

VINTEN INSTRUMENTS LIMITED
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006
Registered Number 1583934



VINTEN INSTRUMENTS LIMITED

DIRECTORS' REPORT

The directors present their annual report, together with the audited financial statements, for the year ended 31 December 2006

Principal activity

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

Results

The loss for the year transferred to reserves amounted to £336,838 (2005 £1,130,130) The directors do not recommend the payment of a dividend (2005 nil)

On 13 January 2006 the nominal capital of the Company was increased by £59,999,900 from £100 to £60,000,000

On 21 June 2006 the Company resolved to allot and issue to Vitec UK Finance Limited 28,328,800 ordinary shares of £1 The price of £1 each was paid in full by the assignment of the benefit of the indebtedness of £28,328,800 due by The Vitec Group plc to Vitec UK Finance Limited

On 11 October 2006 the Company resolved to allot and issue to Wheatfield Kingston Finance (UK) 24,622,074 ordinary shares of £1 The price of £1 each was paid in full by the assignment of the benefit of the indebtedness of £24,622,074 due by The Vitec Group plc to Wheatfield Kingston Finance (UK)

Directors

The directors of the Company in the year under review were A Hewgill, R D Peate and J R Copeman

The interests of R D Peate and J R Copeman in the share capital of the company's ultimate parent company at 31 December 2006 and 1 January 2006 were

	Ordinary shares		Share options		Long Term Incentive Plan	
	31 12 2006	01 01 2006	31 12 2006	01 01 2006	31 12 2006	01 01 2006
R D Peate	1,198	1,198	48,072	51,308	40,278	48,146
J R Copeman	-	-	-	-	11,123	7,000
	=====	=====	=====	=====	=====	=====

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

Auditors

The auditors, KPMG Audit Plc, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the Board

J S Milton
Secretary



2007

VINTEN INSTRUMENTS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The financial statements are required by law to 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 judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

VINTEN INSTRUMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VINTEN INSTRUMENTS LIMITED

We have audited the financial statements of Vinten Instruments Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

VINTEN INSTRUMENTS LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

KPMG Audit Plc

KPMG Audit Plc

*Chartered Accountants
Registered Auditor
London*

1 October 2007

VINTEN INSTRUMENTS LIMITED

Profit and loss account for the year ended 31 December 2006

	Notes	2006 £	2005 £
Other operating income	2	-	2,070,479
Operating expenses		(2,897)	(8,402)
Operating (loss)/profit	3	(2,897)	2,062,077
Interest receivable and similar income	4	5,064,522	3,416,391
Interest payable and similar charges	5	(5,591,044)	(7,877,624)
Loss on ordinary activities before tax		(529,419)	(2,399,156)
Tax on credit on ordinary activities	6	192,581	1,269,026
Retained loss for the year transferred to reserves	11	(336,838)	(1,130,130)

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

All the above results are derived from continuing activity

The notes on pages 7 to 10 form an integral part of these accounts

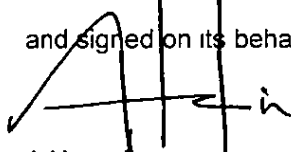
VINTEN INSTRUMENTS LIMITED

Balance Sheet as at 31 December 2006

	Notes	2006 £	2005 £
Current assets			
Debtors - amounts falling due within one year	7	165,125	9,003,582
Debtors - amounts due after more than one year	7	30,603,000	66,990,872
Cash at bank and in hand		15,038,707	-
Creditors - amounts falling due within one year	8	-	(5,013,447)
Net current assets		45,806,832	70,981,007
Total assets less current liabilities		45,806,832	70,981,007
Creditors - amounts due after more than one year	9	(13,387,120)	(91,175,331)
Net assets/(liabilities)		32,419,712	(20,194,324)
Capital and reserves			
Called up share capital	10	52,950,974	100
Profit and loss account	11	(20,531,262)	(20,194,424)
Shareholders' funds - equity	12	32,419,712	(20,194,324)

Approved by the Board on 1 October 2007

and signed on its behalf by


A Hewgill
Director

The notes on pages 7 to 10 form an integral part of these accounts

VINTEN INSTRUMENTS LIMITED

Notes to the Accounts

1. Accounting convention

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

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

The presentation requirements of the Financial Reporting Standard 25 – Financial Instruments Disclosure and Presentation ("FRS 25") have been adopted for the first time in these financial statements. The adoption of FRS 25 had no impact on these financial statements

2. Other operating income

	2006 £	2005 £
Loan waived by fellow group company	-	2,070,479
	=====	=====

3. Operating (loss)/profit

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

4. Interest receivable and similar income

	2006 £	2005 £
Other interest receivable	-	2,476
Receivable from ultimate parent company	2,307,414	1,477,978
Receivable from fellow subsidiary companies	2,066,906	1,935,937
Exchange gains	690,202	-
	=====	=====
	5,064,522	3,416,391

5. Interest payable and similar charges

	2006 £	2005 £
Payable to ultimate parent company	4,360,399	4,486,423
Payable to fellow subsidiary companies	503,653	629,604
Exchange losses	726,992	2,761,597
	=====	=====
	5,591,044	7,877,624

VINTEN INSTRUMENTS LIMITED

Notes to the accounts

6. Tax on profit on ordinary activities

	2006 £	2005 £
(a) Analysis of credit/(charge) in period		
UK tax on profit on ordinary activities	192,581 =====	1,269,026 =====
(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% (2005 30%)		
The differences are due to		
Loss on ordinary activities before tax	(529,419) =====	(2,399,156) =====
Loss on ordinary activities times standard tax rate	158,826	719,746
Effects of		
Income not taxable	-	621,144
Write off sundry tax balances	(34,212)	-
Movement in deferred tax asset in respect of losses carried forward	-	(61,667)
Group relief with no payment	-	(180,353)
Transfer pricing adjustment	67,967	170,239
Withholding tax suffered	-	(83)
Current tax credit for the year	192,581 =====	1,269,026 =====

Provision for deferred tax is not required

The deferred tax asset which has not been recognised in the accounts is made up as follows

Unutilised tax losses carried forward	2,218,150 =====	2,218,150 =====
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The proposed changes to tax legislation have been substantively enacted and therefore the unrecognised deferred tax asset at 31 December 2006 would be

Unutilised tax losses carried forward	2,070,273 =====	2,070,273 =====
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7. Debtors

	2006 £	2005 £
Amounts falling due within one year		
Due from fellow group companies	-	7,791,014
Corporation tax	165,125	1,212,568
	165,125 =====	9,003,582 =====
Amounts falling due after one year		
Due from fellow group companies	30,603,000	44,422,765
Amounts due from ultimate parent company	-	22,568,107
	30,603,000 =====	66,990,872 =====
Total Debtors	30,768,125 =====	75,994,454 =====

VINTEN INSTRUMENTS LIMITED

Notes to the accounts

8. Creditors - amounts falling due within one year

	2006 £	2005 £
Bank overdraft	-	3,850,744
Amounts due to fellow group companies	-	1,161,203
Other creditors	-	1,500
	-----	-----
	-	5,013,447
	=====	=====

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

	2006 £	2005 £
Amount due to ultimate holding company	-	70,329,020
Amounts due to fellow group companies	13,387,120	20,846,311
	-----	-----
	13,387,120	91,175,331
	=====	=====

10. Share capital

	2006 £	2005 £
Authorised		
Ordinary shares of £1 each	60,000,000	100
	=====	===
Allotted, issued and fully paid		
Ordinary shares of £1 each	52,950,974	100
	=====	===

On 13 January 2006 the nominal capital of the Company was increased by £59,999,900 from £100 to £60,000,000

On 21 June 2006 the Company resolved to allot and issue to Vitec UK Finance Limited 28,328,800 ordinary shares of £1. The price of £1 each was paid in full by the assignment of the benefit of the indebtedness of £28,328,800 due by The Vitec Group plc to Vitec UK Finance Limited

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11. Profit and loss account

	2006 £	2005 £
Balance as at 1 January	(20,194,424)	(19,064,294)
Retained loss for the year	(336,838)	(1,130,130)
	-----	-----
Balance as at 31 December	(20,531,262)	(20,194,424)
	=====	=====

VINTEN INSTRUMENTS LIMITED

Notes to the accounts

12. Reconciliation of movements in shareholders' funds

	2006 £	2005 £
Loss for the financial year	(336,838)	(1,130,130)
Share capital issued in year	52,950,874	-
	<hr/>	<hr/>
Opening shareholders' funds	52,614,036 (20,194,324)	(1,130,130) (19,064,194)
	<hr/>	<hr/>
Closing shareholders' funds	32,419,712 =====	(20,194,324) =====

13. Ultimate parent company

The company is an indirect subsidiary of The Vitec Group plc, a company which is registered in England and Wales, and which 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