

Adaptive Eyecare Limited

Abbreviated unaudited accounts

for the year ended

31st December 2006

WENN TOWNSEND

Wenn Townsend

Chartered Accountants

Oxford



Adaptive Eyecare Limited

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Adaptive Eyecare Limited

Abbreviated balance sheet as at 31st December 2006

		2005	
	Notes	£	£
Fixed assets			
Intangible assets	2	277,800	298,154
Tangible assets	2	22,516	31,173
		<u>300,316</u>	<u>329,327</u>
Current assets			
Stocks		30,000	-
Debtors		58,280	28,267
Cash at bank and in hand		1,310	3,628
		<u>89,590</u>	<u>31,895</u>
Creditors amounts falling due within one year		<u>(414,204)</u>	<u>(350,666)</u>
Net current liabilities		<u>(324,614)</u>	<u>(318,771)</u>
Total assets less current liabilities		<u>(24,298)</u>	<u>10,556</u>
Creditors amounts falling due after more than one year		<u>(713,403)</u>	<u>(713,403)</u>
Deficiency of assets		<u><u>(737,701)</u></u>	<u><u>(702,847)</u></u>
Capital and reserves			
Called up share capital	3	1,064	1,064
Share premium account		299,936	299,936
Profit and loss account		(1,038,701)	(1,003,847)
Shareholders' funds		<u><u>(737,701)</u></u>	<u><u>(702,847)</u></u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet

The notes on pages 3 to 5 form an integral part of these financial statements

Adaptive Eyecare Limited

Abbreviated balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31st December 2006**

In approving these abbreviated accounts as directors of the company we hereby confirm

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ,

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31st December 2006 and

(c) that we acknowledge our responsibilities for

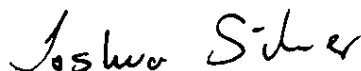
(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company

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

The abbreviated accounts were approved by the Board on 1st July 2008 and signed on its behalf by

J D Silver
Director



The notes on pages 3 to 5 form an integral part of these financial statements

Adaptive Eyecare Limited

Notes to the abbreviated financial statements for the year ended 31st December 2006

1 Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1 2 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1 3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	10% straight line
Tooling	-	10% straight line

1 4 Patents

Patents are capitalised and valued at cost of acquisition less accumulated amortisation where their value in use to the company reflects future rights of production

The patents and intellectual property rights lie with J D Silver

Patent costs are depreciated over 20 years on a straight line basis

1 5. Stock

Stock is valued at the lower of cost and net realisable value

1.6 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of the timing differences between incidence of income and expenditure for taxation and accounting purposes

1 7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date Transactions in foreign currencies are recorded at the date of the transactions All differences are taken to the profit and loss account

1 8 Research and development

Product development costs are written off to the profit and loss account in the year in which they are incurred

Adaptive Eyecare Limited

Notes to the abbreviated financial statements for the year ended 31st December 2006

continued

2.	Fixed assets	Plant and machinery £	Tooling £	Patents £	Total £
	Cost				
	At 1st January 2006	19,336	33,621	407,077	460,034
	At 31st December 2006	<u>19,336</u>	<u>33,621</u>	<u>407,077</u>	<u>460,034</u>
	Depreciation				
	At 1st January 2006	8,336	13,448	108,923	130,707
	Charge for the year	1,933	6,724	20,354	29,011
	At 31st December 2006	<u>10,269</u>	<u>20,172</u>	<u>129,277</u>	<u>159,718</u>
	Net book values				
	At 31st December 2006	<u>9,067</u>	<u>13,449</u>	<u>277,800</u>	<u>300,316</u>
	At 31st December 2005	<u>11,000</u>	<u>20,173</u>	<u>298,154</u>	<u>329,327</u>

3	Share capital	2006 £	2005 £
	Authorised		
	500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
	Allotted, called up and fully paid		
	1,064 Ordinary shares of £1 each	<u>1,064</u>	<u>1,064</u>
	Equity shares		
	1,064 Ordinary shares of £1 each	<u>1,064</u>	<u>1,064</u>

4. Related party transactions

The capital contribution of £713,403 (2005 £713,403) is from Adaptive Eyecare Inc , a company registered in the United States of America

5 Controlling interest

The ultimate controlling party is deemed to be J D Silver

Adaptive Eyecare Limited

**Notes to the abbreviated financial statements
for the year ended 31st December 2006**

continued

6	Directors' interests	2006	2005
		£	£
	At the year end, amounts were due to,		
	J D Silver	47,196	-
	M H L Wills	3,965	3,965
	Oxford Human Resource Consultants Ltd	37,624	38,119
	(a company controlled by MHL Wills)		

7 **Going concern**

The company is dependent on the support of its creditors. On the assumption that this support will continue, the accounts have been prepared on the going concern basis