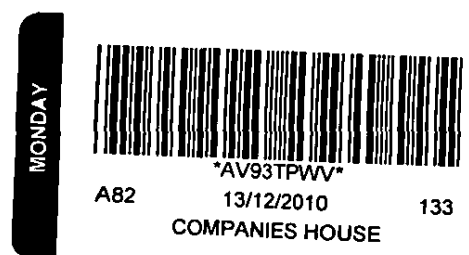


**Company Number: 04172144**

**Absolute Vision Limited**  
**Financial Statements**  
**For the year ended 31 March 2010**



Pegasus House, 463a Glossop Road, Sheffield S10 2QD Telephone (0114) 266 7141

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Notes to the Financial Statements

**Absolute Vision Limited**

**Company Information**

**Company No: 04172144**

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**Registered Office**

Egerton Street  
Sheffield  
S1 4JX

**Directors**

J J Tissiman  
N Andrew

**Auditors**

Hawsons  
Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

The Directors present their report together with the audited financial statements for the year ended 31 March 2010

**Statement of directors' responsibilities**

The Directors are responsible for preparing the Annual 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. The Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. In preparing these Financial Statements, the Directors have also elected to comply with IFRS, issued by the International Accounting Standards Board (IASB). The Financial Statements are required by law to give a true and fair view of the state of affairs 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,
- 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 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 to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Principal activity**

The principal activity of the Company continued to be the manufacturing and sales of vision equipment.

**Business Review**

We aim to present a balanced and comprehensive review of the development of our business during the period and its position at the period end. Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties that we face.

The principal business activity of Absolute Vision is sales and marketing providing customer and product support with software and product development.

During the period, due to the recession, sales decreased from £413,292 to £372,207. The business remained profitable.

Investment in research, development and innovation is a major priority for the company and despite the recession the company has continued to develop new products in the vision and traceability market. This investment has strategically positioned the company to take advantage of the economic recovery.

**Directors**

The Directors of the Company, during the year were as follows

- J J Tissiman
- N Andrew

**Statement of disclosure of information to auditors**

The Directors of the Company who held office at the date of approval of this Annual Report as set out above each confirm that

- so far as they are aware, there is no relevant audit information (information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

**Auditors**

The Auditors, Hawsons Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting

**Small company provisions**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies

Approved by the Board on *5th Oct 2010* and signed on its behalf by

J J Tissiman  
Director



We have audited the financial statements of Absolute Vision Limited for the year ended 31 March 2010 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement on page 1, the Directors 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 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 (APB'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 Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, 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 Company's affairs as at 31 March 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

**Independent Auditors' Report to the Members  
of Absolute Vision Limited (continued)**

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**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 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
- 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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime

*Hawsons*

Richard Frost  
**Senior Statutory Auditor**

for and on behalf of  
Hawsons Chartered Accountants, Statutory  
Auditor

Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

Date *15 October 2010*

## Statement of Comprehensive Income

for the year ended 31 March 2010

	Note	Year ended 31 March 2010 £	Year ended 31 March 2009 £
<b>Revenue</b>	2	372,207	413,292
Cost of sales		(133,142)	(116,498)
<b>Gross Profit</b>		239,065	296,794
Administrative expenses		(200,262)	(217,731)
<b>Profit/(Loss) from operations</b>	3	38,803	79,063
Finance costs	5	(5,136)	(7,849)
<b>Profit before tax</b>		33,667	71,214
Taxation	6	35,880	(15,000)
<b>Profit for the year</b>		69,547	56,214
<b>Total comprehensive income for the year</b>		69,547	56,214
Profit attributable to equity holders of the company		69,547	56,214
Total comprehensive income attributable to equity holders of the company		69,547	56,214

The notes on pages 9 to 18 form part of these financial statements



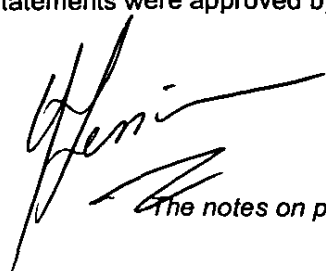
**Statement of Financial Position**

**as at 31 March 2010**

<b>Non-current assets</b>	<b>Note</b>	<b>31 March 2010 £</b>	<b>31 March 2009 £</b>
Property, plant and equipment	7	-	-
		-	-
<b>Current assets</b>			
Inventories	8	21,259	15,588
Trade and other receivables	9	126,697	165,193
Cash and cash equivalents	10	13,778	-
		161,734	180,781
<b>Total assets</b>		161,734	180,781
<b>Current liabilities</b>			
Trade and other payables	12	41,304	43,401
Current tax payable		-	15,000
Borrowings	10	-	68,063
		41,304	126,464
<b>Non-current liabilities</b>			
Other non-current liabilities	14	80,247	83,681
		80,247	83,681
<b>Total liabilities</b>		121,551	210,145
<b>Net assets/(liabilities)</b>		40,183	(29,364)
<b>Equity</b>			
Share capital	15	100	100
Retained earnings	16	40,083	(29,464)
<b>Total equity</b>		40,183	(29,364)

The Financial Statements were approved by the board of directors on *5/11 Oct 10* and were signed on its behalf by

J J Tissiman  
Director



*The notes on pages 9 to 18 form part of these financial statements*

**Absolute Vision Limited****Statement of Cash Flows****for the year ended 31 March 2010**

	Note	Year ended 31 March 2010 £	Year ended 31 March 2009 £
Profit from operations		38,803	79,063
Depreciation on property, plant and equipment		-	13
Operating cash flows before movements in working capital		38,803	79,076
(Increase)/decrease in inventories		(5,671)	(2,664)
Decrease/(increase) in receivables		41,586	(83,732)
(Decrease)/increase in payables		(5,531)	7,419
Cash increase from operations		69,187	99
Taxation received		17,790	-
Interest paid		(5,136)	(7,849)
<b>Net cash flows from operating activities</b>		<b>81,841</b>	<b>(7,750)</b>
<b>Investing activities</b>			
Interest received		-	-
Sale of intellectual property, plant and equipment		-	-
<b>Net cash from investing activities</b>		<b>-</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents		81,841	(7,750)
<b>Cash and cash equivalents at 1 April 2009</b>	11	<b>(68,063)</b>	<b>(60,313)</b>
<b>Cash and cash equivalents at 31 March 2010</b>	11	<b>13,778</b>	<b>(68,063)</b>

*The notes on pages 9 to 18 form part of these financial statements*

**Absolute Vision Limited****Statement of Changes in Equity  
for the year ended 31 March 2010**

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	<b>Share Capital £</b>	<b>Retained Earnings £</b>	<b>Total Equity £</b>
At 31 March 2008	100	(85,678)	(85,578)
Profit for the year	<u>-</u>	<u>56,214</u>	<u>56,214</u>
At 31 March 2009	100	(29,464)	(29,364)
Profit for the year	<u>-</u>	<u>69,547</u>	<u>69,547</u>
<b>At 31 March 2009</b>	<u>100</u>	<u>40,083</u>	<u>40,183</u>

*The notes on pages 9 to 18 form part of these financial statements*

**1 Significant Accounting Policies*****Basis of Accounting***

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRSs)

The Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value

***Going concern***

These Financial Statements have been prepared on a going concern basis as the Holding Company, Edward Pryor and Son Limited, has agreed to provide financial and other support to the Company for the foreseeable future

***Revenue Recognition***

Revenue represents amounts invoiced, net of value added tax, in respect of the sale of goods and services to customers

***Leasing***

Rentals payable in respect of operating leases are charged to income on a straight-line basis over the term of the lease

***Plant and Equipment***

Plant and equipment is stated at cost, less accumulated depreciation and any recognised impairment loss

The cost of plant and equipment is their purchase cost, together with any incidental expenses of acquisition

Depreciation is calculated to write down the cost, less estimated residual values, of all tangible fixed assets, over their estimated economic lives. The rates generally applicable are

Plant and machinery	33% straight line
Fixtures and fittings	33% straight line

***Research and development expenditure***

Expenditure on new product research carried out by the Company is written off on an accruals basis to the Income Statement

Expenditure on major project development is capitalised at cost and the expenditure is amortised over the product life, starting when the project begins to generate income for the Company. The amortisation is based on the Director's estimate of initial unit sales to be generated

***Inventories***

Inventories are stated at the lower of cost and net realisable value, after due regard for obsolete, slow moving and defective stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

**1 Significant Accounting Policies – cont'd.**

***Trade receivables***

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts

***Bank borrowings***

Interest bearing bank overdrafts are recorded at the proceeds received. Finance charges are taken to the Income Statement, analysed between interest and charges, in the period that they are incurred

***Trade payables***

Trade payables are non interest-bearing and are stated at their nominal value

***Taxation***

Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantially enacted at the balance sheet date. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible

Deferred tax is provided using the Statement of Financial Position liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. The Company has not adopted a policy of discounting deferred tax assets and liabilities

**2 Revenue**

The revenue and profit before tax is wholly attributable to the principal activities of the Company

Revenue relates wholly to the sale of goods and services

The geographical analysis of revenue is as follows

	Year ended 31 March 2010 £	Year ended 31 March 2009 £
United Kingdom	351,207	389,392
Rest of Europe	21,000	19,900
Rest of the World	-	4,000
	<u>372,207</u>	<u>413,292</u>

## Notes to the Financial Statements

for the year ended 31 March 2010

<b>3 Profit from operations</b>	<b>Year ended 31 March 2010 £</b>	<b>Year ended 31 March 2009 £</b>
<b>Profit from operations has been arrived at after charging / (crediting) :</b>		
Amounts payable to the auditors in respect of audit services	1,800	2,000
Depreciation of property, plant and equipment	-	13
Cost of inventories recognised as an expense	129,632	114,531
Staff costs (note 4)	104,452	115,598
	<hr/>	<hr/>
<b>4 Staff costs</b>	<b>Year ended 31 March 2010 £</b>	<b>Year ended 31 March 2009 £</b>
Staff costs during the year were as follows		
Wages and salaries	92,577	104,581
Social security costs	11,875	11,017
	<hr/>	<hr/>
	104,452	115,598
	<hr/>	<hr/>
	<b>2010 Number</b>	<b>2009 Number</b>
The average monthly number of employees during the year was as follows		
Selling and Distribution	2	2
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>
<b>5 Finance costs</b>	<b>Year ended 31 March 2010 £</b>	<b>Year ended 31 March 2009 £</b>
Interest on group loans	5,136	4,407
Bank overdraft interest	-	3,442
	<hr/>	<hr/>
	5,136	7,849
	<hr/>	<hr/>

**Absolute Vision Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 March 2010**

**6 Taxation**

	<b>Year ended 31 March 2010 £</b>	<b>Year ended 31 March 2009 £</b>
<b>Current tax</b>		
UK Corporation tax	(3,090)	15,000
Prior year adjustment	(32,790)	-
	<u>(35,880)</u>	<u>15,000</u>
 <b>Reconciliation of tax charge</b>		
	<b>Year ended 31 March 2010 £</b>	<b>Year ended 31 March 2009 £</b>
Profit before tax	<u>33,667</u>	<u>71,214</u>
Tax at the UK corporation tax rate of 21% (2009 21%)	7,070	14,955
<i>Effects of</i>		
Amounts not deductible for tax purposes	89	-
Depreciation in excess of capital allowances	(105)	(128)
Allowable deductions	(11,689)	-
Prior year adjustment	(32,790)	-
Marginal rate change on losses surrendered	1,545	-
Corporation tax buffer	-	173
	<u>(35,880)</u>	<u>15,000</u>

**Absolute Vision Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 March 2010**

**7 Plant and Equipment**

	Fixtures and Fittings £	Total £
<b>Cost</b>		
At 31 March 2008 and 31 March 2009	16,332	16,332
Disposals	(16,332)	(16,332)
At 31 March 2010	-	-
<b>Accumulated Depreciation and Impairment</b>		
At 31 March 2008	16,319	16,319
Charge for the year	13	13
Eliminated on disposals	-	-
At 31 March 2009	16,332	16,332
Eliminated on disposals	(16,332)	(16,332)
At 31 March 2010	-	-
<b>Carrying amounts</b>		
At 31 March 2010	-	-
At 31 March 2009	-	-

**8 Inventories**

	2010 £	2009 £
Raw materials	19,085	14,976
Finished goods	2,174	612
	21,259	15,588



9	Trade and other receivables	2010 £	2009 £
	Trade receivables	123,264	164,498
	Corporation tax recoverable	3,090	-
	Prepayments and accrued income	343	695
		<u>126,697</u>	<u>165,193</u>

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value

10	Cash and cash equivalents	2010 £	2009 £
	Bank balances and cash in hand	13,778	-
	Cash and cash equivalents	13,778	-
	Bank overdrafts	-	(68,063)
	Cash and cash equivalents in the statement of cash flows	<u>13,778</u>	<u>(68,063)</u>

#### 11 Credit risk

The Company's principal financial assets are bank balances and cash, and trade and other receivables which represent the Company's maximum exposure to credit risk in relation to financial assets

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented on the Statement of Financial Position are net of allowances for doubtful receivables, estimated by the Company's management, based upon prior experience and their assessment of the current economic environment.

The credit risk on liquid funds is limited. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

12	Trade and other payables - current	2010 £	2009 £
	Trade payables	6,149	6,189
	Other tax and social security payable	13,407	12,806
	Accruals and deferred income	21,748	24,406
		<u>41,304</u>	<u>43,401</u>

The Directors consider that the carrying amount of trade and other payables approximates to their fair value

**Absolute Vision Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 March 2010**

<b>13</b>	<b>Borrowings</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Bank overdraft	<u>-</u>	<u>68,063</u>

The bank overdraft is secured by a mortgage debenture. The bank overdraft interest is at a floating rate thus exposing the Company to cashflow interest rate risk.

There are cross guarantees between the Company and Edward Pryor & Son Limited guaranteeing all amounts due to the National Westminster Bank plc.

<b>14</b>	<b>Other non-current liabilities</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Amounts due to group undertakings	<u>80,247</u>	<u>83,681</u>

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

<b>15</b>	<b>Share capital</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
	<b>Allotted, called up and fully paid</b>		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

<b>16</b>	<b>Retained Earnings</b>	<b>£</b>
	At 31 March 2008	(85,678)
	Profit for the year	<u>56,214</u>
	At 31 March 2009	(29,464)
	Profit for the year	<u>69,547</u>
	At 31 March 2010	<u>40,083</u>

**17 Operating Lease Arrangements**

At the balance sheet date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows

	2010 £ Land and buildings	2009 £ Land and buildings
Within one year	-	-
Two to five years	-	-
	<u>-</u>	<u>-</u>

Operating lease payments represent rentals payable by the Company for certain of its depots, motor cars and processing and other equipment. Rentals are fixed over the term of the lease, which varies from lease to lease.

	2010 £	2009 £
Operating lease payments recognised in the Statement of Comprehensive Income for the year	-	-
Other lease rentals	<u>-</u>	<u>3,308</u>

**18 Related Party Transactions**

**Ultimate parent undertaking**

The Company's immediate and ultimate Parent Company and immediate controlling party is Edward Pryor and Son Limited, a Company registered in England and Wales. Consolidated Group accounts are drawn up by Edward Pryor and Son Limited, a copy of these accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The Company's ultimate controlling party is the R and K Pryor Charitable Trust.

A composite cross guarantee has been given to the bank between the Company and Edward Pryor & Son Limited.

**Transactions with related parties**

During the year the Company entered into the following transactions with related parties:

	<b>2010</b> <b>£</b>	<b>2009</b> <b>£</b>
<b>Sales of goods to related parties:</b>		
Associates	-	-
Parent undertaking	60,184	84,604
	<u>60,184</u>	<u>84,604</u>
 <b>Purchase of goods from related parties:</b>	 <b>2010</b> <b>£</b>	 <b>2009</b> <b>£</b>
Parent undertaking	94,746	65,604
	<u>94,746</u>	<u>65,604</u>
 <b>Staff expenses recharged from related parties:</b>	 <b>2010</b> <b>£</b>	 <b>2009</b> <b>£</b>
Parent undertaking	9,138	6,138
	<u>9,138</u>	<u>6,138</u>
 <b>Interest paid to related parties:</b>	 <b>2010</b> <b>£</b>	 <b>2009</b> <b>£</b>
Parent undertaking	5,136	4,407
	<u>5,136</u>	<u>4,407</u>

**18 Related Party Transactions – contd.**

Year end balances with related parties are as follows

<b>Loans due to related parties:</b>	<b>2010 £</b>	<b>2009 £</b>
Parent undertaking	<u>80,247</u>	<u>83,681</u>

Transactions with related parties are priced on an arm's length basis. Loans from Group undertakings are repayable on demand. Interest is charged on outstanding loans at a rate of 0.5% on the outstanding balance at the end of each month. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.