

Registered number
01071033

Coopervision Lens Care Limited
Report and Financial Statements
31 October 2017



Coopervision Lens Care Limited
Report and accounts
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**Coopervision Lens Care Limited
Company Information**

Directors

K P Barrett
M S Harty
C R Kaufman
S Mathieson
M F Wilkinson
R M Cheshire
A Ricupati

Auditor

KPMG LLP, Statutory Auditor
Gateway House, Tollgate
Chandlers Ford
Hampshire
SO53 3TG

Registered office

Delta Park
Concorde Way
Segensworth North
Fareham
PO15 5RL

Registered number

01071033

Coopervision Lens Care Limited
Registered number: 01071033
Directors' Report

The Directors present their report and financial statements for the year ended 31 October 2017.

Details of the company's principal activity and future developments; its principal risks and uncertainties; and its key performance indicators can be found in the Business Review within the Strategic Report on pages 4 to 5.

Directors

The following persons served as directors during the year:

K P Barrett
M S Harty
C R Kaufman
G T Markham (Resigned 30th June 2018)
S Mathieson
M F Wilkinson
R M Cheshire (Appointed 2nd October 2017)
A Ricupati (Appointed 2nd October 2017)
N A Penfold (Resigned 2nd October 2017)
A G White III (Resigned 2nd October 2017)

Dividends

The Company declared and paid ordinary dividends totalling £12,172,146 during the year (2016: £122,915,000).

Controls environment

The Cooper Companies Inc. Group is listed on the New York Stock Exchange and is therefore required to comply with the Sarbanes Oxley Act of 2002. Section 404 of the Act requires management and the group external auditors to report on the adequacy of the group's internal control over financial reporting.

As part of this group, the company has implemented a system of internal controls designed to ensure the accuracy of the financial statements. The directors consider that this has helped to encourage an ethical culture as it sets a framework for management to be transparent, employees to be responsible for their acts and also protects whistle-blowers.

Statement of going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts. Refer to Accounting policies on page 12 for further explanation.

Coopervision Lens Care Limited
Registered number: 01071033
Directors' Report

Employees

The Company has Nil employees (2016: Nil).

Political donations

The company made no political donations or incurred any political expenditure during the period.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the board on 2 July 2018 and signed on its behalf.



R M Cheshire
Director

Coopervision Lens Care Limited Strategic Report

The Directors present their report and financial statements for the year ended 31 October 2017.

The strategic report, and contents within, form part of the Company's annual accounts for the year ended 31 October 2017.

Principal activity and future developments

The principal activity of the Company is in relation to lens care.

CooperVision Lens Care Limited is part of the CooperVision Group.

CooperVision is one of the world's largest manufacturers of contact lenses. CooperVision brings a refreshing perspective on vision care.

CooperVision has four core values:

- 1) Dedicated - We won't quit until the job is done right for people who wear our contact lenses, eye doctors who prescribe them, and ourselves.
- 2) Inventive - We continually push ourselves to improve every lens we make and every relationship we build.
- 3) Partners - Every great business is about forging relationships. We do this based on honesty, candor, trust, and respect for you.
- 4) Friendly - We're open and easily approachable.

Business Review

The total turnover for the year was £23.8m (2016: £25.0m).

The operating profit for the year was £0.7m (2016: £3.6m).

In the year the Company had a profit after tax of £8.8m (2016: £97.5m).

Excluding income from investments and profit on disposal of investments the Company had a profit after tax of £0.8m (2016: £3.7m).

At the year end the Company had net assets of £69.0m (2016: £72.4m).

During the year the Company has invested significant resource in changes to the infrastructure and improvements to the manufacturing, safety and security of the site at Mace Lane, Ashford, in order to increase sustainability and ensure it is suitable for the future needs of the business. This is reflected by the increase in Tangible assets shown in the statement of financial position on page 10. As part of this process, the directors have signed a new lease for the entire site at Mace Lane from 1st January 2017 - demonstrating the commitment to achieving growth.

During the year there was a decrease in the operating profit and margin. This was due to various reasons including the need for infrastructure improvements and investments in the manufacturing process as mentioned above, a change to our product mix and changes to our packages as to satisfy regulatory requirements. We are hoping to see margin improvements for year ended 2018.

Coopervision Lens Care Limited Strategic Report

Key performance indicators

The Directors consider the key performance indicators to be:

- Operating profit £0.7m (2016: £3.6m)
- Operating profit margin 3% (2016: 14.4%)

The decrease was due to the reasons outlined in the business review.

The Directors also consider other KPI's, such as cost per product to evaluate the year. The KPIs are in line with expectations.

Principal risks and uncertainties

As part of the CooperVision group, the risks and uncertainties that the company faces are closely linked to the risks and uncertainties faced by the ultimate parent company, The Cooper Companies Inc.

We operate in a highly competitive industry

The Company faces competition from competitors' products and may face increasing competition on pricing as demand for lens-care products continues to slow down due to the switch from Frequent Replacement to Daily Disposable contact lenses.

We believe our market positioning and the Company's strong complimentary product portfolio will enable us to carry on successfully in the lens care market.

Referendum of the United Kingdom's membership of the European Union

On 29 March 2017 the United Kingdom ('UK') triggered Article 50 in order to begin the process of leaving the European Union ('EU'). The date of exit has now been confirmed as 29 March 2019.

We do not believe the decision to leave the EU will significantly impact the CooperVision Group or its operations in the UK. We will continue to carefully review the expected impact of this going forward to ensure that negative impacts, if any, can be minimised as well as investigate any opportunities that may arise.

This report was approved by the board on 2 July 2018 and signed on its behalf.



R M Cheshire
Director

Coopervision Lens Care Limited Statement of Directors' Responsibilities

The directors are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland)

Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Independent auditor's report
to the member of Coopervision Lens Care Limited**

Opinion

We have audited the financial statements of CooperVision Lens Care Limited ("the company") for the year ended 31 October 2017 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2017 and of its profit for the year then ended
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Independent auditor's report
to the member of Coopervision Lens Care Limited**

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Derek McAllan
(Senior Statutory Auditor)
for and on behalf of
KPMG LLP, Statutory Auditor
Chartered Accountants

Gateway House, Tollgate
Chandlers Ford
Hampshire
SO53 3TG

5 July 2018

Coopervision Lens Care Limited
Statement of Comprehensive Income
for the year ended 31 October 2017

	Notes	2017 £'000	2016 £'000
Turnover	3	23,788	25,049
Cost of sales		(22,488)	(20,880)
Gross profit		<u>1,300</u>	<u>4,169</u>
Administrative expenses		(578)	(570)
Operating profit	4	<u>722</u>	<u>3,599</u>
Gain on sale of property	5	-	2,115
Income from investments		7,931	93,845
Interest receivable		17	19
Interest payable and similar charges	8	33	(1,624)
Profit on ordinary activities before taxation		<u>8,703</u>	<u>97,954</u>
Tax on profit on ordinary activities	9	75	(431)
Profit for the financial year		<u>8,778</u>	<u>97,523</u>
Other comprehensive income			
Release of non distributable reserves on sale of revalued property		-	(1,101)
Deferred tax	15	-	220
Total comprehensive income for the year		<u>8,778</u>	<u>96,642</u>

The results of the company for the period relate wholly to continuing operations.

The notes on pages 12 to 21 form part of the financial statements.

Coopervision Lens Care Limited
Statement of Financial Position
as at 31 October 2017

	Notes	2017 £'000	2016 £'000
Fixed assets			
Intangible assets	10	73	176
Tangible assets	11	1,933	1,287
Investments	12	186	186
		<u>2,192</u>	<u>1,649</u>
Current assets			
Debtors	13	73,608	72,094
Cash at bank and in hand		<u>2</u>	<u>720</u>
		73,610	72,814
Creditors: amounts falling due within one year			
	14	(6,778)	(2,045)
Net current assets		<u>66,832</u>	<u>70,769</u>
Total assets less current liabilities		<u>69,024</u>	<u>72,418</u>
Net assets		<u>69,024</u>	<u>72,418</u>
Capital and reserves			
Called up share capital	16	297	297
Share premium	17	91	91
Capital redemption reserve	17	349	349
Profit and loss account		68,287	71,681
Total equity		<u>69,024</u>	<u>72,418</u>

The notes on pages 12 to 21 form part of the financial statements.

These financial statements were approved by the board of Directors on 2 July 2018 and signed on its behalf by:


R M Cheshire
Director

Registered number

01071033

Coopervision Lens Care Limited
Statement of Changes in Equity
for the year ended 31 October 2017

	Share capital £'000	Share premium £'000	Revaluat- ion reserve £'000	Capital redemp- tion reserve £'000	Profit and loss account £'000	Total £'000
At 1 November 2015	297	91	881	349	97,073	98,691
Profit for the financial year	-	-	-	-	97,523	97,523
Disposal of property			(1,101)			(1,101)
Deferred taxation arising on the revaluation of land and buildings	-	-	220	-	-	220
Other comprehensive income for the financial year	-	-	(881)	-	-	(881)
Total comprehensive income for the financial year	-	-	(881)	-	97,523	96,642
Dividends	-	-	-	-	(122,915)	(122,915)
At 31 October 2016	297	91	-	349	71,681	72,418
At 1 November 2016	297	91	-	349	71,681	72,418
Profit for the financial year	-	-	-	-	8,778	8,778
Total comprehensive income for the financial year	-	-	-	-	8,778	8,778
Dividends	-	-	-	-	(12,172)	(12,172)
At 31 October 2017	297	91	-	349	68,287	69,024

The notes on pages 12 to 21 form part of the financial statements.

Coopervision Lens Care Limited
Notes to the Accounts
for the year ended 31 October 2017

1 Summary of significant accounting policies

Statement of compliance

CooperVision Lens Care Limited is a private company limited by shares incorporated in England. The Registered Office is Delta Park, Concorde Way, Segensworth North, Fareham, PO15 5RL, UK.

The financial statements of CooperVision Lens Care Limited were authorised for issue by the Board of Directors on 2 July 2018. The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £'000.

The Company has early adopted SI 2015/980 in relation to amendments to the Companies Act 2006 and the FRS 102 amendments.

The Company has taken exemption under S401 of the Companies Act 2006 on preparing group accounts on the grounds that the company and all of its subsidiary undertakings are included in consolidated accounts for The Cooper Companies Inc., the ultimate parent undertaking. The financial statements have been prepared for CooperVision Lens Care Limited as an individual entity only.

The Company's ultimate parent undertaking, The Cooper Companies Inc. includes the Company in its consolidated financial statements. The consolidated financial statements are prepared in accordance with US GAAP and are available to the public and can be obtained from their registered address (see note 21). In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- (a) Reconciliation of the number of shares outstanding from the beginning to end of the period;
- (b) Cash Flow Statement and related notes; and
- (c) Key Management Personnel compensation.

As the consolidated financial statements of The Cooper Companies Inc. include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- (b) The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instruments Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Coopervision Lens Care Limited
Notes to the Accounts
for the year ended 31 October 2017

1 Summary of significant accounting policies (continued)

Going concern

The financial statements have been prepared on the going concern basis.

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report.

The company is expected to continue to generate positive cash flows on its own account for the foreseeable future. The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors, having assessed the responses of the directors of the company's ultimate parent Cooper Companies Inc. to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the group to continue as a going concern or its ability to continue with the current banking arrangements.

Judgements and key sources of estimation and uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Revenue recognition

Revenue is recognised in the profit and loss account when goods or services are supplied or made available to external customers against orders received, title and risk of loss is passed to the customer, reliable estimates can be made of relevant deductions and all relevant obligations have been fulfilled, such that the earnings process is regarded as being complete. It is net of discounts and excludes VAT.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Intangible fixed assets

Intangible fixed assets are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their useful economic lives, as follows:

Patents and Trademarks	10 years
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Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	over the life of the lease
Plant and machinery	6.67-20% on cost
Fixtures, fittings, tools and equipment	14.3% on cost
Computer equipment	10-33.33% on cost

No depreciation is charged on construction in progress.

Coopervision Lens Care Limited
Notes to the Accounts
for the year ended 31 October 2017

1 Summary of significant accounting policies (continued)

Tangible fixed assets (continued)

It is the Company's policy to capitalise finance costs whilst assets are being constructed. This is calculated on a monthly basis and is based on the Company's cost of capital. Interest stops being capitalised once the asset has been commissioned. The interest is then amortised over the useful economic life of the asset.

Investments

Investments in subsidiary undertakings are stated at cost less any impairment. Investments are reviewed annually to ensure their fair value exceeds net book value. Where this is not the case they are impaired to their deemed fair value.

Research and development

Research and development is written off in the profit and loss account in the year in which it is incurred.

Debtors

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 income statement in other operating expenses.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent 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 using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Current and deferred tax assets and liabilities are not discounted.

Foreign currency translation

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Coopervision Lens Care Limited
Notes to the Accounts
for the year ended 31 October 2017

1 Summary of significant accounting policies *(continued)*

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments.

Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life.

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

2 Critical accounting estimates and judgements

Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Useful economic lives

The useful economic lives are assessed on an annual basis based on the latest available information. Management believe that the useful economic lives being used currently are still appropriate.

Operating lease commitments

The Company has entered into commercial property leases as a lessee it obtains use of property, plant and equipment. The classification of such leases as operating or finance lease requires management to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

Estimates and uncertainties

The following are the company's key sources of estimation uncertainty:

Taxation

The Company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Coopervision Lens Care Limited
Notes to the Accounts
for the year ended 31 October 2017

2 Critical accounting estimates and judgements *(continued)*
Estimates and uncertainties *(continued)*

Deferred taxation

Management estimation is required to determine the amount of deferred tax assets that can be recognised. Deferred tax assets and liabilities are recognised for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of deferred tax assets and liabilities of a change in tax rates is recognised in income in the period that includes the enactment date. In assessing the realisability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realised.

Impairment of non-financial assets

Non financial assets are reviewed for indicators of impairment annually, if these are met then the carrying value of the asset is compared with the recoverable amount. The recoverable amount is the higher of the observable market value and the value in use (based on expected future cash flows discounted to present value).

3 Analysis of turnover	2017	2016
	£'000	£'000
The development, manufacture and distribution of contact lenses and contact lens after care product	23,788	25,049
By geographical market:		
Rest of world	<u>23,788</u>	<u>25,049</u>

4 Operating profit	2017	2016
	£'000	£'000
This is stated after charging:		
Depreciation of owned fixed assets	499	772
Amortisation of goodwill	103	103
Operating lease rentals	770	676
Foreign exchange losses / (gains)	<u>(33)</u>	<u>1,624</u>

The fee for the audit of these financial statements of £9,000 (2016: £15,000) was borne by CooperVision Manufacturing Limited.

5 Exceptional items	2017	2016
	£'000	£'000
Recognised below operating profit		
Profit/(loss) on disposal of fixed assets	-	(2,115)
	<u>-</u>	<u>(2,115)</u>

During the prior year, the Twickenham property was sold for £2,856,000.

Coopervision Lens Care Limited
Notes to the Accounts
for the year ended 31 October 2017

6 Staff costs	2017	2016
	£'000	£'000
Management charges payable	<u>-</u>	<u>5,443</u>

Management charges payable to CooperVision Manufacturing Limited for the provision of administration, selling and distribution services.

7 Directors remuneration

No emoluments were paid to the directors who served during the current or prior year. These costs were borne by another group company. It is not possible to allocate a fair apportionment of these costs as services are provided to multiple entities.

8 Interest payable and similar charges	2017	2016
	£'000	£'000
Foreign exchange loss / (gain)	<u>(33)</u>	<u>1,624</u>

9 Taxation	2017	2016
	£'000	£'000

a) Analysis of charge in period

Current tax:

UK corporation tax on profits of the period

Adjustments in respect of previous periods

-	493
<u>(46)</u>	<u>(18)</u>
(46)	475

Deferred tax:

Origination and reversal of timing differences

(29)	(44)
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Tax on (loss)/profit on ordinary activities note 9(c)

<u>(75)</u>	<u>431</u>
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(b) Tax included in other comprehensive income

2017	2016
£'000	£'000

The tax credit is made up as follows:

Deferred tax:

Revaluation adjustment on disposal

-	220
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Total tax charge/(credit)

<u>-</u>	<u>220</u>
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Coopervision Lens Care Limited
Notes to the Accounts
for the year ended 31 October 2017

9 Taxation (continued)

c) Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2017	2016
	£'000	£'000
Profit on ordinary activities before tax	<u>8,703</u>	<u>97,954</u>
Standard rate of corporation tax in the UK	19.41%	20.00%
	£'000	£'000
Profit on ordinary activities multiplied by the standard rate of corporation tax	1,689	19,591
Effects of:		
Expenses not deductible for tax purposes	(177)	(137)
Income not taxable for tax purposes	(1,540)	(19,000)
Adjustments to tax charge in respect of previous periods	(47)	(23)
Total tax expense	<u>(75)</u>	<u>431</u>

d) Recent changes in tax rates in the UK

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 October 2017 has been calculated on these rates.

10 Intangible fixed assets

	£'000
	Patents and trademarks
Cost	
At 1 November 2016 and 31 October 2017	<u>606</u>
Amortisation	
At 1 November 2016	430
Provided during the year	<u>103</u>
At 31 October 2017	<u>533</u>
Carrying amount	
At 31 October 2017	<u>73</u>
At 31 October 2016	<u>176</u>

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11 Tangible fixed assets

	Leasehold improvements £'000	Plant and equipment £'000	Total £'000
Cost or valuation			
At 1 November 2016	791	6,170	6,961
Additions	48	1,157	1,205
Disposals	272	(5,177)	(4,905)
At 31 October 2017	<u>1,111</u>	<u>2,150</u>	<u>3,261</u>
Depreciation			
At 1 November 2016	523	5,151	5,674
Charge for the year	221	278	499
On disposals	(123)	(4,722)	(4,845)
At 31 October 2017	<u>621</u>	<u>707</u>	<u>1,328</u>
Carrying amount			
At 31 October 2017	<u>490</u>	<u>1,443</u>	<u>1,933</u>
At 31 October 2016	<u>268</u>	<u>1,019</u>	<u>1,287</u>

Included within fixed assets is £1,145,000 (2016: £54,000) of assets in the course of construction. These assets are not being depreciated.

12 Investments

	2017 £'000	2016 £'000
Cost at 1 November 2016 & 31 October 2017	<u>186</u>	<u>186</u>

The company has an investment in the share capital of the following companies:

Company	Country of incorporatio	% shares held	Activity
Sauflon CL Ltd	UK ⁽²⁾	100	Manufacture contact lenses
Contact Lenses (Manufacturing) Ltd	UK ⁽²⁾	100	Non trading
CooperVision CL Kft ⁽¹⁾	Hungary ⁽³⁾	100	Manufacture contact lenses
Sauflon Manufacturing Limited	UK ⁽²⁾	100	Non trading
MJS Lens (Automation) Ltd ⁽¹⁾	UK ⁽²⁾	100	Non trading
Sauflon Trustees Ltd	UK ⁽²⁾	100	Non trading
Sauflon International Ltd	UK ⁽²⁾	100	Non trading

(*1) The interest in these companies is indirectly held. CooperVision Lens Care Limited holds its interest in MJS Lens (Automation) Limited indirectly through its wholly owned subsidiary Sauflon CL Limited which holds 100% of the interest. CooperVision Lens Care Limited holds part of its interest in Sauflon CL Kft indirectly through its wholly owned subsidiary Sauflon CL Limited which holds 99.9% of the interest.

(*2) The registered office is Delta Park, Concorde Way, Segensworth North, Fareham, PO15 5RL, UK

(*3) The registered office is ProLogis Business Park 7100, Building 4., Gyál, HU-2360 Hungary

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13 Debtors	2017	2016
	£'000	£'000
Amounts owed by group undertakings and undertakings in which the company has a participating interest	71,283	70,015
Deferred tax asset (see note 15)	51	34
Prepayments and accrued income	9	3
Corporation tax	2,265	2,042
	<u>73,608</u>	<u>72,094</u>

14 Creditors: amounts falling due within one year	2017	2016
	£'000	£'000
Amounts owed to group undertakings and undertakings in which the company has a participating interest	6,477	1,453
Other taxes and social security costs	287	577
Accruals and deferred income	14	15
	<u>6,778</u>	<u>2,045</u>

15 Deferred taxation	2017	2016
	£'000	£'000
Accelerated capital allowances	<u>(51)</u>	<u>(34)</u>
	2017	2016
	£'000	£'000
At 1 November	(34)	230
Credited to the profit and loss account	(17)	(44)
Credited to other comprehensive income	-	(220)
At 31 October	<u>(51)</u>	<u>(34)</u>

16 Share capital	Nominal value	2017	2017	2016
		Number	£'000	£'000
Allotted, called up and fully paid:				
Ordinary shares	£1 each	247,501	248	248
Allotted, called up and partly paid:				
25 pence ordinary shares	£1 each	48,630	49	49
			<u>297</u>	<u>297</u>

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17 Other reserves

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Capital redemption reserve

This reserve records the nominal value of the shares repurchased by the company.

Revaluation reserve

This reserve is used to record increases in the fair value of land and buildings and decreases to the extent that such decrease relates to an increase on the same asset.

18 Dividends	2017	2016
	£'000	£'000
Equity dividends on ordinary shares	<u>12,172</u>	<u>122,915</u>

19 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

	Land and buildings 2017 £'000	Land and buildings 2016 £'000
Falling due:		
within one year	806	574
within two to five years	1,614	964
in over five years	<u>1,414</u>	<u>-</u>
	3,834	1,538

20 Related party transactions

As the Company is a wholly owned subsidiary of The Cooper Companies Inc., the Company has taken advantage of the exemption contained in FRS 102.33.1A and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

21 Controlling party

The Company's immediate parent undertaking is CooperVision (UK) Holdings Limited, incorporated in the UK. Registered office Delta Park, Concorde Way, Fareham, PO15 5RL. The ultimate controlling parent company is The Cooper Companies Inc., incorporated in USA.

The only group in which the results of the Group are consolidated is that headed by The Cooper Companies Inc. The consolidated accounts of The Cooper Companies Inc. are available to the public and may be obtained from 6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588, USA.