

PROPERTY VISION LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

Registered Number: 3238697



PROPERTY VISION LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2009

Principal Activities

The principal activity of the Company is to offer residential property advice. No change in the Company's activities is anticipated.

Results and Dividends

The Company's results for the year under review are as detailed in the income statement shown in these accounts. Profit before taxation in 2009 was £947,037 (2008: £1,080,973 loss).

The Directors do not recommend the payment of a dividend in respect of the year ending 31 December 2009 (2008: £Nil).

Business Review

Profit after taxation for the year was £613,654 in 2009 compared to a loss of £801,244 in 2008. The improved performance primarily arose from an increase in fee revenue from the Company's principal activity, which in turn was a result of the stronger UK property market during 2009.

Total assets of the Company have increased from £5,682,375 (31 December 2008) to £7,020,380 (31 December 2009).

The income statement and balance sheet provide the key performance indicators to the directors.

Subsequent Events and Future Developments

It is the intention of the Directors, that in 2010, the Company will continue with its principal business activity. During 2010, the Directors will consider injecting funds into the Company's subsidiary, Property Vision France SARL, in order to provide sufficient working capital to that entity.

Directors

The Directors who served during the year were as follows:

Name	Appointed	Resigned
N W de C Ashe		
J S S C Baldock		
M E Cook		
C V Ellingworth		
J G N Geddes		
W J R Gething		
P T W Mackie		
D K Sheehan		
L Blinoff	22 January 2009	27 November 2009
P G Harvey	2 February 2009	
E P Sugden		

The Articles of Association of the Company provide that in certain circumstances the Directors are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the UK Companies Act 2006. Indemnity provisions of this nature have been in place during the financial year but have not been utilised by the Directors.

PROPERTY VISION LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

Financial Instruments

The financial risk management objectives and policies of the Company, together with an analysis of the exposure to such risks, as required under Part 1 of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports Regulations) 2008, are set out in Note 18 of the Notes to the Financial Statements

Employment Policy

The Company continues to regard communication with its employees as a key aspect of its policies. Information is given to employees about employment matters and about the financial and economic factors affecting the Company's performance through management channels, in-house magazines and by way of attendance at internal seminars and training programmes. Employees are encouraged to discuss operational and strategic issues with their line management and to make suggestions aimed at improving performance. The involvement of employees in the performance of the Company is further encouraged through a profit participation scheme.

Supplier Payment Policy

The Company does not currently subscribe to any code or standard on payment practice. It is the Company's policy, however, to settle the terms of payment with those suppliers when agreeing the terms of each transaction, to ensure that those suppliers are made aware of the terms of payment, and to abide by the terms of payment.

The amount due to the Company's trade creditors at 31 December 2009 represented 7 days' average daily purchases of goods and services received from those creditors, calculated in accordance with Part 5 of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

Disclosure of Information to Auditors

Each person who is a Director at the date of approval of this report confirms that so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and the Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given pursuant to section 418 of the Companies Act 2006 and should be interpreted in accordance therewith.

Auditors

KPMG Audit Plc are deemed to be reappointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

PROPERTY VISION LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

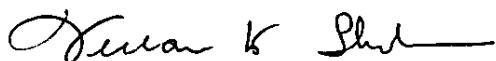
Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

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 and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the Board



D K Sheehan
Director

31 March 2010

Registered Office
8 Canada Square,
London,
E14 5HQ

PROPERTY VISION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROPERTY VISION LIMITED

We have audited the financial statements of Property Vision Limited for the year ended 31 December 2009 set out on pages 5 to 20. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 auditors' 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 set out on page 3, 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

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

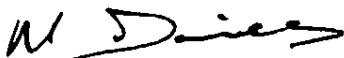
Opinion on other matter prescribed by the Companies Act 2006

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.

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.



M Davies (Senior Statutory Auditor)
For and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
London

31 March 2010

PROPERTY VISION LIMITED

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
Revenue from services	2(a)	7,074,363	6,049,732
Fees payable		<u>(161,352)</u>	<u>(171,451)</u>
OPERATING INCOME		6,913,011	5,878,281
Employee compensation and benefits	5	(4,130,534)	(4,615,678)
Administrative expenses		<u>(1,654,674)</u>	<u>(2,315,402)</u>
OPERATING PROFIT/ (LOSS)	4	1,127,803	(1,052,799)
Interest receivable	6	10,171	146,349
Dividends Received		53,621	-
Impairment loss on AFS investments		<u>(244,558)</u>	<u>(174,523)</u>
PROFIT / (LOSS) BEFORE TAX		947,037	(1,080,973)
Taxation	7	<u>(333,383)</u>	<u>279,729</u>
PROFIT / (LOSS) FOR THE YEAR		<u>613,654</u>	<u>(801,244)</u>

Statement of recognised income and expense for the year ended 31 December 2009

	2009 £	2008 £
Net change in fair value of Available-for-sale investments	<u>(145,795)</u>	<u>(53,036)</u>
Total income and expenses taken to equity during the year	(145,795)	(53,036)
Profit for the year	<u>613,654</u>	<u>(801,244)</u>
Total recognised income and expense for the year	<u>467,859</u>	<u>(854,280)</u>

The notes on pages 8 to 20 form part of the financial statements

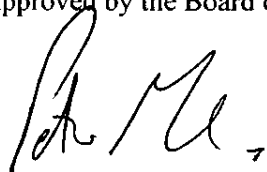
PROPERTY VISION LIMITED

BALANCE SHEET AT 31 DECEMBER 2009

	Notes	2009 £	2008 £
ASSETS			
Property, plant and equipment	8	98,368	123,475
Deferred tax assets	10	275,864	245,921
Investment in subsidiary	12	5,150	5,150
Available-for-sale investments	11	903,796	1,049,591
Loans and other receivables	9	2,261,702	1,831,029
Cash and cash equivalents		3,475,500	2,427,209
TOTAL ASSETS		<u>7,020,380</u>	<u>5,682,375</u>
LIABILITIES			
Financial liabilities	13	3,694,021	3,230,861
Share based payment liabilities		746,043	679,383
TOTAL LIABILITIES		<u>4,440,064</u>	<u>3,910,244</u>
EQUITY			
Called up share capital	14	1	1
Capital contribution reserve		(86,922)	194,742
Available-for-sale reserve		362,343	(113,854)
Retained earnings		<u>2,304,894</u>	<u>1,691,242</u>
TOTAL EQUITY		<u>2,580,316</u>	<u>1,772,131</u>
TOTAL EQUITY AND LIABILITIES		<u>7,020,380</u>	<u>5,682,375</u>

The notes on pages 8 to 20 form part of the financial statements

Approved by the Board of Directors and signed on its behalf on **31** March 2010



P T W Mackie
Director

PROPERTY VISION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2009

	Notes	2009 £	2008 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (Loss) before taxation		947,037	(1,080,973)
Adjustments for			
Non cash items	16a	349,747	874,636
Change in operating assets	16b	(454,360)	1,431,626
Change in liabilities	16c	428,264	(869,479)
Net loss / (gains) from investing activities		-	(925)
Tax paid		(172,140)	(605,112)
NET CASH FROM OPERATING ACTIVITIES		1,098,548	(250,227)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(14,257)	(15,958)
Proceeds from sale of property, plant and equipment		-	2,001
Purchase of Available-for-sale investments		-	(792,116)
Net cash outflow to subsidiary		(36,000)	(156,000)
NET CASH FROM INVESTING ACTIVITIES		(50,257)	(962,073)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		-	-
NET CASH FROM FINANCING ACTIVITIES		-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		1,048,291	(1,212,300)
Cash and cash equivalents at the beginning of the year		2,427,209	3,639,509
Cash and cash equivalents at the end of the year		<u>3,475,500</u>	<u>2,427,209</u>

The notes on pages 8 to 20 form part of the financial statements

1 Basis of preparation

(a) Basis of preparation

The financial statements, including comparatives, have been prepared on the going concern basis under the historical cost basis as modified by the revaluation of Available-for-sale investments, in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU and effective for the year ended 31 December 2009

These financial statements present information about the Company as an individual undertaking and not about its group. The Company is not required to prepare consolidated financial statements by virtue of the exemption conferred by Section 228 of the Companies Act 2006

The results of the Company are included within the consolidated financial statements of HSBC Holdings plc

The Company's financial statements are presented in its functional currency, UK Sterling

The Company has adopted the requirements of IFRIC 11, "Group and Treasury Share Transactions", which impacts its accounting for deferred share awards to staff

(b) Judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 3

2 Principal accounting policies

(a) Revenue from services

Revenue represents amounts receivable for the provision of property finding services net of VAT and trade discounts. Revenue is recognised on unconditional exchange of contracts

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

2 Principal accounting policies (continued)

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation

Provision for depreciation of tangible assets is made on the straight line basis at rates calculated to write off the cost of the assets, less their estimated residual values, over their expected working lives, which are considered to be

Leasehold improvements	- over the term of the lease
Computers and office equipment	- 3 years
Fixtures and fittings	- between 6 and 7 years
Motor vehicles	- 4 years

(c) Operating leases

Payments under operating leases are charged to the profit and loss account on the straight line basis over the term of the lease

(d) Taxation

Income tax on the profit or loss for the year comprises current tax and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in shareholders' equity, in which case it is recognised in shareholders' equity.

Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantially enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the balance sheet and the amount attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated using the tax rates expected to apply in the period in which the assets will be realised or the liabilities settled.

(e) Pensions

The Company participates in a defined contribution pension scheme operated by HSBC Bank Plc. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Principal accounting policies (continued)

(f) Available-for-sale investments

Equity shares intended to be held on a continuing basis are classified as Available-for-sale securities. The Company classifies equity shares in HSBC Holdings plc, held in trust on behalf of its employees as Available-for-sale securities.

Available-for-sale securities are initially measured at fair value plus direct and incremental transaction costs. They are subsequently re-measured at fair value. Changes in fair value are recognised in equity through the Available-for-Sale reserve until the securities vest. Permanent impairment in the value of the security is recognised through the Income Statement.

(g) Equity compensation plans

Shares awarded to an employee to join the Company that are made available immediately, with no vesting period attached to the award, are expensed immediately. When an inducement is awarded to an employee on commencement of employment with the Company, and the employee must complete a specified period of service before the inducement vests, the expense is spread over the period to vesting.

Discretionary bonuses are expensed over the vesting period, which is the period from the date the bonus is announced until the award vests.

Where the market value of the shares awarded is higher or lower than the original cost, the increase or decrease in market value compared to the original cost is taken to the Available-for-sale reserve.

3. Critical accounting estimates and judgements in applying accounting policies

In preparing the financial statements, the Directors are required to make judgements where uncertainty exists at the balance sheet date.

In the following cases, the balance sheet value at the reporting date is influenced by such judgements:

- Impairment of Available-for-sale investments,
- Shares in Group undertakings – where valuation models are used to test that the book value of the asset is recoverable.

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

4 Operating profit / (loss)

Operating profit / (loss) for the year is stated after charging

	2009	2008
	£	£
Depreciation	39,363	40,631
Operating lease rentals	196,136	196,136
Auditors' remuneration		
Audit of these financial statements, pursuant to legislation	14,530	14,530
Audit of financial statements, pursuant to legislation, for its immediate parent company	5,500	5,500

5 Employee compensation and benefits

Employee compensation and benefits include

(a) Staff costs

	2009	2008
	£	£
Wages and salaries	3,534,133	4,019,941
Social security costs	443,506	492,087
Pension costs	152,895	103,650
	<u>4,130,534</u>	<u>4,615,678</u>

The average number of persons employed by the Company during the year was 50 (2008 51)

	2009	2008
	Number	Number
Average number of staff		
- Directors	11	9
- Other	39	42
	<u>50</u>	<u>51</u>

(b) Remuneration of directors

	2009	2008
	£	£
Directors' emoluments	1,051,021	1,033,879
Share based payments	153,000	67,000
Company contributions to money purchase pension schemes	55,200	44,508
	<u>1,259,221</u>	<u>1,145,387</u>

The aggregate of emoluments and share based payments under long term incentive schemes of the highest paid director was £489,673 (2008 £404,753), and company pension contributions of £17,250 (2008 £12,333) were made to a money purchase scheme on their behalf

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

5 Employee compensation and benefits (continued)

	2009	2008
Retirement benefits are accruing to the following number of directors		
Under Money Purchase schemes	6	7
The number of directors who exercised share options was	2	2
The number of directors in respect of whom, services were received or receivable under long term incentive schemes was	0	3

(c) Share based payments

The ultimate parent company, HSBC Holdings plc, operates share option schemes and share award schemes, in which employees of Property Vision Limited participate

During 2009, £378,256 was charged to the income statement in respect of equity-settled share-based payment transactions (2008 £659,482) This expense was based on the fair value of the share-based transactions and is included under wages and salaries in Note 5a (Staff costs)

Share awards are made to eligible employees for recruitment and retention purposes or as part of deferral of annual bonus The awards vest between one and five years from the date of the award

The total number of shares outstanding as at 31st December 2009 was 127,475 (2008 158,548) An additional 16,220 shares were awarded in 2009 The weighted average fair value of shares outstanding, which is based on the closing market price as at 31st December 2009, was £7.09 (2008 £6.62)

6 Interest receivable

	2009	2008
	£	£
Bank interest	<u>10,171</u>	<u>146,349</u>

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

7 Taxation

The charge for UK corporation tax comprises

	2009	2008
	£	£
(a) Analysis of tax charge in period		
<i>Current tax</i>		
UK corporation tax at 28% (2008 28 5%)	(400,526)	100,816
Adjustments in respect of prior years	37,200	17,208
	<u>(363,326)</u>	<u>118,024</u>
Current tax (charge)/credit	(363,326)	118,024
<i>Deferred tax</i>		
Origination and reversal of temporary differences	77,646	219,305
Adjustments in respect of prior years	(47,703)	(57,600)
Changes in tax rates and laws	-	-
	<u>29,943</u>	<u>161,705</u>
Tax (charge)/credit on profit/ (loss) on ordinary activities	<u>(333,383)</u>	<u>279,729</u>

(b) Factors affecting tax charge for period

The current tax charge for the period is lower (2008 higher) than the standard rate of UK Corporation tax at 28% (2008 28 5%) The differences are explained below

	2009	2008
	£	£
Profit / (Loss) before taxation	947,037	(1,080,973)
Profit / (Loss) multiplied by the standard rate of corporation tax in the UK of 28% (2008 28 5%)	(265,170)	308,077
Tax free Dividends receivable	15,014	-
Effects of		
Amounts not deductible for tax purposes	(82,867)	(84,354)
Adjustments to tax (charge) in respect of previous periods	(10,504)	(40,391)
Changes in tax rates and laws	-	79
IFRS 2 adjustment	10,144	96,318
	<u>(333,383)</u>	<u>279,729</u>
Tax (charge) / credit on profit / (loss)	<u>(333,383)</u>	<u>279,729</u>

A change in the rate of corporation tax from 30% to 28% was enacted in June 2007 and was applicable from April 2008

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

8 Property, plant and equipment

	Leasehold improvements £	Computers and office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
<u>Cost</u>					
At 1 January 2009	159,206	406,392	81,739	36,934	684,271
Additions	-	4,653	-	9,604	14,257
Disposals	-	-	-	(3,923)	(3,923)
At 31 December 2009	159,206	411,045	81,739	42,615	694,605
	Leasehold improvements £	Computers and office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
<u>Accumulated depreciation</u>					
At 1 January 2009	81,539	396,294	56,103	26,860	560,796
Charge for the year	21,720	5,112	7,067	5,465	39,364
Disposals	-	-	-	(3,923)	(3,923)
At 31 December 2009	103,259	401,406	63,170	28,402	596,237
Net book value					
At 31 December 2009	55,947	9,639	18,569	14,213	98,368
At 31 December 2008	77,667	10,098	25,636	10,074	123,475

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

9 Loans and other receivables

	2009	2008
	£	£
Trade debtors	962,734	786,423
Other debtors	55,660	58,841
Corporation tax (tax credit)	-	59,687
Prepayments and accrued income	381,308	100,078
Amount owed from group undertaking	862,000	826,000
	<u>2,261,702</u>	<u>1,831,029</u>

As the loans and receivables of the Company are primarily short term receivables, it is considered that fair value is equal to amortised cost

10 Deferred tax assets

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the amounts attributable to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets are attributable to the following

	2009	2009	2008	2008
	Asset	Liability	Asset	Liability
	£	£	£	£
Property, plant and equipment	19,664	-	22,201	-
Employee benefits	256,200	-	223,720	-
Net	<u>275,864</u>	<u>-</u>	<u>245,921</u>	<u>-</u>

Movement in deferred tax assets in 2009

	Balance at	Recognised	Recognised	Balance at
	1.1.09	in income	in equity	31.12.09
Property, plant and equipment	22,201	(2,537)	-	19,664
Employee benefits	223,720	32,480	-	256,200
	<u>245,921</u>	<u>29,943</u>	<u>-</u>	<u>275,864</u>

Movement in deferred tax assets in 2008

	Balance at	Recognised	Recognised	Balance at
	1.1.08	in income	in equity	31.12.08
Property, plant and equipment	26,616	(4,415)	-	22,201
Employee benefits	57,600	166,120	-	223,720
	<u>84,216</u>	<u>161,705</u>	<u>-</u>	<u>245,921</u>

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
continued)

11 Available-for-sale investments

	2009	2008
	£	£
Available-for-sale investments	903,796	1,049,591
	<u>903,796</u>	<u>1,049,591</u>

This represents shares purchased under employee share award schemes

12 Shares in subsidiary undertakings

Details of the Company's subsidiary undertakings at 31 December 2009 are as follows

	Principal activity	Proportion held %	Number and Class of shares held	Book value £
Property Vision France SARL (incorporated in France)	Property advice	100	150 of Ordinary of €50 each	5,150
				<u>5,150</u>

On 10 March 2006 Property Vision France SARL was incorporated, with Property Vision Limited providing the initial €7,500 share capital, representing a 100% interest

13 Financial liabilities

	2009	2008
	£	£
Trade creditors	32,131	15,380
Amount owed to group undertaking	1,343,434	1,332,512
Corporation tax	131,499	-
Other taxes and social security	456,925	182,506
Other creditors	30,840	25,359
Accruals and deferred income	<u>1,699,192</u>	<u>1,675,104</u>
	<u>3,694,021</u>	<u>3,230,861</u>

The financial liabilities of the Company are measured at amortised cost. As the financial liabilities are primarily short term payables, it is considered that fair value is equal to amortised cost.

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

14 Called up share capital

	2009	2008
	£	£
Authorised Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid Ordinary shares of £1 each	<u>1</u>	<u>1</u>

The Company defines capital as being equal to total equity

When managing capital, the Company's principal objective is to safeguard its ability to continue as a going concern

Company policy is to pay any surplus capital to its parent. Surplus capital is determined by reviewing the future cashflow commitments of the Company and then paying excess cash balances as a dividend to its parent

The Company maintains a minimum level of capital of £100,000 at all times. During both 2009 and 2008, sufficient capital was held at all times

The Company is not subject to any externally imposed capital requirements

15 Reconciliation of movements in equity

	2009	2008
	£	£
Opening equity	1,772,131	2,450,044
Retained profit	613,654	(801,244)
Dividend paid	-	-
Fair value profits /(losses) taken to equity	297,613	(227,559)
Permanent impairment in Available-for-sale investments	244,558	174,523
Other movements	<u>(347,640)</u>	<u>176,367</u>
Closing equity	<u>2,580,316</u>	<u>1,772,131</u>

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

16 Notes to cash flow statement

	2009	2008
	£	£
(A) Non cash items		
Depreciation and amortisation	105,189	700,113
Impairment loss on AFS investments	244,558	174,523
	<u>349,747</u>	<u>874,636</u>
(B) Change in operating assets		
Change in trade debtors	(176,311)	887,732
Change in other assets	3,181	18,595
Change in prepayments and accrued income	(281,230)	525,299
	<u>(454,360)</u>	<u>1,431,626</u>
(C) Change in operating liabilities		
Change in trade creditors	16,751	(14,892)
Change in accruals and deferred income	24,088	(402,113)
Change in other creditors	387,425	(452,474)
	<u>428,264</u>	<u>(869,479)</u>

17 Operating lease commitments

At 31 December 2009, the Company was committed to make the following total future payments under non-cancellable operating leases

	2009	2008
	Land and	Land and
	buildings £	buildings £
Operating leases which expire		
Within one year	196,136	196,136
Between two and five years	355,794	497,794
Over five years	119,468	173,604
	<u>671,398</u>	<u>867,534</u>

18 Management of financial risk

Financial risk

The financial instruments of the Company (excluding short-term debtors and creditors) comprises cash. Exposure to credit and interest rate risk arises in the normal course of the Company's business. The Directors review and agree policies for managing each of these risks and they are summarised below.

Credit risk

Credit risk is the risk that financial loss arises from the failure of a customer or counterparty to meet its obligations under a contract. The Company's principal credit exposure is to debtors, which are frequently monitored for size and age.

Interest rate risk

Bank interest on deposits held at HSBC Private (UK) Bank Limited is the only source of interest exposure.

Liquidity risk

The Company's policy throughout the year has been to maintain sufficient liquidity to meet its obligations as they fall due for payment.

PROPERTY VISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

19 Related party transactions

Compensation of all Directors employed by the Company is included in Note 5 to the accounts

Car loans are available to Directors as stated in their terms of employment. These loans do not have any structured instalment repayments but are repayable on demand or are committed until a Director leaves the employment of the Company. These loans are also supplied to the Directors as interest free loans. The value of these loans as at 31st December 2009 was £15,000 (2008 £12,000) and the number of Directors with car loans was 5 (2008 7)

A summary of significant aggregate balances and transactions with other related parties of Property Vision Limited is provided below

	2009	2008
	£	£
ASSETS:		
Cash and cash equivalents	3,474,387	2,424,997
Investment in subsidiary	5,150	5,150
Trade and other receivables	862,000	826,000
LIABILITIES		
Current Liabilities	1,343,434	1,332,512
INCOME STATEMENT		
Interest receivable	10,171	146,349
Property Vision France management fee	625	625
Administrative expenses	508,235	1,041,400

The above transactions were made in the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with persons of a similar standing or, where applicable, with other employees. The transactions did not involve more than the normal risk of repayment or present other unfavourable features.

20 Ultimate and immediate parent company

The Company's immediate parent company is Property Vision Holdings Limited, a subsidiary of HSBC Private Bank (UK) Limited. The Company's ultimate parent company is HSBC Holdings Plc.

The smallest and largest groups in which the financial statements of the Company are consolidated are HSBC Private Banking Holdings (Suisse) S A and HSBC Holdings plc respectively. The consolidated financial statements of HSBC Holdings plc are available to the public and may be obtained from

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