

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
FOR
PROCESS VISION LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

	Page
Company Information	1
Balance Sheet	2
Statement of Changes in Equity	4
Notes to the Financial Statements	5

PROCESS VISION LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2020**

DIRECTORS:

P G A Stockwell
J W T Fisher
S J Foale

SECRETARY:

S J Foale

REGISTERED OFFICE:

5 Beechwood
Lime Tree Way
Chineham Park
Basingstoke
Hampshire
RG24 8WA

REGISTERED NUMBER:

10223848 (England and Wales)

ACCOUNTANTS:

Haines Watts
Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

BALANCE SHEET
31 MARCH 2020

		2020		2019 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	4		1,283,085		855,607
Tangible assets	5		66,740		37,153
Investments	6		7,218		7,218
			1,357,043		899,978
CURRENT ASSETS					
Debtors	7	136,362		178,563	
Cash at bank		-		3,463	
		136,362		182,026	
CREDITORS					
Amounts falling due within one year	8	1,291,051		805,679	
NET CURRENT LIABILITIES			(1,154,689)		(623,653)
TOTAL ASSETS LESS CURRENT LIABILITIES			202,354		276,325
CREDITORS					
Amounts falling due after more than one year	9		34,478		-
NET ASSETS			167,876		276,325
CAPITAL AND RESERVES					
Called up share capital	12		17,787		16,459
Share premium			1,815,478		1,432,592
Retained earnings			(1,665,389)		(1,172,726)
SHAREHOLDERS' FUNDS			167,876		276,325

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

BALANCE SHEET - continued
31 MARCH 2020

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 25 June 2020 and were signed on its behalf by:

P G A Stockwell - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2018	13,921	(396,235)	707,928	325,614
Prior year adjustment	-	34,343	-	34,343
As restated	13,921	(361,892)	707,928	359,957
Changes in equity				
Issue of share capital	2,538	-	724,664	727,202
Total comprehensive income	-	(729,212)	-	(729,212)
Balance at 31 March 2019	16,459	(1,091,104)	1,432,592	357,947
Prior year adjustment	-	(81,622)	-	(81,622)
As restated	16,459	(1,172,726)	1,432,592	276,325
Changes in equity				
Issue of share capital	1,328	-	382,886	384,214
Total comprehensive income	-	(492,663)	-	(492,663)
Balance at 31 March 2020	17,787	(1,665,389)	1,815,478	167,876

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. STATUTORY INFORMATION

Process Vision Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Subsequent to initial recognition, intangible assets are stated at cost less any accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful lives. The carrying value of the intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Development cost - 10 years

Patents - 10 years

Amortisation of the assets will begin when development is complete and the assets are available for use.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operation the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements - 20% Straight line basis

Plant and machinery - 20% Straight line basis

Fixtures and fittings - 20% Straight line basis

Office equipment - 25% Straight line basis

Development test rig - 20% Straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or there is an indication of significant change since the last reporting date.

Government grants

Grants of a revenue nature are recognised in the profit and loss in the same period as the related expenditure.

Grants relating to capital expenditure are deferred and recognised as a separate liability.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The Company's cash at bank and in hand, other debtors, trade and other creditors, amounts owed to group undertakings and accruals are measured initially at the transaction price, including transaction cost, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Research and development

Research costs are expensed as incurred. Development expenditure on an individual project is recognised as an intangible asset when the Company can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset;
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Foreign currencies

Foreign currency transactions are translated at rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to profit or loss.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

Share based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as expense over the vesting periods, which end on the date on which the relevant employees become fully entitled to the award. In the absence of an independent valuation, fair value is determined based on recent transactions regarding the sale of shares in the company to independent third party investors.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and the number of equity instruments that will ultimately vest, or in the case of an instrument subject to a market condition be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in profit or loss, with a corresponding entry in equity.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Directors have tested their cash flow analysis to take into account the impact on their business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 9 (2019 - 7) .

4. INTANGIBLE FIXED ASSETS

	Patents and licences £	Development costs £	Totals £
COST			
At 1 April 2019	184,873	765,089	949,962
Additions	55,698	371,780	427,478
At 31 March 2020	<u>240,571</u>	<u>1,136,869</u>	<u>1,377,440</u>
AMORTISATION			
At 1 April 2019 and 31 March 2020	-	94,355	94,355
NET BOOK VALUE			
At 31 March 2020	<u>240,571</u>	<u>1,042,514</u>	<u>1,283,085</u>
At 31 March 2019	<u>184,873</u>	<u>670,734</u>	<u>855,607</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

5. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2019	4,668	1,000	4,000
Additions	-	49,254	-
At 31 March 2020	<u>4,668</u>	<u>50,254</u>	<u>4,000</u>
DEPRECIATION			
At 1 April 2019	934	400	1,600
Charge for year	933	6,767	800
At 31 March 2020	<u>1,867</u>	<u>7,167</u>	<u>2,400</u>
NET BOOK VALUE			
At 31 March 2020	<u>2,801</u>	<u>43,087</u>	<u>1,600</u>
At 31 March 2019	<u>3,734</u>	<u>600</u>	<u>2,400</u>

	Development testing rig £	Office equipment £	Totals £
COST			
At 1 April 2019	22,000	30,018	61,686
Additions	-	984	50,238
At 31 March 2020	<u>22,000</u>	<u>31,002</u>	<u>111,924</u>
DEPRECIATION			
At 1 April 2019	8,800	12,799	24,533
Charge for year	4,400	7,751	20,651
At 31 March 2020	<u>13,200</u>	<u>20,550</u>	<u>45,184</u>
NET BOOK VALUE			
At 31 March 2020	<u>8,800</u>	<u>10,452</u>	<u>66,740</u>
At 31 March 2019	<u>13,200</u>	<u>17,219</u>	<u>37,153</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

6. FIXED ASSET INVESTMENTS

COSTAt 1 April 2019
and 31 March 2020Shares in
group
undertakings
£7,218**NET BOOK VALUE**

At 31 March 2020

7,218

At 31 March 2019

7,218

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	as	2019 restated
	£		£
Trade debtors	1,207		-
Other debtors	36,157		62,225
Tax	64,998		67,619
VAT	10,440		28,051
Prepayments and accrued income	23,560		20,668
	<u>136,362</u>		<u>178,563</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	as	2019 restated
	£		£
Bank loans and overdrafts	59,750		-
Hire purchase contracts (see note 10)	9,851		-
Trade creditors	122,832		159,458
Social security and other taxes	8,219		17,961
Other creditors	97,311		109,131
Loans from directors	273,925		68,925
Accruals and deferred income	131,906		78,984
USA accrued costs	128,039		136,576
Deferred government grants	459,218		234,644
	<u>1,291,051</u>		<u>805,679</u>

Subsequent to the year-end the amount due to P G A Stockwell of £23,925 was converted into additional share capital.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	as	2019 restated
	£		£
Hire purchase contracts (see note 10)	<u>34,478</u>		<u>-</u>

10. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase 2020	as	contracts 2019 restated
	£		£
Net obligations repayable:			
Within one year	9,851		-
Between one and five years	<u>34,478</u>		<u>-</u>
	<u>44,329</u>		<u>-</u>

	Non-cancellable 2020	as	operating leases 2019 restated
	£		£
Within one year	82,225		71,330
Between one and five years	<u>165,592</u>		<u>247,817</u>
	<u>247,817</u>		<u>319,147</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2020	as	2019 restated
	£		£
Hire purchase contracts	<u>44,329</u>		<u>-</u>

Hire purchase amounts due are secured against the underlying assets.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020
12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020	2019 as restated
Number:	Class:			
			£	£
1,778,718	Ordinary	£0.01	<u>17,787</u>	<u>16,459</u>

13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At the year-end loans owed to P G A Stockwell totalled £23,925 (2019: £18,925) and are included within creditors. There were no terms and conditions attached to amounts owed to P G A Stockwell.

At the year-end loans owed to J W T Fisher totalled £250,000 (2019: £50,000). Interest payable by the company to J W T Fisher in respect of the loan balance during the year totalled £27,500 (2019: £1,000). At the year-end interest due to J W T Fisher, in addition to the above totalled £28,500 (2019: £1,000). Interest is charged at 1% per month.

At the year-end £75,000 (2019: £100,000) of creditors were personally guaranteed by P G A Stockwell. Interest has been accrued on the above balance.

14. POST BALANCE SHEET EVENTS

Subsequent to the year end the company has issued a further 217,019 Ordinary shares of £0.01 for £2 each, with total consideration of £434,038.

15. SHARE-BASED PAYMENTS

The company operates and unapproved equity-settled share based payment remuneration scheme.

At the year-end 47,288 share options had been granted, of which 14,022 related to options granted to two directors.

The directors have considered the impact of the share based payment charge and do not consider this to be material to the current year's financial statements.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.