

AVM Vision Investments Limited

Report and Financial Statements

Year Ended

30 June 2016

Company Number 07998235



AVM Vision Investments Limited

Company Information

Directors	J Allen E Cook A Lurie N Seaman
Registered number	07998235
Registered office	Europe House 170 Windmill Road Sunbury-on-Thames TW16 7HB
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

AVM Vision Investments Limited

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AVM Vision Investments Limited

Strategic Report For the Year Ended 30 June 2016

Introduction

The Directors present their Strategic Report on the Company for the year ended 30 June 2016.

Business review

The Company is an intermediate holding and financing company and there have been no significant changes to these activities during the year. The Company does not trade.

Key performance indicators

Given the nature of the Company's activity as an intermediate holding and financing company the Directors do not consider that analysis using Key Performance indicators is necessary for an understanding of the development, performance or position of the Company. Key performance indicators in respect of the trading subsidiaries, AVM Impact Limited and Impact Marcom Limited, are disclosed in the Strategic Reports within the financial statements of those companies. Key performance indicators for the Group as a whole are disclosed in the financial statements of AVMI Group Limited.

Principal risks and uncertainties

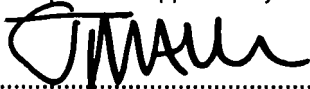
As an intermediate holding and financing company the principal risk the Company faces is that the carrying value of its investments in its trading subsidiaries may not be fully recoverable, or that the trading activities do not generate sufficient free cash flow to settle loan payments as they fall due. To mitigate this risk the Directors monitor the performance of the subsidiaries to determine whether there are any indicators for potential impairment.

The Company is exposed to interest rate changes on the HSBC secured term loans but has mitigated this risk by entering an interest rate hedging agreement for three years applicable on two thirds of the term loan facility principal amount. Therefore the Directors do not consider the Group to have any material exposure to interest rate risk.

Future developments and outlook

The Company expects its trading subsidiaries to continue to be cash generative and capable of delivering long term profitable growth.

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



.....
J Allen
Director

Date: 21 October 2016

AVM Vision Investments Limited

Directors' Report For the Year Ended 30 June 2016

The Directors present their report and the financial statements for the year ended 30 June 2016.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, 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 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 financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

Results and dividends

The profit for the year, after taxation, amounted to £2,995,000 (2015 - loss £4,176,000).

The Directors do not recommend the payment of a dividend (2015 - £Nil).

Directors

The Directors who served during the year were:

J Allen
E Cook
A Lurie
M Storey (resigned 27 January 2016)
N Seaman (appointed 27 January 2016)

Matters covered in the strategic report

As permitted by paragraph 1A of schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the strategic report on page 1. These matters relate to risk management and future developments.

AVM Vision Investments Limited

Directors' Report (continued) For the Year Ended 30 June 2016

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



.....
J Allen
Director

Date: 21 October 2016

AVM Vision Investments Limited

Independent auditor's report to the members of AVM Vision Investments Limited

We have audited the financial statements of AVM Vision Investments Limited for the year ended 30 June 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

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 30 June 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

AVM Vision Investments Limited

Independent auditor's report to the members of AVM Vision Investments Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

BDO LLP

Stuart Collins (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
London
United Kingdom

Date: 21 October 2016

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

AVM Vision Investments Limited

Statement of Comprehensive Income For the Year Ended 30 June 2016

	Note	2016 £000	2015 £000
Administrative expenses		(557)	(910)
Operating loss	4	(557)	(910)
Income from shares in group undertakings		5,750	-
Interest payable and expenses	8	(2,202)	(3,266)
Profit/(loss) before tax		2,991	(4,176)
Tax on profit/(loss)	9	4	-
Profit/(loss) for the year		2,995	(4,176)

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 9 to 20 form part of these financial statements.

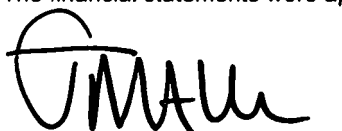
AVM Vision Investments Limited

Registered number:07998235

Statement of Financial Position As at 30 June 2016

	Note	£000	2016 £000	£000	2015 £000
Fixed assets					
Investments	11		14,389		14,389
			<u>14,389</u>		<u>14,389</u>
Current assets					
Debtors: amounts falling due within one year	12	5,941		2,335	
		<u>5,941</u>		<u>2,335</u>	
Creditors: amounts falling due within one year	13	(13,399)		(11,954)	
		<u>(13,399)</u>		<u>(11,954)</u>	
Net current liabilities			<u>(7,458)</u>		<u>(9,619)</u>
Total assets less current liabilities			<u>6,931</u>		<u>4,770</u>
Creditors: amounts falling due after more than one year	14		(14,543)		(15,377)
			<u>(14,543)</u>		<u>(15,377)</u>
Net liabilities			<u>(7,612)</u>		<u>(10,607)</u>
Capital and reserves					
Called up share capital	17		1		1
Share premium account	18		64		64
Retained earnings	18		(7,677)		(10,672)
			<u>(7,612)</u>		<u>(10,607)</u>

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



J Allen
Director



E Cook
Director

Date: 21 October 2016

The notes on pages 9 to 20 form part of these financial statements.

AVM Vision Investments Limited

Statement of Changes in Equity For the Year Ended 30 June 2016

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 July 2015	1	64	(10,672)	(10,607)
Profit for the year	-	-	2,995	2,995
At 30 June 2016	1	64	(7,677)	(7,612)

Statement of Changes in Equity For the Year Ended 30 June 2015

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 July 2014	1	64	(6,496)	(6,431)
Loss for the year	-	-	(4,176)	(4,176)
At 30 June 2015	1	64	(10,672)	(10,607)

The notes on pages 9 to 20 form part of these financial statements.

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

1. General information

AVM Vision Investments Limited is a private limited company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the Company's operations are set out in the strategic report.

2. Accounting policies

2.1 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, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 23.

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

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its Group.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of AVMI Group Limited as at 30 June 2016 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Company is in a net liabilities position at the year end. The Company is funded through cash generation by its subsidiaries, term loan facilities with HSBC, shareholder loans and equity. The Group as a whole is trading comfortably within its financial covenants. The Directors have reviewed the financial position and forecasts of the Company's subsidiaries for the forthcoming financial year in making their assessment of the Company's going concern. The Directors believe, after due and careful enquiry, and taking into account forecast cash generation by its subsidiaries, that the Company has sufficient resources for its present requirements and will be able to meet its liabilities as they fall due for the foreseeable future. For these purposes the foreseeable future is taken to mean a period of at least 12 months from the date of approval of these financial statements. On this basis the Directors consider it appropriate to prepare the financial statements on a going concern basis.

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except that a change 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

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

Investments (see note 11)

The most critical estimates, assumptions and judgements relate to the determination of carrying value of unlisted investments at fair value through profit and loss. In determining this amount, the Company applies the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstance of the investment drives the valuation methodology.

4. Operating loss

The operating loss is stated after charging:

	2016 £000	2015 £000
Reorganisation and restructuring costs (see note 10)	-	470

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

5. Auditor's remuneration

	2016 £000	2015 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	4	7
Fees payable to the Company's auditor and its associates in respect of:		
Taxation compliance services	-	1
All taxation advisory services not included above	-	17
All other non-audit services not included above	9	45
	<u>13</u>	<u>70</u>

6. Employees

Staff costs, including Directors' remuneration, were as follows:

	2016 £000	2015 £000
Wages and salaries	297	296
Social security costs	41	41
Cost of defined contribution scheme	2	2
	<u>340</u>	<u>339</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2016 No.	2015 No.
Directors	<u>2</u>	<u>2</u>

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

7. Directors' remuneration

	2016 £000	2015 £000
Directors' emoluments	297	296
Company contributions to defined contribution pension schemes	2	2
	<u>299</u>	<u>298</u>

During the year retirement benefits were accruing to no Directors (2015 - 1) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £154,000 (2015 - £155,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £2,000 (2015 - £2,000).

8. Interest payable and similar charges

	2016 £000	2015 £000
Bank interest payable	758	1,583
Loans from group undertakings	1,444	1,683
	<u>2,202</u>	<u>3,266</u>

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

9. Taxation

	2016 £000	2015 £000
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(4)	-
Taxation on (loss)/profit on ordinary activities	(4)	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.75%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	2,990	(4,177)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.75%)	598	(867)
Effects of:		
Expenses not deductible for tax purposes	-	28
Other timing differences leading to an increase in taxation	(2)	-
Non-taxable income	(1,150)	-
Group relief	550	839
Total tax charge for the year	(4)	-

10. Exceptional items

	2016 £000	2015 £000
Reorganisation and restructuring costs	-	470

Exceptional items include costs associated with the corporate simplification together with the write off of unamortised arrangement fees in connection with the term loans that were repaid.

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

11. Fixed asset investments

	Investments in subsidiary Companies £000
Cost or valuation	
At 1 July 2015	14,389
At 30 June 2016	14,389
Net book value	
At 30 June 2016	14,389
At 30 June 2015	14,389

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
AVM Limited	England and Wales	Ordinary	100 %	Intermediate holding company
AVMI Inc.	United States	Ordinary	100 %	AV and VC technology services
AVM Impact Limited	England and Wales	Ordinary	100 %	AV and VC technology services
Impact Marcom Limited	England and Wales	Ordinary	100 %	AV and VC technology services
AVMI Limited	Hong Kong	Ordinary	100 %	AV and VC technology services

All subsidiaries are indirectly held, other than AVM Limited, AVMI Inc. and AVMI Limited which are directly owned by the Company.

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

12. Debtors

	2016 £000	2015 £000
Amounts owed by group undertakings	5,929	2,299
Other debtors	8	-
Deferred taxation	4	-
Financial instruments	-	36
	<u>5,941</u>	<u>2,335</u>

13. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Secured term loans	863	637
Amounts owed to parent company	11,711	10,818
Amounts owed to other group companies	813	468
Accruals and deferred income	12	31
	<u>13,399</u>	<u>11,954</u>

14. Creditors: Amounts falling due after more than one year

	2016 £000	2015 £000
Secured term loans	14,543	15,377

Secured loans

The term loans are secured over the assets of the Company and wider Group and are repayable in line with a schedule over a term ending on 24 March 2021. The loans are subject to a floating interest rate which during the period ranged between 4.1 and 5.1% on different tranches of the total facility.

15. Bank loans

Analysis of the maturity of loans is given below:

	2016 £000	2015 £000
Amounts falling due within one year	863	637
Amounts falling due between one and two years	1,019	694
Amounts falling due between two and five years	13,524	4,683
Amounts falling due after more than five years	-	10,000
	<u>15,406</u>	<u>16,014</u>

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

16. Deferred taxation

	2016 £000	2015 £000
Charged to the profit or loss	4	-

The deferred tax asset is made up as follows:

	2016 £000	2015 £000
Short term timing differences	4	-

17. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
65,410 Ordinary shares of £0.01 each	654	654

18. Reserves

Share premium

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Retained earnings

The retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

19. Contingent liabilities

The Company has given cross guarantees and floating charges over its assets in respect of facilities granted to the parent company and in connection with the secured term loans (see note 15). No loss is expected to arise in connection with these arrangements.

20. Pension commitments

The Company operates defined contributions pension schemes. The assets of the schemes are held separately from those of the Company in independently administered funds. The pension cost charge represents contributions payable by the Company to the funds and amounted to £2,000 (2015 - £2,000). Contributions totalling £Nil (2015 - £Nil) were payable to the funds at the year end and are included in creditors.

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

21. Related party transactions

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 'Related Party Disclosures' paragraph 33.1A not to disclose transactions with certain group companies on the grounds that 100% of the voting rights in the company are controlled by the Group.

During the year, monitoring fees of £26,000 (2015 - £24,000) were paid to Alcuin Capital Partners LLP, the fund manager of the Group's ultimate controlling party, The Third Alcuin Fund LP.

22. Controlling party

The Company is controlled by AVMI Group Limited, the parent company of the AVMI Group, which is registered in England and Wales and prepares group accounts. Copies of the consolidated financial statements of AVMI Group Limited may be obtained from the Registrar of Companies in England and Wales, Companies House, Crown Way, Cardiff, CF14 3UZ. The ultimate controlling party is The Third Alcuin Fund LP, an entity established in the United Kingdom, by virtue of its majority shareholding in AVMI Group Limited.

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

23. First time adoption of FRS 102

		As previously stated 1 July 2014 £000	Effect of transition 1 July 2014 £000	FRS 102 (as restated) 1 July 2014 £000	As previously stated 30 June 2015 £000	Effect of transition 30 June 2015 £000	FRS 102 (as restated) 30 June 2015 £000
	Note						
Fixed assets		14,389	-	14,389	14,389	-	14,389
Current assets	1	7,735	-	7,735	2,301	34	2,335
Creditors: amounts falling due within one year		(13,392)	-	(13,392)	(11,837)	-	(11,837)
Net current liabilities		(5,657)	-	(5,657)	(9,536)	34	(9,502)
Total assets less current liabilities		8,732	-	8,732	4,853	34	4,887
Creditors: amounts falling due after more than one year	1	(15,163)	-	(15,163)	(15,449)	72	(15,377)
Net liabilities		(6,431)	-	(6,431)	(10,596)	106	(10,490)
Capital and reserves		(6,431)	-	(6,431)	(10,596)	106	(10,490)

AVM Vision Investments Limited

Notes to the Financial Statements For the Year Ended 30 June 2016

23. First time adoption of FRS 102 (continued)

	Note	As previously stated 30 June 2015 £000	Effect of transition 30 June 2015 £000	FRS 102 (as restated) 30 June 2015 £000
Administrative expenses	1	(899)	(11)	(910)
Operating profit		(899)	(11)	(910)
Interest payable and similar charges		(3,266)	-	(3,266)
Loss on ordinary activities after taxation and for the financial year		(4,165)	(11)	(4,176)

Explanation of changes to previously reported profit and equity:

- Under FRS102, derivative financial instruments need to be revalued to fair value at each year end. The Company acquired an interest rate hedging instrument in 2015 and initially capitalised the cost of the instrument and began to amortise it over its useful life. At the end of the previous financial period, the fair value of the instrument was £34,000.