewsey
Wiltshire
SN9 5PZ

REGISTERED NUMBER.

OC343092 (England and Wales)

AUDITORS.

Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Haine & Smith Partnership LLP
Report of the Members
for the Year Ended 28 February 2011

The members present their report with the financial statements of the LLP for the year ended 28 February 2011

PRINCIPAL ACTIVITY

The principal activity of the LLP in the year under review was that of opticians

REVIEW OF BUSINESS

The results for the year and financial position of the LLP are as shown in the annexed financial statements

Overall turnover and profitability levels have been maintained despite difficult trading conditions. This has been made possible through focusing on the strengths of the business and achieving reductions in inventory levels

DESIGNATED MEMBERS

The designated members during the year under review were

Mrs S C Haine
B J Smith

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The profit for the year before members' remuneration and profit shares was £916,419 (2010 - £979,327 profit)

MEMBERS' INTERESTS

A level of monthly drawings is set at the start of the year and further distributions are made once the results for the year and allocations of profit are finalised

The level of members capital is determined at admission to the partnership and from time to time by the designated members

STATEMENT OF MEMBERS' RESPONSIBILITIES

The members are responsible for preparing the Report of the Members and the financial statements in accordance with applicable law and regulations

Legislation applicable to limited liability partnerships requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under legislation applicable to limited liability partnerships the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditors are unaware, and each member has taken all the steps that he or she ought to have taken as a member in order to make himself or herself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information

Haine & Smith Partnership LLP
Report of the Members
for the Year Ended 28 February 2011

AUDITORS

The auditors, Monahans, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE MEMBERS



B J Smith, Designated Member

Date

24/15/2011

Report of the Independent Auditors to the Members of
Haine & Smith Partnership LLP

We have audited the financial statements of Haine & Smith Partnership LLP for the year ended 28 February 2011 on pages five to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members as a body, for our audit work for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the Statement of Members' Responsibilities set out on page two, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the LLP's affairs as at 28 February 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to LLPs requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit.



David Black (Senior Statutory Auditor)
for and on behalf of Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date 1 November 2011

Haine & Smith Partnership LLP

Profit and Loss Account
for the Year Ended 28 February 2011

	Notes	2011 £	2010 £
TURNOVER		6,977,953	6,674,531
Cost of sales		1,901,590	1,788,762
GROSS PROFIT		5,076,363	4,885,769
Administrative expenses		4,222,363	3,982,781
		854,000	902,988
Other operating income		50,449	53,270
OPERATING PROFIT	3	904,449	956,258
Interest receivable and similar income		11,970	23,069
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		916,419	979,327
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		916,419	979,327
Members' remuneration charged as an expense	4	(916,419)	(979,327)
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	13	-	-

CONTINUING OPERATIONS

None of the LLP's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The LLP has no recognised gains or losses for the current year or previous year

The notes form part of these financial statements

Haine & Smith Partnership LLP**Balance Sheet**
28 February 2011


	Notes	2011 £	2010 £
FIXED ASSETS			
Intangible assets	5	38,840	43,695
Tangible assets	6	2,390,183	2,273,670
		<u>2,429,023</u>	<u>2,317,365</u>
CURRENT ASSETS			
Stocks	7	197,526	194,933
Debtors	8	396,434	334,064
Cash at bank and in hand		906,126	924,010
		<u>1,500,086</u>	<u>1,453,007</u>
CREDITORS			
Amounts falling due within one year	9	896,447	711,122
NET CURRENT ASSETS		<u>603,639</u>	<u>741,885</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,032,662</u>	<u>3,059,250</u>
CREDITORS			
Amounts falling due after more than one year	10	75,905	-
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u><u>2,956,757</u></u>	<u><u>3,059,250</u></u>

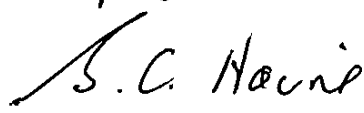
The notes form part of these financial statements

Haine & Smith Partnership LLP**Balance Sheet - continued****28 February 2011**

	Notes	2011 £	2010 £
LOANS AND OTHER DEBTS DUE TO MEMBERS	12	264 290	366,783
MEMBERS' OTHER INTERESTS			
Capital accounts	13	2,692 467	2,692,467
		<u>2,956,757</u>	<u>3,059,250</u>
TOTAL MEMBERS' INTERESTS			
Loans and other debts due to members	12	264 290	366,783
Members' other interests	13	2,692,467	2 692 467
Amounts due from members	8	(55,147)	(28,575)
		<u>2,901,610</u>	<u>3,030,675</u>

The financial statements were approved by the members of the LLP on **24 October 2011** and were signed by


B J Smith - Designated member


Mrs S C Haine - Designated member

The notes form part of these financial statements

Haine & Smith Partnership LLP

Cash Flow Statement
for the Year Ended 28 February 2011

	Notes	2011	2010
		£	£
Net cash inflow from operating activities	1	1 229,802	1,317 302
Returns on investments and servicing of finance	2	11,970	23 069
Capital expenditure	2	(211,480)	(129 586)
Transactions with members	2	(1 045,484)	(943,513)
		<u>(15,192)</u>	<u>267,272</u>
Financing	2	(2,692)	-
(Decrease)/Increase in cash in the period		<u>(17,884)</u>	<u>267,272</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		(17 884)	267,272
Cash outflow from decrease in debt and lease financing		<u>1,048 176</u>	<u>943,513</u>
Change in net funds resulting from cash flows		1,030 292	1,210 785
New finance leases		(129,200)	-
Non-cash change in loans and other debts due to members		<u>(942,991)</u>	<u>(980,987)</u>
Movement in net funds in the period		(41,899)	229 798
Net funds at 1 March		<u>557,227</u>	<u>327,429</u>
Net funds at 28 February		<u><u>515,328</u></u>	<u><u>557 227</u></u>

The notes form part of these financial statements

Haine & Smith Partnership LLP

Notes to the Cash Flow Statement
for the Year Ended 28 February 2011

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011	2010
	£	£
Operating profit	904,449	956 258
Depreciation charges	229 128	206 312
Profit on disposal of fixed assets	(107)	(19,850)
(Increase)/Decrease in stocks	(2,593)	59 374
Increase in debtors	(35,798)	(13,009)
Increase in creditors	134,723	128 217
Net cash inflow from operating activities	1 229,802	1,317 302

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011	2010
	£	£
Returns on investments and servicing of finance		
Interest received	11,970	23,069
Net cash inflow for returns on investments and servicing of finance	11,970	23 069
Capital expenditure		
Purchase of tangible fixed assets	(221,982)	(149 436)
Sale of tangible fixed assets	10 502	19,850
Net cash outflow for capital expenditure	(211,480)	(129 586)
Transactions with members		
Drawings nett of capital introduced	(1 029 211)	(977,703)
Movement in taxation provision amounts	(16 273)	34,190
Net cash outflow from transactions with members	(1 045,484)	(943 513)
Financing		
Capital repayments in year	(2,692)	-
Net cash outflow from financing	(2,692)	-

The notes form part of these financial statements

Haine & Smith Partnership LLP

Notes to the Cash Flow Statement
for the Year Ended 28 February 2011

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 3 10 £	Cash flow £	Other non-cash changes £	At 28 2 11 £
Net cash				
Cash at bank and in hand	924,010	(17,884)		906,126
	<u>924,010</u>	<u>(17,884)</u>		<u>906,126</u>
Debt				
Hire purchase	-	2,692	(129,200)	(126,508)
Loans and other debts due to members	(366,783)	1,045 484	(942,991)	(264,290)
	<u>(366,783)</u>	<u>1 048,176</u>	<u>(1,072 191)</u>	<u>(390 798)</u>
Total	<u>557,227</u>	<u>1 030,292</u>	<u>(1,072,191)</u>	<u>515 328</u>

The notes form part of these financial statements

Haine & Smith Partnership LLP

Notes to the Financial Statements **for the Year Ended 28 February 2011**

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements are prepared in accordance with applicable accounting standards and the Statement of Recommended Practice Accounting by Limited Liability Partnerships. The particular accounting policies adopted by the members are described below.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships.

Turnover

Turnover represents net invoiced sales of sight tests, glasses and contact lenses, excluding value added tax where applicable.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business, is being amortised evenly over its estimated useful life of 10 years.

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.

Short leasehold	- 15% on straight line basis
Fixtures and fittings	- 10%-25% on straight line basis
Motor vehicles	- 20% on straight line basis

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

In some cases the company has access to consignment stock. Where the nature of this arrangement transfers the risks and rewards to the company, which in substance gives the company control over the stock during the consignment period and liabilities in respect of holding costs, the company recognises this stock in the balance sheet together with an equivalent liability.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The LLP operates a defined contribution pension scheme. Contributions payable to the LLP's pension scheme are charged to the profit and loss account in the period to which they relate.

Taxation

Members are personally liable for taxation on their share of the profits of the limited liability partnership.

The profits are shown within "Members' interests" or as "Loans and other amounts due to members" without any deduction for tax, however a provision for tax is made and a reserve included as part of the members' current accounts.

Haine & Smith Partnership LLP

Notes to the Financial Statements - continued
for the Year Ended 28 February 2011

1 ACCOUNTING POLICIES - continued

Allocation of profits

A member's share in the profit or loss for the year is accounted for as an allocation of profits

2 EMPLOYEE INFORMATION

	2011 £	2010 £
Wages and salaries	2,525,392	2,421,445
Social security costs	194,263	182,329
Other pension costs	32,916	31,187
	<u>2,752,571</u>	<u>2,634,961</u>

The average monthly number of employees during the year was as follows

	2011	2010
Business Services	1	2
Clerical	24	23
Practices	99	98
Optometrists	16	15
Workshop	13	13
	<u>153</u>	<u>151</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Other operating leases	297,934	304,429
Depreciation - owned assets	211,353	201,456
Depreciation - assets on hire purchase contracts	12,920	-
Profit on disposal of fixed assets	(107)	(19,850)
Goodwill amortisation	4,855	4,855
Auditors' remuneration	6,500	5,500
Auditors' remuneration for non audit work	34,456	22,790
	<u>34,456</u>	<u>22,790</u>

4 INFORMATION IN RELATION TO MEMBERS

	2011 £	2010 £
Members' remuneration charged as an expense		
Partners' salaries	687,333	690,995
Automatic division of profit	229,086	288,332
	<u>229,086</u>	<u>288,332</u>
Total remuneration	<u>916,419</u>	<u>979,327</u>

	2011 £	2010 £
The amount of profit attributable to the member with the largest entitlement was	<u>213,937</u>	<u>226,176</u>

Haine & Smith Partnership LLP

Notes to the Financial Statements - continued
for the Year Ended 28 February 2011

4 INFORMATION IN RELATION TO MEMBERS - continued

	2011	2010
The average number of members during the year was	<u>11</u>	<u>10</u>
	2010	2009
The number of members at the year end was	<u>11</u>	<u>9</u>

5 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 March 2010 and 28 February 2011	<u>48,550</u>
AMORTISATION	
At 1 March 2010	4,855
Amortisation for year	<u>4,855</u>
At 28 February 2011	<u>9,710</u>
NET BOOK VALUE	
At 28 February 2011	<u>38,840</u>
At 28 February 2010	<u>43,695</u>

6 TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 March 2010	1 692,457	772 817	1,868,341	307 149	4,640 764
Additions	-	88,020	263,162	-	351,182
Disposals	-	-	(197,264)	(10,400)	(207,664)
At 28 February 2011	<u>1,692 457</u>	<u>860,837</u>	<u>1,934,239</u>	<u>296,749</u>	<u>4,784,282</u>
DEPRECIATION					
At 1 March 2010	-	588,780	1,639,695	138,620	2 367,095
Charge for year	-	55,037	119 443	49,793	224,273
Eliminated on disposal	-	-	(192,186)	(5 083)	(197 269)
At 28 February 2011	<u>-</u>	<u>643,817</u>	<u>1 566,952</u>	<u>183,330</u>	<u>2,394 099</u>
NET BOOK VALUE					
At 28 February 2011	<u>1 692 457</u>	<u>217 020</u>	<u>367,287</u>	<u>113,419</u>	<u>2 390,183</u>
At 28 February 2010	<u>1,692 457</u>	<u>184,037</u>	<u>228,646</u>	<u>168,529</u>	<u>2 273,669</u>

Haine & Smith Partnership LLP

Notes to the Financial Statements - continued
for the Year Ended 28 February 2011

6 TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above which are held under hire purchase contracts are as follows

	Fixtures and fittings £
COST	
Additions	129,200
At 28 February 2011	<u>129,200</u>
DEPRECIATION	
Charge for year	12,920
At 28 February 2011	<u>12,920</u>
NET BOOK VALUE	
At 28 February 2011	<u><u>116,280</u></u>

7 STOCKS

	2011 £	2010 £
Stocks	<u>197,526</u>	<u>194,933</u>

8 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade debtors	161,378	160,672
Amounts due from members	55,147	28,575
Other debtors	<u>179,909</u>	<u>144,817</u>
	<u><u>396,434</u></u>	<u><u>334,064</u></u>

9 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Hire purchase contracts (see note 11)	50,603	-
Trade creditors	625,870	479,135
Social security and other taxes	50,394	48,072
Other creditors	<u>169,580</u>	<u>183,915</u>
	<u><u>896,447</u></u>	<u><u>711,122</u></u>

10 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Hire purchase contracts (see note 11)	<u>75,905</u>	<u>-</u>

Haine & Smith Partnership LLP

Notes to the Financial Statements - continued
for the Year Ended 28 February 2011

11 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2011 £	2010 £
Net obligations repayable		
Within one year	50,603	-
Between one and five years	75,905	-
	<u>126,508</u>	<u>-</u>

12 LOANS AND OTHER DEBTS DUE TO MEMBERS

	2011 £	2010 £
Amounts owed to members in respect of profits	195,690	281,910
Taxation provision amounts	68,600	84,873
	<u>264,290</u>	<u>366,783</u>
Falling due within one year	<u>264,290</u>	<u>366,783</u>

In the event of winding up, loans and other debts due to members and members' other interests rank subordinate to other unsecured creditors

13 MEMBERS' INTERESTS

	Members' other interests			Loans and other debts due to/(from) members	Total
	Members' capital (classified as equity)	Reserves	Total		
	£	£	£	£	£
Amount due to members				366,783	
Amount due from members				(28,575)	
Balance at 1 March 2010	2,692,467	-	2,692,467	338,208	3,030,675
Members' remuneration charged as an expense, including employment and retirement benefit costs				916,419	916,419
Profit for the financial year available for discretionary division among members		-	-		-
Members' interests after profit for the year	2,692,467	-	2,692,467	1,254,627	3,947,094
Taxation provision				(3,773)	(3,773)
Drawings				(1,041,711)	(1,041,711)
Amount due to members				264,290	
Amount due from members				(55,147)	
Balance at 28 February 2011	<u>2,692,467</u>	<u>-</u>	<u>2,692,467</u>	<u>209,143</u>	<u>2,901,610</u>