

FEEDBACK PLC

Report of the Directors and Consolidated Financial Statements

For the year ended 31 May 2013

FEEDBACK PLC

CONTENTS

	Page
Company Information	2
Executive Chairman's Statement	3
Directors' Report	4 – 6
Corporate Governance Statement	7 – 8
Independent Auditors Report	9
Consolidated Income and Expenditure Account	10
Consolidated Statement of Changes in Equity	11
Consolidated Balance Sheet	12
Company Balance Sheet	13
Consolidated Cash Flow Statement	14
Company Cash Flow Statement	15
Notes to the Financial Statements	16 – 32
Notice of Annual General Meeting	33 – 35

FEEDBACK PLC

COMPANY INFORMATION

Directors	N S Shephard, <i>Chairman & Chief Executive</i> S G Barrell
Secretary	Temple Secretaries Limited
Registered Office	Maple Barn Beeches Farm Road Uckfield East Sussex TN22 2QD
Registered Number	00598696
Auditors	haysmacintyre 26 Red Lion Square London WC1R 4AG
Nominated Advisor and Broker	Sanlam Securities UK Limited 10 King William Street London EC4N 7TW
Solicitors	Bates Wells & Braithwaite London LLP 2-6 Cannon Street London EC4M 6YH
Bankers	NatWest 7 High Street Crowborough East Sussex TN6 2PU
Registrars	Share Registrars Limited Suite E, First Floor 9 Lion and Lamb Yard Farnham Surrey GU9 7LL

FEEDBACK PLC
CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MAY 2013

Dear fellow shareholders

The 2013 financial year proved to be a defining year for Feedback which resulted in the disposal of the Group's remaining operating business, Feedback Data plc ("Feedback Data"), and the Company being reclassified as an Investing Company under the AIM Rules.

As predicted when the half year results were announced, the restructuring of Feedback within the context of the strict cash constraints imposed over several years proved a very challenging environment. Feedback Data continued to experience reduced activity from key customers whilst the introduction of new products to the channel suffered a number of delays and setbacks.

Whilst there was always the prospect of a recovery in Feedback Data's markets, it remained illusive. Significant steps were taken to reduce overhead and minimise costs but the lack of an immediate and wholesale turnaround in Feedback Data still left the Company without critical mass and generating significant losses. In the board's view this was an unsustainable position.

Following a detailed review of the investment necessary to return the company to profitability the Board examined its strategic options and concluded that the disposal of Feedback Data was the best route to secure value for shareholders. After considering a number of alternative approaches the Company agreed, and sought shareholder approval for, the disposal of Feedback Data to Belgravium Technologies plc. The transaction was concluded on 31 May 2013 for a cash consideration of £600,000 that was used to repay bank debt and for working capital purposes.

Following the year end the Group also completed the disposal of its former head office in Crowborough to Orbit South Housing Association Limited for a cash consideration of £940,000. This sale was approved by shareholders and was completed on 30 July 2013.

Following completion of the disposal of Feedback Data and the property the Company now has one employee (being the executive Director) and approximately £700,000 of cash.

The disposal of the trading businesses and its former head office means, under Rule 15 of the AIM Rules, the company was reclassified as an Investing Company and adopted the Investing Policy which was approved by Shareholders in May 2013. The Company has a technology focussed investing policy and is actively seeking opportunities in this sector.

The Board has reviewed several opportunities and continues to pursue others. It will update the market as appropriate.

Nick Shepheard
Chairman

5 November 2013

FEEDBACK PLC

DIRECTORS REPORT

FOR THE YEAR ENDED 31 MAY 2013

The Directors present their report and the audited financial statements for the year ended 31 May 2013.

PRINCIPAL ACTIVITIES OF THE GROUP

The principal activity of the Group during the year was the design, manufacture and marketing of electronic, electrical and computer based equipment for access control and time and attendance monitoring. On 31 May 2013, the Company divested itself of its sole operating subsidiary, Feedback Data plc, and under Rule 15 of the AIM Rules the Company has been reclassified as an Investing company and has adopted an Investing Policy which was approved by shareholders.

REVIEW OF THE BUSINESS

The Chairman's Statement on page 3 includes a general review of the Group's business for the year. The Directors continued to monitor the performance of the Group and as indicated in the Chairman's statement the Directors considered that the disposal of the operating subsidiary, Feedback Data plc, and the group becoming an investment company, was in the best interests of stakeholders.

FUTURE DEVELOPMENTS IN THE BUSINESS

Following the disposal of Feedback Data Limited on 31 May 2013 the company has become an investment company. The Directors are reviewing various opportunities for the business within the investment policy agreed.

GROUP RESULTS AND DIVIDENDS

The Group loss (2012 – loss) for the year after taxation amounted to £ 348,000 (2012: £1,819,000).

No dividends are payable for the year under review.

PRINCIPAL RISKS AND UNCERTAINTIES

Investing strategy

The Board will consider all viable strategic opportunities to maximise value for shareholders, including acquisitions that fall within the terms of our investing policy. The Board regularly reviews progress and considers risks. The company's long term future is dependent upon finding a suitable acquisition within its investment policy and on being able to raise the funding necessary to follow through with any investment.

If we adopt the wrong strategy or implement it poorly the Group may be negatively impacted.

Economic and market risks

During the year, the impact of the global economic downturn continued to drive demand for value from customers. Challenges to funding, competitor pricing and product costs affected the performance of the Group in terms of both sales and costs. Our focus was on delivering quality products that solved problems and completely satisfied customer needs, and at prices that represented clear value for all our customers. This was achieved through reviewing our customer relationships, management of costs, development of sales propositions and tuning our promotion and marketing activity. While external costs affected our business the Group continued to mitigate their impact on profitability.

Liquidity

Management of liquidity risk concentrated on the maintenance of appropriate credit lines and funding sources to ensure adequate cash resources for the Group's operations.

FEEDBACK DATA PLC

Feedback Data's main business was selling access control equipment and software that enabled central monitoring of fully integrated access, fire and security systems in larger organisations. The Company also supplied time and attendance terminals together with software for use with this hardware.

The customers were both value added resellers and end users. The Company concentrated on supplying units for incorporation in enterprise systems in complex environments for customers with sophisticated needs. Products were designed in co-operation with the customers who were mainly based in the UK and Europe.

Feedback Data plc was sold on 31 May 2013.

FEEDBACK BLACK BOX COMPANY LIMITED

Feedback Black Box Company's main business was developing bespoke data-based electronic hardware products for customer markets of third-party organisations. The business ceased to trade on 5 June 2012.

RESEARCH AND DEVELOPMENT

The Group continued its policy of investing in development and marketing of improved, innovative, data capture and access control products, particularly with increasing software content during its ownership of Feedback Data plc. Subsequent to the disposal of Feedback Data plc there is no current investment in research and development.

FEEDBACK PLC
DIRECTORS REPORT
FOR THE YEAR ENDED 31 MAY 2013

DIRECTORS

The Directors of the Company during the year were:

S G Barrell	(Appointed 11 November 2012)
N S Shepheard	
D Barton	(Resigned 16 October 2012)
M P Bird	(Resigned 31 May 2013)
Professor J H Westcott	(Resigned 11 November 2012)

SECRETARY

Temple Secretaries Limited

SIGNIFICANT SHAREHOLDERS

Shareholders who have notified the company of shareholdings in excess of 3%:

	No. of Shares	%
T W G Charlton	19,238,397	14.69
M G Burt	16,595,930	12.67
Trustees of D Barton	16,044,871	12.25
Feedback PLC (Pension Protection Fund)	14,846,411	11.34
W R Ruffler	9,397,893	7.18
Prof J H Westcott	5,999,287	4.58
N S Shepheard	5,000,000	3.82
H L Carrette	5,000,000	3.82

DIRECTORS' BIOGRAPHIES

Nicholas Steven Shepheard, Chairman & Chief Executive Director

Nick spent ten years as an independent consultant advising technology companies on corporate and go-to-market strategy. He had a short engagement in this role in 2007 and was appointed to the Board as Chairman and Chief Executive in February 2012. Nick's early career included Dun & Bradstreet and Butterworths law publishers before time at TSO as General Manager of the London, Edinburgh and Belfast Gazettes.

Mark Peter Bird, Group Sales Director (resigned 31 May 2013)

Mark joined the Board in February 2012 as Group Sales Director. Prior to this he was a founding Director of a software start-up and he has previously held board positions as either sales or managing Director in a number of companies including Steljes Ltd which operates in the education sector.

John Hugh Westcott, D.Sc., F.R.Eng., F.R.S. – Non-Executive Director and Life President (resigned 11 November 2012)

A founder Director of the Company and Emeritus Professor of Control Systems and a Senior Research Fellow at Imperial College. He guided the Company on specification and design of equipment. He was a Member of the Group's Remuneration and Audit Committees.

David Barton, Non-Executive Director (resigned 16 October 2012)

Having qualified as a Chartered Accountant with Coopers & Lybrand, he decided to leave the profession to pursue a commercial career. He has been actively engaged in numerous business sectors including banking, property, media and manufacturing. He was Chairman of the Group's Remuneration and Audit Committees.

Simon Barrell, Non-Executive Director (appointed 11 November 2012)

Simon qualified as a chartered accountant with Arthur Young in 1983. He then joined an accountancy practice in Nairobi, Kenya as a Senior Manager. On his return to the UK in 1987, he joined Binder Hamlyn. In 1994 he was appointed finance director of Napier Brown & Company Limited and in 2003 as finance Director of Napier Brown Foods Plc. Since leaving Napier Brown & Company Plc in 2005 he has been finance Director in an executive and non-executive capacity for a number of public companies and continues to act as an adviser to listed and non-listed companies. He is on both the Audit and Remuneration Committees.

EMPLOYMENT POLICIES

The Group is committed to employee involvement in the business and there are consultative procedures available for management and other employees to discuss matters of mutual interest.

The Group has a policy of non-discrimination in respect of sex, colour, religion, race, nationality or ethnic origin and the recruitment of disabled persons is only subject to any overriding consideration of access and safety.

FEEDBACK PLC
DIRECTORS REPORT
FOR THE YEAR ENDED 31 MAY 2013

CREDITOR PAYMENT POLICIES

The Group's policy for all suppliers is to fix terms of payment when agreeing the terms of each business transaction, to ensure the supplier is aware of those terms and to abide by the agreed terms of payment. Payment terms for the year ended 31 May 2013 averaged 45 days (2012: 48 days).

TREASURY POLICY

The Group has adopted formal treasury policies to control its financial instruments. It is a Group Treasury policy not to undertake transactions of a speculative nature. The Group utilised short-term Group overdraft facilities. Group cash flows are managed centrally and surplus cash is invested in short-term financial instruments. Export business was, wherever possible, carried out in sterling, in order to reduce exchange rate losses

Compliance with these policies is monitored by the Board. Other than for currency disclosures, the Group has taken advantage of the exemption permitting it not to treat short-term debtors and creditors as financial instruments.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Group and parent Company financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law the Directors are required to prepare the Group and parent Company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The financial statements are required by law to give a true and fair view of the state of affairs of the Group and parent Company and of the profit and loss of the Group for that period.

In preparing each of the Group and parent Company financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS's as adopted by the EU subject to any material departures disclosed and explained in the parent Company financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the parent Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and parent Company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. They have general responsibility for taking such steps as are reasonably open to safeguard the assets of the Group and parent Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations the Directors are also responsible for preparing a Directors' Report to comply with that law and those regulations.

In determining how amounts are presented within terms in the income statement and balance sheet the Directors have had regard to the substance of the reported transaction or arrangement in accordance with generally accepted accounting principles or practice.

AUDIT INFORMATION

The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, there is no relevant audit information of which the auditors are unaware.

Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

A resolution to reappoint haysmacintyre as auditors to the Company will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD ON 5 NOVEMBER 2013

N S Shephard
Director

FEEDBACK PLC
CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 MAY 2013

Under the AIM rules the Group is not obliged to implement the provisions of the Combined Code. However, the Group is committed to applying the principles of good governance contained in the Combined Code as appropriate to a Group of this size. The Board will continue to review compliance with the Code at regular intervals.

In common with other organisations of a similar size, the Executive Director is heavily involved in the day-to-day running of the business. The Board of Directors meets regularly and is responsible for formulating strategy, and for the trading subsidiaries historically, monitoring financial performance and approving major items of capital expenditure. All Directors have access to the advice and services of the Company Secretary.

During the year the Board comprised two Executive Directors including the Chairman and up to two Non-Executive Directors. In view of the size and management structure of Feedback Plc, the Company has not complied with certain minor aspects of the Combined Code as discussed below.

BOARD OF DIRECTORS

The Board included up to two Non-Executive Directors. The Board has scheduled monthly meetings each year and others as required. The Board retains full responsibility for the direction and control of the Group. No strategic powers have been delegated and for these reasons the Board did not have, during the year, a formal schedule of matters specifically reserved to it (Paragraph A1 of the Code).

There is currently no formal agreed procedure for Directors in the furtherance of their duties to take independent professional advice as necessary at the Company's expense (paragraph A5 of the Code).

NON-EXECUTIVE DIRECTORS

The appointment of Non-Executive Directors is a matter for the Board as a whole. Although recommended by the Code, there is currently no formal selection process. The Non-Executive Directors have contracts for services for an unspecified period. (Paragraph A7 of the Code). Non-Executive Directors are subject to re-election every three years.

Terms and conditions of appointment of the Non-Executive Directors are available for inspection.

EXECUTIVE DIRECTORS

Directors are appointed by the Board of Directors but stand for election by the shareholders at the Annual General Meeting. The Executive Directors are subject to re-election every three years.

BOARD COMMITTEES

A Remuneration Committee was in place comprising the two Non-Executive Directors. The Remuneration Committee had two scheduled meetings in the year. Both serving members attended both meetings held in the year. As there is now only one Non-Executive Director he is responsible for reviewing the remuneration of the Chairman.

An Audit Committee was in place comprising the two Non-Executive Directors. The Company's approach to internal control is described below. The Audit Committee had two scheduled meetings in the year. Both serving members attended both meetings held in the year. As there is now only one Non-Executive Director the Chairman and the Non-Executive Director review the financial statements with the auditors.

There is no Nomination Committee. Given the size of the Group, the Board do not consider a Nomination Committee appropriate (paragraph A4 of the Code).

PERFORMANCE EVALUATION

There is currently no formal performance evaluation of the board, its committees and its individual directors (paragraph A6.1 of the Code).

COMMUNICATION WITH SHAREHOLDERS

The Directors are available to shareholders at any time to discuss strategy and governance matters.

In addition, all Company announcements are published on the Company's website, together with financial results.

All shareholders have the opportunity to ask questions and express their views at the Company's Annual General Meeting, at which all Directors are available to take questions.

With the exception of the matters referred to above the Company has complied throughout the financial year with provisions of Section 1 of Revised Combined Code, issued in July 2008.

AUDIT AND INTERNAL CONTROL

The primary role of the Audit Committee was to keep under review the Group's financial systems and controls and its financial reporting procedures. In fulfilling this role, the Committee received and reviews work carried out by the external auditors and their findings.

The Board had overall responsibility for operating and monitoring the system of internal control within the Group and for monitoring its effectiveness. The system includes an on-going process for identifying, evaluating and managing significant

FEEDBACK PLC
CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 MAY 2013

AUDIT AND INTERNAL CONTROL (continued)

business risks. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group's system was designed to provide the directors with reasonable assurance that any material problems were identified on a timely basis and dealt with appropriately.

Guidance on the Turnbull Report was issued in September 1999 and gave guidance to Directors on the requirements of the Combined Code for reviewing the effectiveness of the Group's system of internal control, encompassing operational, compliance and risk management matters in addition to the traditional financial issues. The Audit Committee reviewed the effectiveness of the internal controls on an annual basis on behalf of the Board and considered that, given the small size of the Company and the close involvement of the Executive Directors in the day to day operations, it had complied with the requirements in the Combined Code and the Turnbull Report in the year under review and up to the date of approval of the Annual Report and Accounts.

The key elements of the system, which had been designed to meet the specific needs and business risks of the Group, include:

- clearly defined organisation structures with segregation of duties wherever practicable;
- agreement of Group short term financial objectives and business plans;
- monthly review by the Board of Group Financial Statements and monitoring of results against budgets;
- Board control over treasury, taxation, legal, insurance and personnel issues;
- Board control over appraisal, review and authorisation of capital expenditure.

In common with organisations of similar size the Executive Directors were heavily involved in the day to day running of the business. The directors believe that although the Company's controls may be slightly less formal than those of larger companies, the close involvement of the Executive Directors more than compensated for this.

The Board believes that it is not currently appropriate for the Company to maintain an internal audit function because of the small size of the Group following the recent disposals of subsidiaries.

The Audit Committee considered the independence and objectivity of the external auditors on an annual basis, with particular regard to non-audit services. The split between audit and non-audit fees for the year and information on the nature of the non-audit fees appear in note 6 to the financial statements. The non-audit fees are considered by the Committee not to affect the independence or objectivity of the auditors. The Audit Committee monitors such costs in the context of the audit fee for the year, ensuring that the value of non-audit services does not increase to a level where it could affect the auditors' objectivity and independence. The Audit Committee also received an annual confirmation of independence from the auditors.

GOING CONCERN

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts. Further information in respect of the Director's consideration of going concern is included in note 1(c) to the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FEEDBACK PLC

We have audited the financial statements of Feedback Plc for the year ended 31 May 2013 which comprise the Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Balance Sheets, the Consolidated and Company Cash Flow Statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 Directors' Responsibilities Statement set out on page 6, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition we read all the financial and non financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material inconsistencies we consider the implication for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 May 2013 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

*George Crowther (Senior statutory auditor)
for and on behalf of haysmacintyre, Statutory Auditor*

*26 Red Lion Square
London
WC1R 4AG*

FEEDBACK PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2013

	Note	2013 £000	2013 £000	2013 £000	2012 £000	2012 £000	2012 £000
		Continuing	Discontinued	Total	Continuing	Discontinued	Total
REVENUE	4	-	1,719	1,719	-	7,046	7,046
Cost of Sales		-	(1,010)	(1,010)	-	(4,598)	(4,598)
GROSS PROFIT		-	709	709	-	2,448	2,448
Other Operating Expenses	5	(492)	(890)	(1,382)	(509)	(2,353)	(2,862)
OPERATING LOSS	6	(492)	(181)	(673)	(509)	95	(414)
Net finance expense	7	(57)	-	(57)	(13)	-	(13)
(Loss)/profit on ordinary activities before taxation		(549)	(181)	(730)	(522)	95	(427)
Tax charge	9	-	-	-	-	(23)	(23)
LOSS/(PROFIT) ON ORDINARY ACTIVITIES AFTER TAX		(549)	(181)	(730)	(522)	72	(450)
Profit/(loss) on disposal of discontinued operations	12	-	382	382	-	(1,369)	(1,369)
(Loss)/profit for the year attributable to the equity Shareholders of the Company		(549)	201	(348)	(522)	(1,297)	(1,819)
Other comprehensive income/(expense)							
Translation differences on overseas operations				(3)			10
Total comprehensive expense for the year				(351)			(1,809)
LOSS PER SHARE (pence)							
Basic and diluted	11	(0.42)	0.15	(0.27)	(0.42)	(1.05)	(1.47)

The notes on pages 16 to 32 form part of these financial statements.

FEEDBACK PLC**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 MAY 2013**

GROUP	Share Capital £000	Share Premium £000	Capital Reserve £000	Retained Earnings £000	Translation Reserve £000	Total £000
At 1 June 2011	273	633	300	1,657	(214)	2,649
New shares issued	54	218	-	-	-	272
Total comprehensive expense for the year	-	-	-	(1,819)	10	(1,809)
At 31 May 2012	327	851	300	(162)	(204)	1,112
Total comprehensive expense for the year	-	-	-	(348)	(3)	(351)
At 31 May 2013	327	851	300	(510)	(207)	761

COMPANY

	Share Capital £000	Share Premium £000	Retained Earnings £000	Total £000
At 1 June 2011	273	633	824	1,730
New shares issued	54	218	-	272
Total comprehensive expense for the year	-	-	(1,148)	(1,148)
At 31 May 2012	327	851	(324)	854
Total comprehensive expense for the year	-	-	(73)	(73)
At 31 May 2013	327	851	(397)	781

The notes on pages 16 to 32 form part of these financial statements.

FEEDBACK PLC
CONSOLIDATED BALANCE SHEET
AT 31 MAY 2013

	Notes	2013 £000	2012 £000
ASSETS			
Non-current assets			
Property, plant and equipment	14	-	73
Intangible assets	15	-	330
		-	403
Current assets			
Inventories	16	-	316
Trade receivables		-	343
Other receivables	17	15	160
Cash and cash equivalents		342	-
		357	819
Non current assets held for sale	13	940	1,050
Total assets		1,297	2,272
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	9	-	86
Current liabilities			
Trade payables		102	228
Other payables	18	434	688
Bank borrowings		-	158
		536	1,074
Total liabilities		536	1,160
TOTAL NET ASSETS		761	1,112
EQUITY			
Capital and reserves attributable to the Company's equity shareholders			
Called up share capital	20	327	327
Share premium account		851	851
Capital reserve		300	300
Translation reserve		(207)	(204)
Retained earnings		(510)	(162)
TOTAL EQUITY		761	1,112

The financial statements were approved and authorised for issue by the Board of Directors on 5 November 2013 and were signed below on its behalf by:

N.S. Shephard
Chairman

The notes on pages 16 to 32 form part of these financial statements.

COMPANY BALANCE SHEET

AT 31 MAY 2013

	Notes	£000	2013 £000	£000	2012 £000	£000
ASSETS						
Non-current assets						
Property, plant and equipment	14		-		34	
Investments	12		-		140	
						174
Current assets						
Other receivables	17	973		1,108		
Cash and cash equivalents		340		-		
			1,313		1,108	
Total assets			1,313		1,282	
LIABILITIES						
Current liabilities						
Trade payables			102		90	
Other payables	18		430		197	
Bank borrowings			-		141	
Total current liabilities			532		428	
TOTAL NET ASSETS			781		854	
EQUITY						
Capital and reserves attributable to the Company's equity shareholders						
Called up share capital	20		327		327	
Share premium account			851		851	
Retained earnings			(397)		(324)	
TOTAL EQUITY			781		854	

The financial statements were approved and authorised for issue by the Board of Directors on 5 November 2013 and were signed below on its behalf by:

N.S. Shephard

Chairman

FEEDBACK PLC
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY

	2013		2012	
	£000	£000	£000	£000
Cash flows from operating activities				
Loss before tax		(730)		(427)
<i>Adjustments for:</i>				
Impairment provision against property	110		-	
Net finance expenditure	57		13	
Depreciation and amortisation	241		508	
Loss on disposal of property, plant and equipment	17		-	
Foreign exchange difference	3		(10)	
Decrease /(increase) in inventories	193		(310)	
Decrease in trade receivables	31		(81)	
Decrease in other receivables	136		42	
Decrease/(increase) in trade payables	36		(286)	
Decrease in other payables	39		434	
		<u>863</u>		<u>310</u>
Net cash generated by/(used in) operating activities		133		(117)
Cash flows from investing activities				
Purchase of tangible fixed assets	(9)		(51)	
Purchase of intangible assets	(126)		(258)	
Net cash disposed of with subsidiary	(11)		-	
Net proceeds from sale of subsidiary	570		-	
		<u>424</u>		<u>(309)</u>
Net cash used in investing activities		424		(309)
Cash flows from financing activities				
Interest paid	(57)		(13)	
Proceeds of share issue	-		272	
		<u>(57)</u>		<u>259</u>
Net cash used from financing activities		(57)		259
Net decrease in cash and cash equivalents		500		(167)
Cash and cash equivalents at beginning of year		(158)		9
Cash and cash equivalents at end of year		<u>342</u>		<u>(158)</u>

The notes on pages 16 to 32 form part of these financial statements.

FEEDBACK PLC
COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2013

	2013		2012	
	£000	£000	£000	£000
Cash flows from operating activities				
Loss before tax		(503)		(776)
<i>Adjustments for:</i>				
Provision against investment	-		80	
Provision against intercompany receivable	155		147	
Finance charges	57		13	
Depreciation and amortisation	17		90	
Loss on sale of fixed assets	17		-	
(Increase)/decrease in other receivables	(18)		(33)	
Increase/(decrease) in trade payables	12		29	
Increase/(decrease) in other payables	231		5	
		<u>471</u>		<u>331</u>
Net cash used in operating activities		(32)		(445)
Cash flows from investing activities				
Purchase of tangible fixed assets	-		(33)	
Net proceeds from sale of subsidiary	570		-	
		<u>570</u>		<u>(33)</u>
Net cash used in investing activities				
Cash flows from financing activities				
Interest paid	(57)		(13)	
Proceeds of share issue	-		272	
		<u>(57)</u>		<u>259</u>
Net cash used in financing activities				
Net increase/(decrease) in cash and cash equivalents		481		(219)
Cash and cash equivalents at beginning of year		<u>(141)</u>		<u>78</u>
Cash and cash equivalents at end of year		<u><u>340</u></u>		<u><u>(141)</u></u>

The notes on pages 16 to 32 form part of these financial statements.

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2013

1. General information

The Group was a leader in international markets in design, manufacture and marketing of electronic, electrical and computer based equipment. During the year the Company sold its remaining operating subsidiary, Feedback Data plc, and on 31 May 2013 became an investment company.

The Company is a public limited company domiciled in the United Kingdom and incorporated under registered number 00598696 in England and Wales. The Company's registered office is Maple Barn, Beeches Farm Road, Uckfield, East Sussex, TN22 5QD

The Company is listed on AIM of the London Stock Exchange. These Financial Statements were authorised for issue by the Board of Directors on the 5 November 2013

2. Adoption of new and revised International Financial Reporting Standards

No new IFRS standards, amendments or interpretations became effective in 2012 which had a material effect on these Financial Statements.

At the date of approval of these Financial Statements, the following IFRS Standards and Interpretations, which have not been applied in these Financial Statements, were in issue but not yet effective. These new Standards, Amendments and Interpretations are effective for accounting periods beginning on or after the dates shown below:

Standard	Description	Effective for annual periods beginning on or after:
IFRS 7	Amendment – Transfer of financial assets	1 Jul 2011
IFRS 10	Consolidated Financial Statements	1 Jan 2014
IFRS 11	Joint Arrangements	1 Jan 2013
IFRS 12	Disclosure of interests in other entities	1 Jan 2014
IFRS 13	Fair value measurement	1 Jan 2013
IAS 12	Deferred Tax: Recovery of Underlying Assets	1 Jan 2012
IAS 19	Employee benefits	1 Jan 2013

There have been various amendments made to existing standards and interpretations as a result of the May 2010 improvements to IFRSs, which provide clarifications to existing requirements. Amendments have been made to the following standards:

IFRS 3 'Business Combinations' – transition requirements for contingent consideration; measurement of non-controlling interest; and unreplaced and voluntary replaced share-based payment awards.

IFRS 7 'Financial Instruments' – increased emphasis on the interaction between qualitative and quantitative disclosures.

IAS 1 'Presentation of Financial Statements' – clarification of the presentation of the statement of changes in equity.

IAS 27 'Consolidated and Separate Financial Statements' – transition requirements for amendments made as a result of IAS 27 (revised).

IAS 34 'Interim Financial Reporting' – accounting for significant events and transactions

The Group has not early adopted these amended standards and interpretations. The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Group's Financial Statements in the periods of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at the time of preparing these statements (November 2013). The policies set out below have been consistently applied to all the years presented.

These consolidated financial statements have been prepared under the historical cost convention.

No separate income statement is presented for the parent Company as provided by Section 408, Companies Act 2006.

During the period the group disposed of its subsidiary Feedback Data plc, in the previous period the group disposed of its subsidiaries Feedback Instruments Limited and Feedback Inc. Subsequent to the year end disposed of its property (held by Brickshield Limited). For these reasons the results of these subsidiaries have been disclosed as discontinued and the property classified 'as held for sale'.

(b) Basis of consolidation

The Group financial statements consolidate the financial statements of Feedback plc and its subsidiaries (the "Group") for the years ended 31 May 2012 and 2013.

The accounts of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All inter-company balances and transactions, including unrealised profits arising from them, are eliminated. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

(c) Going Concern

The Group disposed of Feedback Data plc during the year and subsequent to the year end disposed of its investment property for £940,000. The company become an investment company following the disposal of Feedback Data plc.

The Directors have produced forecasts which show that the company has adequate cash resources for at least the next twelve months from the date of this report. However, to achieve significant investments in the future it may be necessary to raise further capital. The Directors believe that the company is a going concern and has therefore prepared the financial statements on a going concern basis

(d) Intangible assets

Intangible assets were carried at cost less accumulated amortisation and accumulated impairment losses. An intangible asset acquired as part of a business combination is recognised outside goodwill if the asset is separable or arises from contractual or other legal rights and its fair value can be reliably measured.

The significant intangible assets related to software development of products were integral to the trade of the Group's data capture and access control products. Amortisation is recognised in other operating expenses in the income and expenditure account.

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstance indicate that the carrying value may not be recoverable. Impairment losses are recognised in other operating expenses in the income and expenditure account.

Research expenditure was recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) being recognised as intangible assets when it is probable that the project will be a success, considering its commercial and technological feasibility, and costs can be measured reliably. Other development expenditures were recognised as an expense as incurred. Development costs previously recognised as an expense were not recognised as an asset in a subsequent period. Development costs that have a finite useful life and that have been capitalised were amortised from the commencement of the commercial production of the product on a straight line basis over a period of 36 months.

(e) Valuation of Investments

Investments held as non-current assets are stated at cost less any provision for impairment.

(f) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(g) Goodwill

Business combinations on or after 1 April 2006 are accounted for under IFRS 3 using the purchase method. Any excess of the cost of business combinations over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities was recognised in the balance sheet as goodwill and is not amortised.

After initial recognition, goodwill is not amortised but is stated at cost less any accumulated impairment loss, with the carrying value being reviewed for impairment, at least annually and whenever events or changes in circumstance indicate that the carrying value may be impaired.

For the purposes of impairment testing, goodwill is allocated to the related cash generating units monitored by management. Where the recoverable amount of the cash generating unit is less than its carrying amount, including goodwill, an impairment loss is recognised in the income statement.

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

(h) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Depreciation on other assets is provided on cost or valuation less estimated residual value in equal annual instalments over the estimated lives of the assets. The rates of depreciation are as follows:

Buildings	2.5%p.a
Plant and equipment	10 – 50% p.a.
Motor vehicles	25 – 33% p.a.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

(i) Leases

Assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the leases. The amounts by which the lease payments exceed the recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation. Rental costs under operating leases are charged to the income statement in equal annual amounts over the period of the lease.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost represents materials, direct labour and appropriate production overheads.

(k) Foreign currency

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the income statement. Assets and liabilities of the overseas subsidiaries are translated into sterling at the closing rate of exchange and trading results at the average rate of exchange for the period. These translation differences are dealt with as a movement in reserves.

(l) Revenue recognition

Revenue, which is stated net of Value Added Tax, represents the total amount receivable in the ordinary course of business after eliminating intra-Group transactions.

(m) Pension Costs

The Company operated a defined contribution pension scheme during the year. The pension charge represents the amounts payable by the Company to the scheme in respect of the year.

Defined benefit scheme

The Company formerly operated a defined benefit pension scheme. During 2007 the scheme was transferred to the Pension Protection Fund (PPF) for assessment. The PPF completed its assessment and confirmed the transfer in February 2012. The Company no longer makes contributions to the scheme and on the basis that it has no ongoing obligations in relation to the scheme it does not recognise the deficit/surplus on its balance sheet.

(n) Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

(o) Financial instruments

In relation to the disclosures made in note 19:

- short term debtors and creditors are not treated as financial assets or financial liabilities except for the currency disclosures.
- the Group does not hold or issue derivative financial instruments for trading purposes.

(p) Employee share options

The Group has applied the requirements of IFRS 2 Share-based Payment. In accordance with the transitional provisions, IFRS 2 has been applied to all grants of equity instruments after 7 November 2002 that were unvested as of 1 April 2006.

The Group issues equity-settled share-based payment transactions to certain employees. Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. Fair value is measured by use of the Black Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

(q) Non current Assets held for Sale

Non current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Assets are recognised as held for sale and are redesignated within current assets when available for immediate sale in their present condition subject only to completion of terms. A sale is only considered to be highly probable when the appropriate level of management is committed to a plan to sell the asset, and an active marketing program to locate a buyer has been initiated.

(r) Key sources of estimating uncertainty

The preparation of financial statements requires management and the Board of Directors to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses. These estimates are based on historical experience and various other assumptions that management and the Board of Directors believe are reasonable under the circumstances, the results which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources.

- Stock provisions – provisions were made against slow moving stock based on sales and production reports from prior periods. If sales of particular products did not meet past levels there is a risk that stock provisions can be understated.
- Intangible assets - were recognised only when it is probable that a project will be a success. There is a risk therefore that a project previously assessed as likely to be successful fails to reach the desired level of commercial or technological feasibility

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

4. SEGMENTAL REPORTING

The Directors have determined the operating segments based on the management reports that are used to make strategic decisions. The Group's business was analysed below between the Instruments segment and the Data segment. The Instruments segment primarily related to the former subsidiary companies Feedback Instruments plc and Feedback Incorporated which were disposed of last year. The Data segment relates to the subsidiary company Feedback Data plc which was disposed of on 31 May 2013. Details of these companies are included in the Directors' Report.

On the 30 May 2013 the group disposed of its Data business (see Note 12). The results therefore include the results of the Data business for the full year to 31 May 2013.

On the 23 May 2012 the group disposed of its Instruments business. For this reason the results shown below disclose the results of the Instruments business for the period to 23 May 2012.

Year ended 31 May 2013

	Instruments £000	Data £000	Other £000	Total £000
Revenue				
External	-	1,551	168	1,719
Finance expense	-	-	(57)	(57)
Loss before tax	-	(38)	(692)	(730)
Balance sheet				
Assets	-	-	1,297	1,297
Liabilities	-	-	(536)	(536)
	-	-	761	761
Capital expenditure	-	135	-	135

Year ended 31 May 2012

	Instruments £000	Data £000	Other £000	Total £000
Revenue				
External	4,935	1,925	186	7,046
Finance expense	-	-	(13)	(13)
Loss before tax	311	(286)	(452)	(427)
Balance sheet				
Assets	-	781	2,524	3,305
Liabilities	-	(602)	(2,138)	(2,740)
		179	386	565
Capital expenditure	91	185	33	309

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

4. SEGMENTAL REPORTING (continued)

Reported segments' assets are reconciled to total assets as follows:

	2013	2012
	£000	£000
Segment assets for reportable segments	1,297	3,305
Unallocated:		
Inter-company receivables adjustment	-	(1,223)
Intangible assets	-	330
Investments	-	(140)
Total assets per the balance sheet	<u>1,297</u>	<u>2,272</u>

Reported segments' liabilities are reconciled to total assets as follows:

	2013	2012
	£000	£000
Segment liabilities for reportable segments	536	2,740
Inter-company payables adjustment	-	(1,666)
Deferred tax	-	86
Total liabilities per the balance sheet	<u>536</u>	<u>1,160</u>

	External revenue by location of customer		Total assets by location of assets		Capital expenditure by location of assets	
	2013	2012	2013	2012	2013	2012
	£000	£000	£000	£000	£000	£000
United Kingdom	1,431	3,070	1,297	2,258	135	309
Rest of Europe	288	644	-	14	-	-
United States of America	-	445	-	-	-	-
Other Americas	-	498	-	-	-	-
Asia	-	1,040	-	-	-	-
Africa	-	384	-	-	-	-
Middle East	-	965	-	-	-	-
Total	<u>1,719</u>	<u>7,046</u>	<u>1,297</u>	<u>2,272</u>	<u>135</u>	<u>309</u>

5 OTHER OPERATING EXPENSES

	2013	2012
	£000	£000
Distribution costs	-	1,821
Administrative costs:		
Research and development	243	619
Other	1,139	422
	<u>1,382</u>	<u>2,862</u>

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

6. OPERATING LOSS

	2013	2012
	£000	£000
This is stated after charging/(crediting)		
Depreciation and amortisation		
Owned assets	241	508
Auditors' remuneration		
Audit of parent company and group accounts	11	12
Audit of subsidiaries	8	33
Tax and other services	9	10
Operating lease rentals		
Plant and machinery	65	92
Land and buildings	4	11
Write off of intercompany loan	367	-
Impairment of property held for sale	110	273
Write back of stock provisions	-	(260)

7. NET FINANCE COSTS

	2013	2012
	£000	£000
On bank loans and overdrafts	57	13
	<u>57</u>	<u>13</u>

The bank overdraft borrowings included are in sterling and based upon varying margins above NatWest Bank base rate depending upon the overdraft level utilised.

8. DIRECTORS AND EMPLOYEES

	2013		2012	
	Average	Year end	Average	Year end
Number of employees				
Production	2	-	24	3
Selling and distribution	9	-	30	9
Administration	5	2	4	9
Research and development	2	-	9	4
	<u>18</u>	<u>2</u>	<u>67</u>	<u>25</u>

	2013	2012
	£000	£000
Staff costs		
Wages and salaries	640	1,690
Redundancy payments	60	-
Social security costs	69	196
Payments to defined contribution pension scheme	35	58
	<u>804</u>	<u>1,944</u>

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

8. DIRECTORS AND EMPLOYEES (continued)

The value of all elements of remuneration received by each Director in the year was as follows:

	Salary £000	Fees £000	Benefits in kind £000	Pension contributions £000	Total £000
Year ended 31 May 2013					
Executive Directors					
M P Bird (Resigned 31 May 2013)	85	-	-	4	89
N S Shephard	100	-	-	-	100
Non-executive Directors					
D Barton (Resigned 16 October 2012)	-	-	-	-	-
Professor J H Westcott (Resigned 11 November 2012)	-	-	-	-	-
S G Barrell (Appointed 11 November 2012)*		13	-	-	13
Total	185	13	-	4	202
Year ended 31 May 2012					
Executive Directors					
M P Bird	95	-	1	4	100
D J Marks (Resigned 14 October 2011)	88	-	1	3	92
N S Shephard	100	-	-	-	100
Non-executive Directors					
D Barton	-	9	-	-	9
Professor J H Westcott	11	3	-	-	14
Total	294	12	2	7	315

Mr N S Shephard holds options over 4,000,000 (2012: 4,000,000) shares exercisable on or after February 2014. Mr M P Bird holds options over no shares (2012: 1,000,000). Further details can be found under Note 20.

* S G Barrell is paid consultancy fees through and agreement with SGB Consulting.

9. TAXATION LOSS ON ORDINARY ACTIVITIES

	2013 £000	2012 £000
(a) The tax charge for the year:		
UK Corporation tax	-	-
Current tax	-	-
Deferred tax charge	-	23
	-	23
(b) Tax reconciliation		
Loss on ordinary activities before tax	(730)	(427)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 24% (2012 - 26 %)	(175)	(110)
Effects of:		
Expenses non deductible for tax purposes	66	114
Depreciation for the period in excess of capital allowances	4	9
Excess tax losses carried forward	108	73
Other timing differences	(3)	(62)
Tax charge for the year	-	23

(c) Factors which may affect future tax charges

In view of the tax losses carried forward there is a deferred tax amount of approximately £152,000 (2012: £1,086,000) which has not been recognised in these Financial Statements. This contingent asset will be realised when the Group makes sufficient taxable profits in the relevant Company.

(d) Deferred tax - group

The deferred tax included in the balance sheet is as follows:

Deferred tax liability	2013 £000	2012 £000
Deferred tax on development expenditure		
As at 1 June 2012	86	63
Charge in the year	-	23
Disposed with subsidiary undertaking	(86)	-
	-	86

(e) Deferred tax - company

In view of the tax losses carried forward there is a deferred tax amount of approximately £105,000 (2012: £104,000) which has not been recognised in these Financial Statements. This contingent asset will be realised when the Group makes sufficient taxable profits in the relevant Company.

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

10. RESULTS OF FEEDBACK PLC

As permitted by Section 408 of the Companies Act 2006, the income and expenditure account of the parent Company is not presented as part of these financial statements. The Company's loss for the financial year is £73,000 (2012: £1,148,000) which is dealt with in the financial statements of the parent Company.

11. LOSS PER SHARE

Basic earnings per share is calculated by reference to the loss on ordinary activities after taxation of £348,000 (2012: £1,819,000) and on the weighted average of 130,949,746 (2012: 123,679,889) shares in issue.

12. INVESTMENTS

	Total £000
COMPANY - Shares in Group undertakings	
Cost	
At 1 June 2012	2,007
Disposal of Feedback Data Limited	<u>(140)</u>
At 31 May 2013	<u>1,867</u>
Provisions	
At 1 June 2012	1,867
Provided in the year	<u>-</u>
At 31 May 2013	<u>1,867</u>
Net Book Value	
At 31 May 2013	<u>-</u>
At 31 May 2012	<u>140</u>

All of the above investments are unlisted.

Particulars of principal subsidiary companies during the year, all the shares of which being beneficially held by Feedback PLC, were as follows:

Company	Activity	Country of operation and incorporation	Proportion of Shares held
Feedback Data plc	Design, manufacture and sale of computer peripheral equipment for industry and commerce	England	100% Ordinary £1
Feedback Black Box Company Limited	Design, manufacture and sale of electronic equipment for the leisure industry	England	100% Ordinary £1
Feedback Data GmbH	Distribution of products for Feedback Data plc	Germany	100% Specific capital
Brickshield Limited	Holding company of property located at Park Road, Crowborough	England	100% Ordinary £1

Feedback Data GmbH is a subsidiary of Feedback plc following the transfer of ownership from Feedback Data plc on 31 May 2013.

All the subsidiary companies have been included in these consolidated financial statements.

During the year under review the group disposed of its interests in Feedback Data plc. The results of this subsidiary are included in the income statement to the date of the disposal, 31 May 2013.

Feedback Black Box Company Limited ceased to trade on 5 June 2012. The results of this subsidiary are included in the income statement to the date of cessation of trade, 5 June 2013.

During the prior year the group disposed of its interests in Feedback Instruments Limited and Feedback Incorporated. The results of these subsidiaries are included in the income statement to the date of the disposal, 23 May 2012.

FEEDBACK PLC**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 MAY 2013****12. INVESTMENTS (continued)**

Disposal of subsidiary undertaking, Feedback Data plc.

	£'000
Intangible assets	264
Tangible assets	13
	<u>277</u>
Current assets	
Inventories	123
Debtors	323
Cash	11
Deferred tax	(86)
Net liabilities	<u>(460)</u>
Total assets disposed of	188
Net proceeds	<u>(570)</u>
Profit on disposal	<u>382</u>

On the acquisition of the entire issued share capital of Feedback Data plc, the buyer assumed all assets, liabilities and TUPE obligations of the Company.

The cash flows relating to Feedback Data plc were as follows:

	2013	2012
	£'000	£'000
Operating cash flows	225	(274)
Investing cash flows	<u>(138)</u>	<u>(185)</u>

The turnover and loss after tax included in the consolidated accounts for the year ended 31 May 2012 in respect of Feedback Data plc was £1,925,000 and £150,000 respectively.

13. ASSETS HELD FOR SALE

	Land & Buildings £000	Total £000
At 31 May 2011	-	-
Reclassification from property, Plant and Equipment (note 14)	1,323	1,323
Impairment	(273)	(273)
At 31 May 2012	<u>1,050</u>	<u>1,050</u>
Impairment in the year	(110)	(110)
At 31 May 2013	<u>940</u>	<u>940</u>

Reclassification: As at 31 May 2012 the group was actively seeking to dispose of its property. The asset has therefore been reclassified as held for sale. Subsequent to the 31 May 2013 the property was sold for £940,000 and therefore a further impairment charge of £110,000 has been made in the year.

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

14. PROPERTY, PLANT AND EQUIPMENT

GROUP	Land and Buildings £000	Plant and Equipment £000	Motor Vehicles £000	Total £000
Cost of valuation				
At 31 May 2011	1,441	855	19	2,315
Additions	-	51	-	51
Disposal	-	(504)	(5)	(509)
Reclassification	(1,441)	-	-	(1,441)
At 31 May 2012	-	402	14	416
Additions	-	9	-	9
Disposal	-	(71)	(14)	(85)
Disposed with subsidiary	-	(65)	-	(65)
Retired in the year	-	(275)	-	(275)
At 31 May 2013	-	-	-	-
Depreciation				
At 31 May 2011	94	700	16	810
Charge for the year	24	121	1	146
Disposal	-	(492)	(3)	(495)
Reclassification	(118)	-	-	(118)
At 31 May 2012	-	329	14	343
Charge for the year	-	49	-	49
Disposal	-	(51)	(14)	(65)
Disposed with subsidiary	-	(52)	-	(52)
Retired in the period	-	(275)	-	(275)
At 31 May 2013	-	-	-	-
Net Book Value				
At 31 May 2013	-	-	-	-
At 31 May 2012	-	73	-	73

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

14. PROPERTY, PLANT AND EQUIPMENT (continued)

COMPANY	Plant and Equipment £000	Total £000
Cost or valuation		
At 31 May 2011	292	292
Additions	33	33
	<hr/>	<hr/>
At 31 May 2012	325	325
Disposals	(50)	(50)
Retired in the year	(275)	(275)
	<hr/>	<hr/>
At 31 May 2013	-	-
	<hr/> <hr/>	<hr/> <hr/>
Depreciation		
At 31 May 2011	201	201
Charge for the year	90	90
	<hr/>	<hr/>
At 31 May 2012	291	291
Disposals	(33)	(33)
Charge for the year	17	17
Retired in the year	(275)	(275)
	<hr/>	<hr/>
At 31 May 2013	-	-
	<hr/> <hr/>	<hr/> <hr/>
Net Book Value		
At 31 May 2013	-	-
	<hr/> <hr/>	<hr/> <hr/>
At 31 May 2012	34	34
	<hr/> <hr/>	<hr/> <hr/>

15. INTANGIBLE ASSETS

GROUP	Development Expenditure £000
Cost	
At 31 May 2011	4,095
Additions	258
Disposed on sale of subsidiary	(2,236)
	<hr/>
At 31 May 2012	2,117
Additions	126
Disposed on sale of subsidiary	(2,243)
	<hr/>
At 31 May 2013	-
	<hr/> <hr/>
Amortisation	
At 31 May 2011	3,363
Charge for the year	362
Disposed on sale of subsidiary	(1,938)
	<hr/>
At 31 May 2012	1,787
Charge for the year	192
Disposed on sale of subsidiary	(1,979)
	<hr/>
At 31 May 2013	-
	<hr/> <hr/>
Net Book Value	
At 31 May 2013	-
	<hr/> <hr/>
At 31 May 2012	330
	<hr/> <hr/>

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

16. INVENTORIES

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Raw materials and consumables	-	308	-	-
Work in progress	-	8	-	-
	-	316	-	-

17. OTHER RECEIVABLES

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Amounts falling due within one year				
Amounts owing by subsidiary undertakings	-	-	960	1,097
Other receivables	-	14	-	-
Prepayments	15	146	13	11
	15	160	973	1,108

18. OTHER PAYABLES

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Amounts falling due within one year				
Other payables	349	124	346	122
Other taxes and social security	22	44	22	22
Accruals and deferred income	63	520	62	53
	434	688	430	197

Included within other payables is a loan and interest thereon from a company connected to a shareholder of £345,000 (2012 £101,000). The loan attracted interest at 12% per annum and was secured on the group's property. The loan was repayable within 6 months and was fully repaid on 31 July 2013 following the sale on the property.

19. FINANCIAL INSTRUMENTS

The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance.

The Group's financial instruments comprise cash and cash equivalents and various items such as trade payables and receivables that arise directly from its operations. The Group is exposed through its operations to the following risks:

- Credit risk
- Foreign currency risk
- Liquidity risk
- Cash flow interest rate risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks and consequently the objectives, policies and processes are unchanged from the previous period.

19. FINANCIAL INSTRUMENTS (continued)

The Board has overall responsibility for the determination of the Group's risk management policies. The objective of the Board is to set policies that seek to reduce the risk as far as possible without unduly affecting the Group's competitiveness and effectiveness. Further details of these policies are set out below:

Credit risk

The Group was exposed to credit risk primarily on its trade receivables, which were spread over a range of customers and countries, a factor that helped to dilute the concentration of the risk.

It was Group policy, implemented locally, to assess the credit risk of each new customer before entering into binding contracts. Each customer account was then reviewed on an ongoing basis (at least once a year) based on available information and payment history.

The maximum exposure to credit risk is represented by the carrying value in the balance sheet.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Cash, loans and receivables	
	2013	2012
	£000	£000
Current financial assets		
Trade and other receivables	15	503
Cash and cash equivalents	342	-
	357	503

Analysis of trade receivables £'000

	Total	Current	30 days past due	90 days past due	90 days past due
			-	-	-
2013	-	-	-	-	-
2012	343	103	163	30	47

The Group policy made provisions against those debts that were overdue, unless there were grounds for believing that all or some of the debts would be collected. During the year the value of provisions made in respect of bad and doubtful debts was £Nil (2012: £3,000) which represented 0% (2012: 1%) of revenue. This provision was included within the management and administration costs in the comparative Consolidated Income Statement.

Foreign currency risk

Foreign exchange transaction risk arose when the Group entered into transactions denominated in a currency other than their functional currency. The general policy for the Group was to sell to customers in the same currency that goods are purchased in, reducing the transactional risk. Where transactions were not matched excess foreign currency amounts generated from trading were converted back to sterling and required foreign currency amounts were converted from sterling and the use of forward currency contracts was considered.

Foreign exchange translation risk arises on translation of the balance sheets of Group operations whose functional currency is different to that of the Group as a whole.

The Group's main foreign currency risk was the short-term risk associated with accounts receivable and payable denominated in currencies that were not the subsidiaries functional currency. The risk arose on the difference in the exchange rate between the time invoices were raised/received and the time invoices were settled/paid. For sales denominated in foreign currencies the Group tried to ensure that the purchases associated with the sale were in the same currency.

19. FINANCIAL INSTRUMENTS (continued)

The following table shows the net assets exposed to exchange rate risk that the Group has at 31 May 2013:

	2013	2012
	£000	£000
Trade receivables	-	41
Cash and cash equivalents	3	109
Trade payables	-	(5)
	<u>3</u>	<u>145</u>

The Group was exposed to currency risk because it undertook trading transactions in US dollars and euros. The Directors did not generally consider it necessary to enter into derivative financial instruments to manage the exchange risk arising from its operations, but from time to time when the Directors considered foreign currencies were weak and it was known that there would be a requirement to purchase those currencies, forward arrangements may have been entered into. There were no outstanding forward arrangements as at 31 May 2013.

Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group. Rolling forecasts of the Group's liquidity requirements are monitored to ensure it has sufficient cash to meet operational needs.

	Financial liabilities measured at amortised cost	
	2013	2012
	£000	£000
Current financial liabilities		
Trade and other payables	536	916
Overdraft	-	158
	<u>-</u>	<u>158</u>

The following are maturities of financial liabilities, including estimated contracted interest payments.

	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1 or more years
2013					
Trade and other payables	536	536	536	-	-
Overdraft	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2012					
Trade and other payables	916	916	916	-	-
Overdraft	158	158	158	-	-
	<u>158</u>	<u>158</u>	<u>158</u>	<u>-</u>	<u>-</u>

Cash flow interest rate risk

The Group presently has no substantial interest rate exposure.

Capital under management

The Group considers its capital to comprise its ordinary share capital, share premium, capital reserve and accumulated retained earnings.

The group's objectives when managing the capital are:

- To safeguard the group's ability to remain a going concern.
- To maximise returns for shareholders in order to meet capital requirements and appropriately adjust the capital structure, the group may issue new shares, dispose of assets to pay down debt, return capital to shareholders and vary dividend payments.

FEEDBACK PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2013

20. SHARE CAPITAL

	2013	2012
	£000	£000
Allotted, called up and fully paid share capital:		
130,946,746 New Ordinary Shares of 0.25p each (2012: 130,946,746)	327	327
	<u>327</u>	<u>327</u>

Share Options

Share options are granted to Directors and employees. Options are conditional on the employee completing a specific length of service (the vesting period). The options are exercisable from the end of the vesting period and lapse after ten years after the grant date. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Share options are valued using the Black-Scholes option pricing model and no performance conditions are included in the fair value calculations. The risk free rate was 2.67%. The expected volatility is based on historical volatility over the last two years and is estimated to be 55%. The average share price during the year was 0.73 pence. During the year the Company had the following share options in issue:

Number of options						
At June 1			At 31 May	Exercise price	Exercise date	
2012	Granted	Cancelled	2013	(pence)		
1,000,000	-		1,000,000	1.63	24/02/14 to 23/02/21	
3,000,000	-		3,000,000	1.13	13/10/14 to 12/10/21	
1,000,000	-	1,000,000	-	1.13		
<u>5,000,000</u>	<u>-</u>	<u>1,000,000</u>	<u>4,000,000</u>			

All 4,000,000 of the options at 31 May 2013 are only exercisable upon meeting of certain performance conditions relating to shares reaching mid-market criteria for a minimum period of 90 days.

All share options vest three years after the grant date. Each option can only be exercised from three years after the grant date to ten years after the date of grant.

21. FINANCIAL COMMITMENTS

The Company gave cross guarantees in respect of bank and other borrowings of its UK subsidiary undertakings at the year end of £300,000 (2012: £400,000). This guarantee was cancelled on 25 July 2013.

22. PENSIONS

The Company operated a defined contribution scheme during the year and the assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost represents contributions payable and amounted to £35,000 (2012: £58,000). There were no outstanding or prepaid contributions at the year end.

22. Post Balance Sheet Events

On the 31 July 2013 the company's subsidiary Brickshield Limited sold its property for £940,000.

FEEDBACK PLC

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Feedback Plc (the “**Company**”) will be held at Sanlam Securities UK Limited, 10 King William Street, London EC4N 7TW on 29 November 2013 at 11 am. You will be asked to consider and, if thought fit, pass the resolutions below.

Resolutions 5 and 6 will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

As Ordinary Resolutions:

1. To receive and adopt the Company's annual accounts for the financial year ended 31 May 2013 together with the Directors' report and the auditors' report on those accounts.
2. To re-elect N S Shephard, who retires by rotation pursuant to the articles of association of the Company and who, being eligible, offers himself for re-election as a Director.
3. To re-appoint haysmacintyre as auditors of the Company to hold office until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration.
4. THAT, in substitution for all previous authorities and in accordance with section 551 of the Companies Act 2006 (the "Act"), the Directors be and they are hereby generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or convert any securities into shares (“Rights”), provided that this authority shall be limited to the allotment of up to an aggregate nominal amount of £108,031 provided that this authority shall expire at the earlier of the next annual general meeting of the Company or 30 November 2014 and that the Company may before such expiry make an offer or agreement which would or might require shares or Rights to be granted in pursuance of any such offer or agreement notwithstanding that the authority conferred hereby has expired.

As Special Resolutions:

5. THAT, subject to the passing of resolution 5 above, but in substitution for all previous authorities, and in accordance with section 570 of the Act, the Directors be and they are hereby empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by the previous resolution as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - a. in connection with an offer of such equity securities by way of rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange and;
 - b. up to an aggregate nominal amount of £65,473 provided that this authority shall expire at the earlier of the next annual general meeting of the Company or 30 November 2014 and that the Company may before such expiry make an offer or agreement which would or might require equity securities to be granted in pursuance of any such offer or agreement notwithstanding that the authority conferred hereby has expired.
6. THAT, for the purposes of section 701 of the Act, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of £0.25 each in the capital of the Company ("Ordinary Shares") provided that:
 - a. the maximum number of Ordinary Shares which may be purchased is 19,628,917 (representing 14.99% of the Company's issued share capital);
 - b. the minimum price which may be paid for each Ordinary Share is £0.25 and the maximum price (exclusive of expenses) which may be paid for such shares is 5 per cent above the average of the middle market quotations derived from the Daily Official List of London Stock Exchange plc for the five business days before the purchase is made;
 - c. unless previously renewed, revoked or varied, the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company to be held in 2013 or, if earlier, on the date which is [6 months] after the date of the passing of this resolution; and
 - d. the Company may make a contract or contracts to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which contract or contracts will or maybe executed wholly or partly after the expiry of such authority, and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.

Dated 5 November 2013

By Order of the Board

N S Shephard, Director

Registered Address: Maple Barn, Beeches Farm Road, Uckfield, East Sussex TN22 5QD

Registered Number: 00598696

Explanatory Notes to the Notice of Annual General Meeting

The notes on the following pages give an explanation of the proposed resolutions. Resolutions 1 to 5 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 4, 5 and 6 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1: Approval of the annual report and accounts

The Company is required to present its report and accounts to shareholders at its AGM. This provides an opportunity to discuss the performance of the Company during the year, its management and prospects for the future.

Resolution 2: Re-election of director

The Company's articles of association require one-third (but if the number of current Directors of the Board is not three or a multiple of three, as close to one-third as possible (but no more)), of the Board to retire and seek re-election at each AGM. As a consequence, Nicholas Steven Shephard retires by rotation and being eligible, the Board proposes his re-election as a Director of the Company.

Resolution 3: Auditors reappointment and remuneration

It is a requirement that the Company's auditor must be reappointed at each general meeting at which financial statements are laid, in effect, at each AGM. After considering relevant information, the Audit Committee recommended to the Board the reappointment of haysmacintyre. The resolution proposes haysmacintyre's reappointment and to authorise the Directors to determine their remuneration.

Resolution 4: Directors' power to allot relevant securities

Under section 551 of the Act, relevant securities may only be issued with the consent of the shareholders, unless the shareholders pass a resolution generally authorising the Directors to issue shares without further reference to the shareholders. This resolution authorises the general issue of shares up to an aggregate nominal value of £108,031, which is equal to one third of the nominal value of the current share capital of the Company. Such authority will expire at the conclusion of the next AGM of the Company or six months after the Company's accounting reference date (whichever is the earlier).

Resolution 5: Disapplication of pre-emption rights on equity issues for cash

Section 561 of the Act requires that a company issuing shares for cash must first offer them to existing shareholders following a statutory procedure which, in the case of a rights issue, may prove to be both costly and cumbersome. This resolution excludes that statutory procedure as far as rights issues are concerned. It also enables the Directors to allot shares up to an aggregate nominal value of £65,473, which will be equal to 20% of the nominal value of the current share capital of the Company, assuming resolution 5 being passed. The Directors believe that the powers provided by this resolution will maintain a desirable degree of flexibility. Unless previously revoked or varied, the disapplication will expire on the conclusion of the next AGM of the Company or six months after the Company's accounting reference date (whichever is the earlier).

Resolution 6: Purchase of own shares

This resolution seeks authority for the Company to buy its own shares. This resolution would be limited to £49,072 representing approximately 14.99% of the Company's issued share capital, at the latest practicable date prior to the publication of the notice of AGM.

In some circumstances, companies may find it advantageous to use surplus funds to purchase their own shares in the market. This can lead to increases in future earnings on those shares not purchased. The Directors confirm that they will only purchase shares where they believe the effect would be in the best interests of shareholders.

Notes

1. A member of the Company entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxies to exercise any of his rights to attend, speak and vote at that meeting on his behalf. A proxy need not be a member of the Company but must attend the meeting to represent you.
2. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy please contact Share Registrars on 01252 821390, overseas callers should call +44 1252 821390.
3. A Form of Proxy is enclosed. To be effective, the Form of Proxy together with any power of attorney or other written authority under which it is signed, or a notarially certified copy or a certified copy in accordance with the Powers of Attorney Act 1971 of such power or written authority must be completed signed and to be valid the proxy must be duly executed and deposited with the Company at the offices of the Company's registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL, or by scan and email to Share Registrars at proxies@shareregistrars.uk.com, not later than 11.00 a.m. on 27 November 2013.
4. Completion and return of a Form of Proxy will not prevent a member from attending and voting in person if he or she so wishes.
5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 to be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company's register of members not less than 48 hours before the time of the meeting or, in the event that the meeting is adjourned, on the Register of Members of the Company not less than 48 hours before the time of any adjourned meeting, and only such members shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the Register of Members after 11.00 a.m. on 27 November 2013 or, in the event that the meeting is adjourned, not less than

48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend and vote at the meeting.

6. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
7. In the case of a corporation, the Form of Proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
8. A vote withheld option is provided on the Form of Proxy to enable you to instruct your proxy not to vote on any particular resolution. However, it should be noted that a vote withheld in this way is not a "vote" in law and will not be counted in the calculation of the proportion of votes "For" and "Against" a resolution.
9. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy and would like to change the instructions using another hard-copy Form of Proxy, please contact Share Registrars. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
10. In order to revoke a proxy instruction, you will need to inform the Company using one of the following methods:
 - By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Ltd, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
 - In either case, the revocation notice must be received by Share Registrars no later than 11.00 a.m. on 27 November 2013.
 - If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
 - Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
11. As at 5.00 p.m. on the date immediately prior to this notice the Company's issued share capital comprised 130,946,746 ordinary shares of 0.25 pence each ("Ordinary Shares"). Each Ordinary Share carries the right to one vote at a general meeting of the Company and therefore the total number of voting rights in the Company as at 5.00 p.m. on the date immediately prior to this Notice is 130,946,746.

Feedback plc
Maple Barn, Beeches Farm Road, Uckfield, East Sussex TN22 5QD

www.fbk.com