

Process Vision Limited

Report and Unaudited

Financial Statements

Year Ended

31 March 2018

Company Number 10223848

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Process Vision Limited

Company Information

Directors	P G A Stockwell J W T Fisher
Company secretary	S J Foale
Registered number	10223848
Registered office	5 Beechwood Lime Tree Way Chineham Park Basingstoke Hampshire RG24 8WA

Process Vision Limited

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Process Vision Limited

Directors' Report For the Year Ended 31 March 2018

The directors present their report together with the unaudited financial statements of Process Vision Limited ("the company") for the year ended 31 March 2018.

Principal activity

The principal activity of the company is that of research and development, engineering and industrial services for the oil and gas industry.

Director

The directors who served during the year and up to the date of the signature of this report were:

P G A Stockwell
J W T Fisher (appointed 27 April 2018)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the unaudited 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they 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:

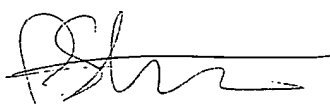
- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



P G A Stockwell
Director

Date: 17th August 2018

Process Vision Limited

Chartered Accountants' Report to the Board of Directors on the Unaudited Financial Statements of Process Vision Limited

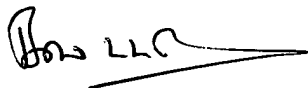
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Process Vision Limited for the year ended 31 March 2018 which comprise the profit and loss account, statement of comprehensive income, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practicing member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the board of directors of Process Vision Limited, as a body, in accordance with the terms of our engagement letter dated 15 June 2018. Our work has been undertaken solely to prepare for your approval the accounts of Process Vision Limited and state those matters that we have agreed to state to the board of directors of Process Vision Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Process Vision Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Process Vision Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Process Vision Limited. You consider that Process Vision Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Process Vision Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



BDO LLP
Chartered Accountants
Reading
United Kingdom

Date: 21 August 2018,

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Process Vision Limited

Statement of Comprehensive Income For the Year Ended 31 March 2018

		Year ended 31 March 2018 £	Period 9 June 2016 to 31 March 2017 £
	Note		
Administrative expenses		(309,546)	(124,167)
Operating loss		(309,546)	(124,167)
Interest payable and similar charges		(44,731)	-
Loss before taxation		(354,277)	(124,167)
Taxation on loss	6	82,209	-
Loss for the financial year/period and total comprehensive expense		(272,068)	(124,167)

All amounts relate to continuing activities.

The notes on pages 7 to 15 form part of these financial statements.

Process Vision Limited
Registered number: 10223848

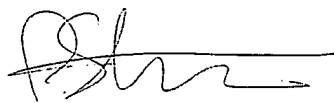
Balance Sheet
As at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	7	387,202	115,040
Tangible assets	8	37,484	47,000
		<u>424,686</u>	<u>162,040</u>
Current assets			
Stocks	9	-	18,000
Debtors: amounts falling due within one year	10	88,410	76,617
Cash at bank and in hand		33,139	117,130
		<u>121,549</u>	<u>211,747</u>
Creditors: amounts falling due within one year	11	(220,621)	(201,504)
Net current (liabilities)/assets		<u>(99,072)</u>	<u>10,243</u>
Total assets less current liabilities		<u>325,614</u>	<u>172,283</u>
Total net assets		<u><u>325,614</u></u>	<u><u>172,283</u></u>
Capital and reserves			
Called up share capital	12	13,921	12,229
Share premium account	13	707,928	284,221
Profit and loss account	13	(396,235)	(124,167)
Shareholders' funds		<u><u>325,614</u></u>	<u><u>172,283</u></u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



P G A Stockwell
Director

Date: 17th August 2018

The notes on pages 7 to 15 form part of these financial statements.

Process Vision Limited

Statement of Changes in Equity For the Year Ended 31 March 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2017	12,229	284,221	(124,167)	172,283
Comprehensive income for the year				
Loss for the year	-	-	(272,068)	(272,068)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(272,068)	(272,068)
Shares issued during the year	1,692	423,707	-	425,399
Total transactions with owners	1,692	423,707	-	425,399
At 31 March 2018	13,921	707,928	(396,235)	325,614

The notes on pages 7 to 15 form part of these financial statements.

Process Vision Limited

Statement of Changes in Equity For the Period Ended 31 March 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 9 June 2016	12,229	284,221	-	296,450
Comprehensive loss for the period				
Loss for the period	-	-	(124,167)	(124,167)
Other comprehensive loss for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(124,167)	(124,167)
Total transactions with owners	-	-	-	-
At 31 March 2017	12,229	284,221	(124,167)	172,283

The notes on pages 7 to 15 form part of these financial statements.

Process Vision Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

1. General information

Process Vision Limited is a private company limited by shares, incorporated and domiciled in England and Wales under the Companies Act 2006. The address of the registered office and the company number is given on the company information page.

2. Accounting policies

Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also required management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

Going concern

The financial statements have been prepared on a going concern basis. The company made a loss of £272,068 for the year ended 31 March 2018 (period ended 31 March 2017: £124,167) and had net current liabilities of £99,072 (2017: net current assets £10,243).

The company is supported by its shareholders who confirm that they will continue to support the company for a period of at least 12 months from the date of approval of these financial statements.

As a result of the above, the directors are of opinion that the company has adequate resources to continue in operational existence for the foreseeable future, a period of at least 12 months from the date of approving these financial statements.

On this basis, they consider that it is appropriate to prepared the financial statements on the going concern basis.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to profit or loss in the year in which they became payable.

Taxation

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Foreign currency

Foreign currency transactions are translated at the 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.

Process Vision Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

2. Accounting policies (continued)

Research and development

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the company can demonstrate:

- 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 and intention 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.

Intangible assets

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of 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 costs	-	10 years
Patents	-	10 years

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

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 operating in 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:

Plant and machinery	-	20% Straight line basis
Fixtures and fittings	-	20% Straight line basis
Office equipment	-	20% 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 if there is an indication of a significant change since the last reporting date.

Process Vision Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

2. Accounting policies (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs of disposal.

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 and accruals are measured initially at the transaction price, including transaction costs, 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.

2.1 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for turnover and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

In preparing these financial statements, the director has made the following judgements:

- Determine whether there are indicators of impairment of the company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit

Other key sources of estimation of uncertainty:

- Tangible fixed assets (see note 8)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Process Vision Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

4. Employees

The average monthly number of employees, including directors, during the year was 5 (period ended 31 March 2017: 1).

5. Interest payable and similar expenses

	2018 £	2017 £
Bank interest payable	24,731	-
Other interest payable	20,000	-
	<u>44,731</u>	<u>-</u>

6. Taxation on loss

	Year ended 31 March 2018 £	Period 9 June 2016 to 31 March 2017 £
Corporation tax		
Current tax on profits for the year	(82,209)	-
	<u>(82,209)</u>	<u>-</u>
Total current tax	<u>(82,209)</u>	<u>-</u>

Process Vision Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

6. Taxation on loss (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017: higher than) the standard rate of corporation tax in the UK of 19.50% (2017: 19.50%). The differences are explained below:

	Year ended 31 March 2018 £	Period 9 June 2016 to 30 June 2017 £
Loss on ordinary activities before tax	(354,277)	(124,167)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2017 - 19.50%)	(67,313)	(24,213)
Effects of:		
Additional deduction for R & D Expenditure	(60,886)	-
Surrender of tax losses for R&D tax credit refund	25,513	-
R&D expenditure credits	291	-
Adjust closing deferred tax to average rate of 19%	556	-
Adjust opening deferred tax to average rate of 19%	1,705	-
Deferred tax not recognised	17,926	24,213
Other differences leading to an increase (decrease) in the tax charge	(1)	-
Total tax charge for the year	(82,209)	-

Factors that may affect future tax charges

The tax rate for the current year is lower than the prior period due to changes in the UK corporation tax rate which decreased from 20% to 19% effective 1 April 2017.

The effects of changes to the corporation tax rates substantively enacted as part of the Finance Act 2016 which was enacted on 15 September 2016 made a further reduction of UK corporation tax to 17% effective 1 April 2020. Deferred taxes at the reporting date have been measured using these substantively enacted tax rates and reflected in these financial statements.

There were no other factors that may affect future tax charges.

Process Vision Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

7. Intangible assets

	Patents £	Develop- ment costs £	Total £
Cost			
At 1 April 2017	15,040	194,355	209,395
Additions	30,128	242,034	272,162
Transfers	90,000	(90,000)	-
At 31 March 2018	<u>135,168</u>	<u>346,389</u>	<u>481,557</u>
Amortisation			
At 1 April 2017	-	94,355	94,355
At 31 March 2018	<u>-</u>	<u>94,355</u>	<u>94,355</u>
Net book value			
At 31 March 2018	<u>135,168</u>	<u>252,034</u>	<u>387,202</u>
At 31 March 2017	<u>15,040</u>	<u>100,000</u>	<u>115,040</u>

An impairment review has been carried out by the directors. The directors are of the opinion that the carrying value of the above intangible assets do not need to be impaired at the year ended 31 March 2018 (period ended 31 March 2017: impairment charge of £94,355).

Process Vision Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

8. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Develop- ment Test Rig and associated tooling £	Total £
Cost or valuation					
At 1 April 2017	1,000	4,000	20,000	22,000	47,000
Additions	-	-	1,179	-	1,179
At 31 March 2018	1,000	4,000	21,179	22,000	48,179
Depreciation					
Charge for the year	200	800	5,295	4,400	10,695
At 31 March 2018	200	800	5,295	4,400	10,695
Net book value					
At 31 March 2018	800	3,200	15,884	17,600	37,484
At 31 March 2017	1,000	4,000	20,000	22,000	47,000

9. Stocks

	2018 £	2017 £
Stock	-	18,000
	-	18,000

10. Debtors: amounts falling due within one year

	2018 £	2017 £
Other debtors	88,410	66,242
Prepayments	-	10,375
	88,410	76,617

Process Vision Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

11. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	23,660	12,202
Other creditors	187,171	174,302
Accruals	9,790	15,000
	<u>220,621</u>	<u>201,504</u>

Included within other creditors are short term loan facilities of £300,000 (2017: £Nil) on which is interest is payable at the rate of 1.75% per month. The loans are repayable within twelve months.

12. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1,392,079 (2017:1,222,900) Ordinary shares of £0.01 each	<u>13,921</u>	<u>12,229</u>

The company has one class of Ordinary share which carries no right to fixed income.

On 30 June 2017 the company issued 10,001 Ordinary shares with an aggregate nominal value of £100.01 were issued at £3.00 each.

On 31 July 2017 the company issued 37,110 Ordinary shares with an aggregate nominal value of £371.10 were issued at £1.50 each.

On 24 August 2017 the company issued 7,613 Ordinary shares with an aggregate nominal value of £76.13 were issued at £2.40 each.

On 29 December 2017 the company issued 94,170 Ordinary shares with an aggregate nominal value of £941.70 were issued at £3.00 each.

On 31 March 2018 the company issued 20,333 Ordinary shares with an aggregate nominal value of £203.33 were issued at £3.00 each.

Since the year end the company has issued a further 112,784 new ordinary shares of 1p each, raising an additional £338,352.

Process Vision Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

13. Capital and reserves

The company's capital and reserves is as follows:

Share capital

Called up share capital reserve represents the nominal value of the shares issued.

Share premium account

This reserve records the amount above the nominal value received for shares issued.

Profit and loss account

Profit and loss account represents cumulated profits or losses, net of dividends paid and other adjustments.

14. Post balance sheet events

Process Vision Inc, a wholly owned subsidiary of process vision limited was incorporated on 18 March 2018.

On 27 April 2018, the company acquired the entire share capital of Tomahawk Well Services LLP.

15. Related party transactions

The company is related to International Moisture Analysers Limited by virtue of common control under PGA Stockwell who is a director and beneficial shareholder of both companies.

The total remuneration paid to PGA Stockwell for services as director to the company was £28,703 (2017:£Nil)