

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
PROCESS VISION LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4

PROCESS VISION LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023**

DIRECTORS:

P G A Stockwell
J W T Fisher
S J Foale
S J White

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
The Lightbox
87 Castle Street
Reading
Berkshire
RG1 7SN

BALANCE SHEET
31 MARCH 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Intangible assets	4		2,228,761		2,077,792
Tangible assets	5		26,788		43,994
Investments	6		7,218		7,218
			<u>2,262,767</u>		<u>2,129,004</u>
CURRENT ASSETS					
Stocks	7	68,203		50,018	
Debtors	8	216,653		158,509	
Cash at bank		810,808		48,822	
		<u>1,095,664</u>		<u>257,349</u>	
CREDITORS					
Amounts falling due within one year	9	330,531		371,226	
NET CURRENT ASSETS/(LIABILITIES)			<u>765,133</u>		<u>(113,877)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,027,900</u>		<u>2,015,127</u>
CREDITORS					
Amounts falling due after more than one year	10		72,392		144,628
NET ASSETS			<u>2,955,508</u>		<u>1,870,499</u>
CAPITAL AND RESERVES					
Called up share capital	13		29,226		24,306
Share premium	14		5,008,816		3,316,136
Other reserves	14		35,170		-
Retained earnings	14		(2,117,704)		(1,469,943)
SHAREHOLDERS' FUNDS			<u>2,955,508</u>		<u>1,870,499</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 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 2023

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 7 August 2023 and were signed on its behalf by:

P G A Stockwell - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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.

The presentation currency of the financial statements is the Pound Sterling (£).

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.

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
Computer software - 5 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 2023

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.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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 2023

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 2023

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. Based on these assessments 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.

This assessment includes the requirement to raise additional funding in future months.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 9 (2022 - 12) .

4. INTANGIBLE FIXED ASSETS

	Patents and licences £	Development costs £	Computer software £	Totals £
COST				
At 1 April 2022	324,877	1,947,574	9,945	2,282,396
Additions	27,185	209,998	22,825	260,008
At 31 March 2023	352,062	2,157,572	32,770	2,542,404
AMORTISATION				
At 1 April 2022	16,244	187,365	995	204,604
Amortisation for year	35,206	70,556	3,277	109,039
At 31 March 2023	51,450	257,921	4,272	313,643
NET BOOK VALUE				
At 31 March 2023	300,612	1,899,651	28,498	2,228,761
At 31 March 2022	308,633	1,760,209	8,950	2,077,792

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

5. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2022	5,012	50,254	4,000
Additions	-	259	-
Disposals	-	-	-
At 31 March 2023	<u>5,012</u>	<u>50,513</u>	<u>4,000</u>
DEPRECIATION			
At 1 April 2022	3,872	27,269	4,000
Charge for year	1,002	9,902	-
Eliminated on disposal	-	-	-
At 31 March 2023	<u>4,874</u>	<u>37,171</u>	<u>4,000</u>
NET BOOK VALUE			
At 31 March 2023	<u>138</u>	<u>13,342</u>	<u>-</u>
At 31 March 2022	<u>1,140</u>	<u>22,985</u>	<u>-</u>
	Development testing rig £	Office equipment £	Totals £
COST			
At 1 April 2022	49,200	36,214	144,680
Additions	-	1,261	1,520
Disposals	-	(690)	(690)
At 31 March 2023	<u>49,200</u>	<u>36,785</u>	<u>145,510</u>
DEPRECIATION			
At 1 April 2022	32,560	32,985	100,686
Charge for year	5,440	1,865	18,209
Eliminated on disposal	-	(173)	(173)
At 31 March 2023	<u>38,000</u>	<u>34,677</u>	<u>118,722</u>
NET BOOK VALUE			
At 31 March 2023	<u>11,200</u>	<u>2,108</u>	<u>26,788</u>
At 31 March 2022	<u>16,640</u>	<u>3,229</u>	<u>43,994</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

6. FIXED ASSET INVESTMENTS

Shares in
group
undertakings
£**COST**At 1 April 2022
and 31 March 20237,218**NET BOOK VALUE**

At 31 March 2023

7,218

At 31 March 2022

7,218

7. STOCKS

2023

2022

£

£

Stocks

68,20350,018

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

2023

2022

£

£

Trade debtors

28,268

33,840

Other debtors

27,508

27,000

Tax

88,684

70,807

VAT

14,843

3,525

Prepayments and accrued income

57,350

23,337

216,653158,509

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

2023

2022

£

£

Bank loans and overdrafts

61,898

54,139

Hire purchase contracts (see note 11)

9,851

9,851

Trade creditors

30,318

84,853

Social security and other taxes

10,540

6,549

Other creditors

7,080

9,799

Accruals and deferred income

203,626

198,817

USA accrued costs

7,218

7,218

330,531371,226

Included in trade creditors is £3,837 (2022: £51,542) payable to directors of the company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

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

	2023	2022
	£	£
Bank loans - 1-2 years	49,253	62,027
Bank loans - 2-5 years	18,214	67,825
Hire purchase contracts (see note 11)	4,925	14,776
	<u>72,392</u>	<u>144,628</u>

11. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase	contracts
	2023	2022
	£	£
Net obligations repayable:		
Within one year	9,851	9,851
Between one and five years	4,925	14,776
	<u>14,776</u>	<u>24,627</u>
	Non-cancellable	operating leases
	2023	2022
	£	£
Within one year	-	82,225

12. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Hire purchase contracts	<u>14,776</u>	<u>24,627</u>

Hire purchase amounts due are secured against the underlying assets.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022
			£	£
2,922,616	Ordinary	£0.01	<u>29,226</u>	<u>24,306</u>

During the year, the Company issued 492,000 Ordinary shares of £0.01.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

14. RESERVES

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 April 2022	(1,469,943)	3,316,136	-	1,846,193
Deficit for the year	(647,761)			(647,761)
Cash share issue	-	1,692,680	-	1,692,680
Share based payment	-	-	35,170	35,170
At 31 March 2023	<u>(2,117,704)</u>	<u>5,008,816</u>	<u>35,170</u>	<u>2,926,282</u>

15. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At the year-end loans owed to P G A Stockwell totalled £928 (2022: £5,259) 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 a service company under the control of S J Foale totalled £2,909 (2022: £8,509) and are included within creditors. There were no terms and conditions attached to amounts owed to the service company.

At the end of the year loans owed to J Fisher totalled £129,000 (2022: £120,500) and are included within creditors. There were no terms and conditions attached to amounts owed to J Fisher.

16. SHARE-BASED PAYMENTS

The company operates an unapproved equity-settled share based payment remuneration scheme and operates an approved EMI scheme. In accordance with the scheme rules. Some options are exercisable immediately and some options vest over a period of up to 3 years, subject to all vesting conditions being met. There were no changes to the terms of the plan during the year.

The share-based payment charge for the year was £35,170 (2022: £Nil).

At the year-end 97,522 (2022: 57,222) of these share options had been issued to the directors.

The number and weighted average exercise prices of share options are as follows:

	2023 Weighted - average exercise price	2023 No.	2022 Weighted - average exercise price	2022 No.
B/fwd	£2.21	94,588	£2.07	96,088
Granted	£1.50	81,000	£3.00	8,500
Lapsed	-	-	£1.50	(10,000)
C/fwd	<u>£1.88</u>	<u>175,588</u>	<u>£2.21</u>	<u>94,588</u>

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