

**VINTEN INSTRUMENTS LIMITED**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

**Registered Number 1583934**



# VINTEN INSTRUMENTS LIMITED

## DIRECTORS' REPORT

The directors submit their report and the audited accounts for the year ended 31 December 2004.

### Principal activity

The Company provides debt finance to and receives debt finance from other companies within The Vitec Group plc.

### Results

The profit for the year transferred to reserves amounted to £1,210,005 (2003: £723,120).

The directors do not recommend the payment of a dividend (2003: nil).

### Directors

The directors of the Company in the year under review were A Hewgill, R D Peate and P R Copeland. P R Copeland resigned as a director on 17 March 2005.


The interests of R D Peate and P R Copeland in the share capital of the company's ultimate parent company at 31 December 2004 and 1 January 2004 were:

	Ordinary shares		Share options		Long Term Incentive Plan	
	31.12.2004	01.01.2004	31.12.2004	01.01.2004	31.12.2004	01.01.2004
R D Peate	1,198	1,198	28,941	28,941	40,519	35,034
	=====	=====	=====	=====	=====	=====
P R Copeland	-	-	10,000	-	-	-
	=====	=====	=====	=====	=====	=====

A Hewgill is also a director of the company's ultimate parent company. His interests in the shares of that company are shown in its accounts.

The directors had no interests in the share capital of the Company.

By order of the Board

  
J S Shepherd  
Secretary

14 June 2005

**Statement of Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the profit or loss for that year. In preparing those accounts 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 accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have a 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.

## KPMG Audit Plc

8 Salisbury Square  
London  
EC4Y 8BB  
United Kingdom

### Report of the independent auditors to the members of Vinten Instruments Limited

We have audited the financial statements on pages 4 to 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

#### Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

#### Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor

21st June 2005

# VINTEN INSTRUMENTS LIMITED

## Profit and loss account for the year ended 31 December 2004

	Notes	2004 £	2003 £
Operating expenses		(4,016)	(17,537)
Operating loss	3	<u>(4,016)</u>	<u>(17,537)</u>
Interest receivable and similar income	4	4,705,491	4,616,970
Interest payable and similar charges	5	(2,657,627)	(2,819,343)
Profit on ordinary activities before tax		<u>2,043,848</u>	<u>1,780,090</u>
Tax on ordinary activities	6	(833,843)	(1,056,970)
Retained profit for the year transferred to reserves	11	<u><u>1,210,005</u></u>	<u><u>723,120</u></u>

The profit and loss account contains all the gains and profits recognised in the year and the retained profit for the year is the only movement in shareholders' funds.

All the above results are derived from continuing activity.

The notes on pages 6 to 8 form an integral part of these accounts.

# VINTEN INSTRUMENTS LIMITED

## Balance Sheet as at 31 December 2004

	Notes	2004 £	2003 £
<b>Current assets</b>			
Debtors - amounts falling due within one year	7	6,609,948	5,657,836
Debtors - amounts due after more than one year	7	69,324,935	77,379,716
Cash at bank and in hand		1,685,938	-
<b>Creditors - amounts falling due within one year</b>	8	(20,854,932)	(18,047,630)
<b>Net current assets</b>		<u>56,765,889</u>	<u>64,989,922</u>
<b>Total assets less current liabilities</b>		<u>56,765,889</u>	<u>64,989,922</u>
<b>Creditors - amounts due after more than one year</b>	9	(75,830,083)	(85,264,121)
<b>Net liabilities</b>		<u>(19,064,194)</u>	<u>(20,274,199)</u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account	11	(19,064,294)	(20,274,299)
<b>Shareholders' funds - equity</b>	12	<u>(19,064,194)</u>	<u>(20,274,199)</u>

Approved by the Board on  
and signed on its behalf

14 June 2005

A Hewgill  
Director

The notes on pages 6 to 8 form an integral part of these accounts

# VINTEN INSTRUMENTS LIMITED

## Notes to the Accounts

### 1. Basis of presentation

The accounts have been prepared in accordance with all applicable accounting standards under the historical cost convention.

The Company is a subsidiary of The Vitec Group plc and is included in the consolidated financial statements of The Vitec Group plc, which are publicly available. Consequently the Company has taken advantage of the exemption from preparing group accounts afforded by Section 228 of the Companies Act 1985 as well as a cash flow statement under the terms of Financial Reporting Standard No 1 (Revised 1996). The Company is also exempt under the terms of the Financial Reporting Standard No 8 from disclosing related party transactions (but not balances) with entities that are part of The Vitec Group plc.

The accounts have been prepared on a going concern basis as the ultimate parent company, The Vitec Group plc, has indicated its willingness to provide the Company with such funds as maybe required to enable the Company to meet its liabilities as they fall due.

### 2. Accounting policies

**Foreign currencies:** Monetary assets and liabilities are translated at the year-end rates for the group, with the gains or losses included in the profit and loss account.

### 3. Operating loss

All directors' remuneration and audit fees are borne by the ultimate parent company.

### 4. Interest receivable and similar income

	2004	2003
	£	£
Receivable from ultimate parent company	1,764,822	1,760,000
Receivable from fellow subsidiary companies	1,865,791	1,963,143
Net exchange gains	1,074,878	893,827
	<u>4,705,491</u>	<u>4,616,970</u>
	=====	=====

### 5. Interest payable and similar charges

	2004	2003
	£	£
Payable to ultimate parent company	477,015	927,709
Payable to fellow subsidiary companies	2,180,612	1,891,634
	<u>2,657,627</u>	<u>2,819,343</u>
	=====	=====

# VINTEN INSTRUMENTS LIMITED

## Notes to the accounts

### 6. Tax on profit on ordinary activities

	2004 £	2003 £
(a) Analysis of charge in period		
UK tax on profit on ordinary activities	143	534,417
Adjustments in respect of prior periods	833,700	522,553
	<u>833,843</u>	<u>1,056,970</u>
Tax on profit on ordinary activities	<u>833,843</u>	<u>1,056,970</u>
(b) Factors affecting tax charge for period		
The tax assessed for the year is different than the standard rate of corporation tax in the UK of 30% (2003: 30%). The differences are due to:		
Profit on ordinary activities before tax	2,043,847	1,780,090
	<u>613,154</u>	<u>534,027</u>
Profit on ordinary activities times standard tax rate		
Effects of:		
Utilisation of tax losses	(122,544)	-
Adjustments to tax in respect of prior periods	833,700	522,553
Transfer pricing adjustment	(490,610)	-
Withholding tax suffered	143	390
	<u>833,843</u>	<u>1,056,970</u>
Current tax charge for the year	<u>833,843</u>	<u>1,056,970</u>

### 7. Debtors

	2004 £	2003 £
Amounts falling due within one year		
Due from fellow subsidiary companies	6,609,948	5,131,048
Corporation tax	-	526,788
	<u>6,609,948</u>	<u>5,657,836</u>
Amounts falling due after one year		
Due from fellow subsidiary companies	45,594,967	45,379,716
Amounts due from ultimate parent company	23,729,968	32,000,000
	<u>69,324,935</u>	<u>77,379,716</u>

### 8. Creditors - amounts falling due within one year

	2004 £	2003 £
Bank overdraft	-	4,239,872
Corporation tax	852,085	-
Amounts due to fellow subsidiary companies	20,002,847	13,806,210
Other creditors	-	1,548
	<u>20,854,932</u>	<u>18,047,630</u>



# VINTEN INSTRUMENTS LIMITED

## Notes to the accounts

### 9. Creditors - amounts falling due after more than one year

	2004 £	2003 £
Amount due to ultimate holding company	70,329,021	17,530,034
Amounts due to fellow subsidiary companies	5,501,062	67,734,087
	<u>75,830,083</u>	<u>85,264,121</u>

### 10. Share capital

	2004 £	2003 £
Authorised:		
Ordinary shares of £1 each	100	100
	<u>=====</u>	<u>=====</u>
Allotted, issued and fully paid :		
Ordinary shares of £1 each	100	100
	<u>=====</u>	<u>=====</u>

### 11. Profit and loss account

	2004 £	2003 £
Balance as at 1 January	(20,274,299)	(20,997,419)
Retained profit for the year	1,210,005	723,120
	<u>(19,064,294)</u>	<u>(20,274,299)</u>
Balance as at 31 December	<u>=====</u>	<u>=====</u>

### 12. Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Profit for the financial year	1,210,005	723,120
Opening shareholders' funds	(20,274,199)	(20,997,319)
	<u>(19,064,194)</u>	<u>(20,274,199)</u>
Closing shareholders' funds	<u>=====</u>	<u>=====</u>

### 13. Ultimate parent company

The company is a wholly-owned subsidiary of The Vitec Group plc, a company which is registered in England and Wales and is the ultimate parent company. Copies of the accounts of The Vitec Group plc are available from One Wheatfield Way, Kingston upon Thames, KT1 2TU.