

AVM Vision Investments Limited

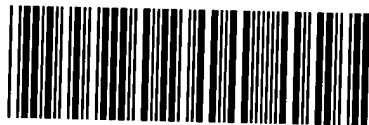
Annual Report and Financial Statements

Year Ended

30 June 2018

Company Number 07998235

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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 West 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 2018

Introduction

The directors present their strategic report on the company for the year ended 30 June 2018.

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 to an understanding of the development, performance or position of the company. Key performance indicators in respect of the trading subsidiary AVM Impact Limited is disclosed in its strategic report. Key performance indicators for the group as a whole are disclosed in the consolidated financial statements of the group.

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. However, 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: 24 October 2018

AVM Vision Investments Limited

Directors' report for the Year Ended 30 June 2018

The directors present their report and the financial statements for the year ended 30 June 2018.

Directors' responsibilities

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). 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
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Results and dividends

The profit for the year, after taxation, amounted to £1,684,000 (2017 - loss £1,712,000).

The directors do not recommend the payment of a dividend (2017 - £Nil).

Directors

The directors who served during the year were:

J Allen
E Cook
A Lurie
N Seaman

Post balance sheet events

On 8 August 2018 the company incorporated an Irish subsidiary, AVMI Ireland Limited.

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 2018

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 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 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.

Auditor

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: 24 October 2018

AVM Vision Investments Limited

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

Opinion

We have audited the financial statements of AVM Vision Investments Limited ("the company") for the year ended 30 June 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

AVM Vision Investments Limited

Independent Auditor's report to the members of AVM Vision Investments Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and directors' report for the financial year which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and director's report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AVM Vision Investments Limited

Independent Auditor's report to the members of AVM Vision Investments Limited (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

BDO LLP

Tom Laird (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: **24 October 2018**

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 2018

	Note	2018 £000	2017 £000
Administrative expenses		(571)	(540)
Operating loss		(571)	(540)
Income from shares in group undertakings		4,000	1,000
Interest payable and similar charges	7	(1,745)	(2,168)
Profit/(loss) before tax		1,684	(1,708)
Tax on profit/(loss)	8	-	(4)
Profit/(loss) for the financial year		1,684	(1,712)

There was no other comprehensive income for 2018 (2017 - £Nil).

The notes on pages 10 to 18 form part of these financial statements.

AVM Vision Investments Limited

Registered number: 07998235

**Statement of financial position
as at 30 June 2018**

	Note	2018 £000	2017 £000
Fixed assets			
Investments	9	14,389	14,389
Current assets			
Debtors	10	2,616	828
Creditors: amounts falling due within one year	11	(12,720)	(11,131)
Net current liabilities		<u>(10,104)</u>	<u>(10,303)</u>
Total assets less current liabilities		<u>4,285</u>	<u>4,086</u>
Creditors: amounts falling due after more than one year	12	(11,925)	(13,410)
Net assets		<u><u>(7,640)</u></u>	<u><u>(9,324)</u></u>
Capital and reserves			
Called up share capital	15	1	1
Share premium account	16	64	64
Profit and loss account	16	(7,705)	(9,389)
		<u><u>(7,640)</u></u>	<u><u>(9,324)</u></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: 24 October 2018

The notes on pages 10 to 18 form part of these financial statements.

AVM Vision Investments Limited

Statement of changes in equity for the Year Ended 30 June 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 July 2017	1	64	(9,389)	(9,324)
Profit for the year	-	-	1,684	1,684
At 30 June 2018	1	64	(7,705)	(7,640)

Statement of changes in equity for the Year Ended 30 June 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 July 2016	1	64	(7,677)	(7,612)
Loss for the year	-	-	(1,712)	(1,712)
At 30 June 2017	1	64	(9,389)	(9,324)

The notes on pages 10 to 18 form part of these financial statements.

AVM Vision Investments Limited

Notes to the financial statements for the Year Ended 30 June 2018

1. General information

AVM Vision Investments Limited is a private company, limited by shares, incorporated in England and 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 unless otherwise specified within these accounting policies 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.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement 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 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- 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 2018 and these financial statements may be obtained from Companies House.

2.3 Going concern

The company is in a net current 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 2018

2. Accounting policies (continued)

2.4 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Debtors

Short term debtors are measured at transaction price, 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 statement of comprehensive income 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 payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in other creditors 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 2018

2. Accounting policies (continued)

2.9 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 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.

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

Key source of estimation uncertainty

Investments (see note 9)

The most critical estimates, assumptions and judgements relate to the determination of carrying value of investments at fair value through the income statement, the company follows the International Private Equity and Venture Capital Valuation Guidelines, applying 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 circumstances of the investment drives the valuation methodology.

4. Auditor's remuneration

	2018 £000	2017 £000
Fees payable to the company's auditor for the audit of the company's annual accounts	5	5
Fees payable to the company's auditor in respect of:		
Taxation compliance services	3	-
Other non-audit services	1	2
	4	2

AVM Vision Investments Limited

Notes to the financial statements for the Year Ended 30 June 2018

5. Employees

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

	2018 £000	2017 £000
Wages and salaries	308	297
Social security costs	42	41
Cost of defined contribution scheme	4	2
	<u>354</u>	<u>340</u>

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

	2018 No.	2017 No.
Directors	<u>4</u>	<u>4</u>

6. Directors' remuneration

The directors are considered to be the key management personnel and their remuneration is set out below:

	2018 £000	2017 £000
Directors' emoluments	308	297
Company contributions to defined contribution pension schemes	4	2
	<u>312</u>	<u>299</u>

During the year retirement benefits were accruing to 2 directors (2017 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £161,000 (2017 - £154,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,000 (2017 - £2,000).

AVM Vision Investments Limited

Notes to the financial statements for the Year Ended 30 June 2018

7. Interest payable and similar charges

	2018 £000	2017 £000
Bank interest payable	600	654
Loans from group undertakings	1,145	1,514
	<u>1,745</u>	<u>2,168</u>

8. Taxation

	2018 £000	2017 £000
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	4
Taxation on profit/(loss) on ordinary activities	<u>-</u>	<u>4</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.75%). The differences are explained below:

	2018 £000	2017 £000
Profit/(loss) on ordinary activities before tax	<u>1,684</u>	<u>(1,708)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.75%)	320	(337)
Effects of:		
Non-taxable income	(760)	(198)
Group relief	440	539
Total tax charge for the year	<u>-</u>	<u>4</u>

AVM Vision Investments Limited

Notes to the financial statements for the Year Ended 30 June 2018

9. Fixed asset investments

	Investments in subsidiary Companies £000
Cost or valuation	
At 1 July 2017	14,389
At 30 June 2018	14,389
Net book value	
At 30 June 2018	14,389
At 30 June 2017	14,389

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
AVM Limited	Ordinary	100 %	Intermediate holding company
AVMI Inc.	Ordinary	100 %	AV and VC technology services
AVM Impact Limited	Ordinary	100 %	AV and VC technology services
Impact Marcom Limited	Ordinary	100 %	Non trading
AVMI Limited	Ordinary	100 %	AV and VC technology services
Focus 21 Visual Communications Limited	Ordinary	100 %	AV and VC technology services
Focus 21 Holdings Limited	Ordinary	100 %	Investment holding company

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

AVM Limited, AVM Impact Limited and Impact Marcom Limited share the same registered office as AVM Vision Investments Limited, which is shown on the company information page.

The registered office of AVMI Inc. is 110 Wall Street, New York, NY 10005.

The registered office of AVMI Limited is 16th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong

AVM Vision Investments Limited

Notes to the financial statements for the Year Ended 30 June 2018

10. Debtors

	2018 £000	2017 £000
Amounts owed by group undertakings	2,595	826
Other debtors	21	2
	<u>2,616</u>	<u>828</u>

11. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Secured term loans	1,850	1,161
Amounts owed to group undertakings	9,333	8,801
Amounts owed to other participating interests	1,523	1,157
Accruals and deferred income	14	12
	<u>12,720</u>	<u>11,131</u>

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

	2018 £000	2017 £000
Secured term loans	<u>11,925</u>	<u>13,410</u>

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 floating interest rate which during the period ranged between 3.6% and 4.5% on different tranches of the total facility.

13. Secured term loans

Analysis of the maturity of loans is given below:

	2018 £000	2017 £000
Amounts falling due within one year	1,850	1,161
Amounts falling due between one and two years	1,966	1,485
Amounts falling due between two and five years	9,959	11,925
	<u>13,775</u>	<u>14,571</u>

AVM Vision Investments Limited

Notes to the financial statements for the Year Ended 30 June 2018

14. Deferred taxation

	2018 £000	2017 £000
At beginning of year	-	4
Charged to the statement of comprehensive income	-	(4)
At end of year	-	-

15. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
65,410 Ordinary shares of £0.01 each	654	654

16. Reserves

Share premium account

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

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

17. 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 13). No loss is expected to arise in connection with these arrangements.

18. Pension commitments

The pension cost charge represents contributions payable by the company to the funds and amounted to £4,000 (2017 - £2,000). Contributions totalling £Nil (2016 - £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 2018

19. Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A of Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

During the year, monitoring fees of £30,000 (2017 - £28,000) were paid to Alcuin Capital Partners LLP, the fund manager of the group's ultimate controlling party, The Third Alcuin Fund LP.

20. 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 for England and Wales, Companies House, Crown Way, Cardiff, CF14 3UZ. The ultimate controlling party is the Third Alcuin Fund LP, acting by its general partner Alcuin GP III LP., an entity established in the United Kingdom, by virtue of its majority shareholding in AVMI Group Limited.