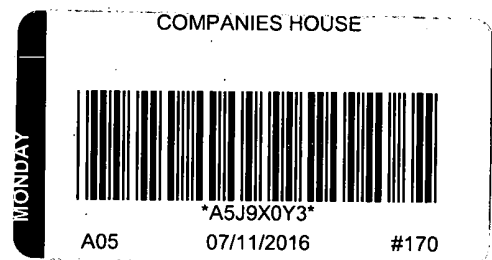


Registration number: 2382076

# Amag Technology Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2015



# **Amag Technology Limited**

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# **Amag Technology Limited**

## **Company Information**

### **Directors**

H Johnson  
J Kenning

### **Company secretary**

V Patel

### **Registered office**

Challenge House  
International Drive  
Tewkesbury  
Gloucestershire  
GL20 8UQ

### **Independent Auditors**

PricewaterhouseCoopers LLP  
2 Glass Wharf  
Bristol  
BS2 0FR

## **Amag Technology Limited**

### **Strategic Report for the Year Ended 31 December 2015**

The directors present their strategic report for the year ended 31 December 2015.

#### **Fair review of the business**

The principal activity of the company is the marketing of risk control and employee management systems and the sale of related goods and services.

The profit for the financial year is set out on page 9. In summary, the profit before tax was £583,000 (2014: £221,000) based on an annual turnover of £3,375,000 (2014: £3,635,000).

The net assets of the company as at 31 December 2015 were £2,420,000 (2014: £2,016,000). The directors consider that the results for the year and the year end position of the company were satisfactory.

Against a background of economic uncertainty, we have won new business whilst, at the same time, replenishing our pipeline. We continue to identify and invest in opportunities to innovate and sell new products and services, in our key markets. During 2015 the company underwent a restructuring programme the positive effects of which are reflected in the company's financial performance for 2015, and we expect to extract further benefits in 2016.

Demand for our products and services remained resilient and growth accelerated in the second half of 2015, providing good support for further operating and financial progress in 2016. The company has identified further areas of growth which it plans to exploit in the coming year.

#### **Transition to FRS 101**

Between 2012 and 2015 the Financial Reporting Council revised financial reporting standards for the United Kingdom and Republic of Ireland. The revision fundamentally reformed financial reporting, replacing all previous accounting standards with Financial Reporting Standard ('FRS') 100 'Application of Financial Reporting Requirements' and other related standards, which are applicable from 1 January 2015.

Under FRS 100, the company has elected to apply FRS 101 'Reduced Disclosure Framework' in its annual financial statements for the year ended 31 December 2015. FRS 101 sets out a reduced disclosure framework which addresses the financial reporting requirements and disclosure exemptions for the individual financial statements of subsidiaries and ultimate parents that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards adopted by the European Union ('adopted IFRSs').

The date of transition from the previous accounting standards to FRS 101 was 1 January 2014. Comparable historical financial information has therefore been provided in accordance with FRS 101 as at 1 January 2014 and as at, and for the year ended, 31 December 2014. An explanation of how the transition affected the previously reported financial position and financial performance of the company has been disclosed in note 16 to the financial statements.

The company has early-adopted certain amendments to FRS 100 and FRS 101, and early-adopted The Companies, Partnerships, and Groups (Accounts and Reports) Regulations 2015 ('SI 2015/980') from 1 January 2015. SI 2015/980 allowed, among other items, the format of the financial statements to be presented in accordance with adopted IFRSs instead of the Companies Act 2006.

#### **Key performance indicators**

The company utilises a wide range of operational performance measures across its business activities. However, these are all activity or contract specific. The company's directors do not believe that further key performance indicators are necessary or appropriate for an understanding of the development, performance or position of the business as a whole.

## **Amag Technology Limited**

### **Strategic Report for the Year Ended 31 December 2015**

#### **Principal risks and uncertainties**

All businesses are subject to risk and many individual risks are macro-economic or social and common across many businesses. The key risks are those which would materially damage the company's strategy, reputation, business, profitability or assets and these risks are listed below. This list is in no particular order and is not an exhaustive list of all potential risks. Some risks may be unknown and it may transpire that other currently considered immaterial become material.

The company's customer base has remained geographically diverse, encompassing industry, academia and government buildings. As a consequence, the business has not been reliant on one key customer or group of customers.

The influence of suppliers remained unchanged throughout the year. The company is not dependent on any single supplier for the products and services needed for the continuance of the business.

The challenging global economic conditions continue to be the most significant commercial risk facing the company. However, the company remains reasonably resilient to any downturn, given the nature of the market sector, our diverse customer base and our financial strength. Management therefore continues to ensure that the business model is as robust and efficient as possible in order to mitigate any further deterioration in trading conditions that might arise.

The outcome of the UK referendum and its decision to leave EU membership is currently unclear, but will continue to be assessed by the business as the process to leave progresses.

Business continuity plans are kept under review for all our locations. There is an ongoing review of our IT infrastructure and we conduct regular testing of all our systems.

#### **Management of financial risk**

The company's operations expose it to a variety of financial risks, including the effects of credit risk, liquidity risk, interest rate risk and exchange rate risk. The policies in place to mitigate the potential impact of these financial risks are as follows:

##### **Credit risk**

Where appropriate, credit checks are made prior to the appointment of a new customer and these are reviewed on a periodic basis together with on-going checks in respect of existing customers. Weekly reviews of the debtors ledger are carried out with the finance and sales teams and action initiated, as appropriate, to collect any overdue amounts, thus optimizing the company's liquidity position.

##### **Liquidity risk**

The company actively maintains an appropriate level of cash reserves that is available for operations.

##### **Interest rate risk**

The rate of interest earned/paid on the company's cash balances/loans and overdrafts are monitored on an ongoing basis by continuing review of rates available in the market. Deposits, loans and overdrafts are made with reference to these rates, in conjunction with projections of future cash requirements.

## **Amag Technology Limited**

### **Strategic Report for the Year Ended 31 December 2015**

#### **Exchange rate risk**

The company monitors its exposures in the foreign currencies in which it regularly transacts business. Main currency risk occurs through transactional risk and the company actively seeks to minimize this through selling and purchasing in the same currency.

Approved by the Board on 3 November 2016 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'H Johnson', with a stylized flourish at the end.

H Johnson

## **Amag Technology Limited**

### **Directors' Report for the Year Ended 31 December 2015**

The directors present their report and the audited financial statements for the year ended 31 December 2015.

#### **Directors of the company**

The directors who held office during the year, and up to the date of signing these financial statements, were as follows:

G Thorington-Jones (resigned 24 December 2015)

M Barnette (resigned 16 May 2016)

H Johnson

J Kenning

M Hildebrandt (resigned 16 May 2016)

#### **Results and dividends**

The results for the year are set out on page 9. No dividends were paid in 2015 (2014: nil).

A review of the progress of the company's business during the year, the key performance indicators, principal business risks and likely future developments are contained in the Strategic report on page 2.

#### **Environmental matters**

The company's business is not one that has a significant direct impact on the environment. However, the company recognises the importance of its responsibilities to reduce environmental impact in such areas as energy usage, recycling, environmentally-friendly products and paper products, where it operates in accordance with the policies of G4S plc as detailed in the group's annual report.

#### **Financial risk management**

Details of the management of financial risk are contained in the Strategic report on page 2.

#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Auditors**

During the year KPMG Audit Plc resigned as the company's auditors. A resolution was passed by the company to appoint PricewaterhouseCoopers LLP as the company's auditors. Pursuant to the provisions of section 485 of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to be reappointed following the period set out in section 485 and in accordance with section 487 of the Companies Act 2006.

Approved by the Board on 3 November and signed on its behalf by:



H Johnson

## **Amag Technology Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Strategic Report and 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# **Independent auditors' report to the members of Amag Technology Limited**

## **Report on the financial statements**

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### **Our opinion**

In our opinion, Amag Technology Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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.
- 

### **What we have audited**

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Income Statement and Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

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### **Other matters on which we are required to report by exception**

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#### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

## **Independent auditors' report to the members of Amag Technology Limited**

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### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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### **Responsibilities for the financial statements and the audit**

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#### **Our responsibilities and those of the directors**

As explained more fully in the Statement of Directors' Responsibilities 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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#### **What an audit of financial statements involves**

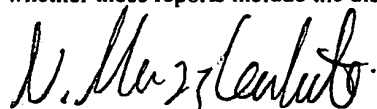
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Nick Muzzlewhite (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
3 November 2016

## Amag Technology Limited

### Income Statement for the Year Ended 31 December 2015

	Note	2015 £ 000	2014 £ 000
Continuing operations			
Revenue	5	3,375	3,635
Cost of sales		<u>(2,101)</u>	<u>(2,421)</u>
Gross profit		1,274	1,214
Distribution costs		(122)	(361)
Administrative expenses		<u>(566)</u>	<u>(632)</u>
Operating profit	6	586	221
Finance expense	9	<u>(3)</u>	<u>(-)</u>
Profit before tax		583	221
Tax on profit	10	<u>(179)</u>	<u>(48)</u>
Profit for the year		<u>404</u>	<u>173</u>

The notes on pages 13 to 22 form an integral part of these financial statements.

## **Amag Technology Limited**

### **Statement of Comprehensive Income for the Year Ended 31 December 2015**

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Profit for the year	404	173
<b>Total comprehensive income for the year</b>	<b>404</b>	<b>173</b>

The notes on pages 13 to 22 form an integral part of these financial statements

**Amag Technology Limited**

**Statement of Changes in Equity for the Year Ended 31 December 2015**

	Share capital £ 000	Retained earnings £ 000	Total equity £ 000
At 1 January 2015	1,051	965	2,016
<b>Comprehensive income:</b>			
Profit for the year	-	404	404
Total comprehensive income	-	404	404
<b>At 31 December 2015</b>	<b>1,051</b>	<b>1,369</b>	<b>2,420</b>
At 1 January 2014	1,051	792	1,843
<b>Comprehensive income:</b>			
Profit for the year	-	173	173
Total comprehensive income	-	173	173
<b>At 31 December 2014</b>	<b>1,051</b>	<b>965</b>	<b>2,016</b>

The notes on pages 13 to 22 form an integral part of these financial statements.

# Amag Technology Limited

(Registration number: 2382076)

## Statement of Financial Position as at 31 December 2015

	Note	2015 £ 000	2014 £ 000
<b>ASSETS</b>			
<b>Current assets</b>			
Trade and other receivables	11	2,578	2,094
Cash and cash equivalents		77	52
		<u>2,655</u>	<u>2,146</u>
<b>Total assets</b>		<u>2,655</u>	<u>2,146</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	12	(8)	(82)
Current tax liabilities		<u>(227)</u>	<u>(48)</u>
		<u>(235)</u>	<u>(130)</u>
<b>Total liabilities</b>		<u>(235)</u>	<u>(130)</u>
<b>Net assets</b>		<u>2,420</u>	<u>2,016</u>
<b>EQUITY</b>			
Share capital	13	1,051	1,051
Retained earnings		<u>1,369</u>	<u>965</u>
<b>Total equity</b>		<u>2,420</u>	<u>2,016</u>

The financial statements on pages 9 to 22 were approved by the Board of directors on 3 November 2016 and signed on its behalf by:



H Johnson  
Director

The notes on pages 13 to 22 form an integral part of these financial statements.

# **Amag Technology Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2015**

### **1 General information**

Amag Technology Limited (the 'company') is incorporated in the United Kingdom, registered in England and Wales, and domiciled in the UK. It is a private company, limited by shares. The company's registered office is Challenge House, International Drive, Tewkesbury, Gloucestershire GL20 8UQ.

The financial statements are presented in sterling, which is the company's functional currency, and in thousands of pounds unless stated otherwise.

### **2 Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard ('FRS') 101 'Reduced Disclosure Framework'.

### **3 Significant accounting policies**

#### **Basis of preparation**

The financial statements have been prepared under the going concern basis and using the historical cost convention in accordance with Companies Act 2006 and applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice ('UK GAAP')). The principal accounting policies and measurement bases adopted are set out below and have been applied consistently to all the years presented, unless stated otherwise. Judgements made by the directors in the application of these accounting policies which have a significant effect on the financial statements, and estimates with a significant risk of material adjustment, have been disclosed in note 4.

The company has early-adopted certain amendments to FRS 100 'Application of Financial Reporting Requirements' and to FRS 101 issued in July 2015 by the Financial Reporting Council. These amendments related to changes made to the Companies Act 2006 to maintain consistency with company law and the early-adoption of The Companies, Partnerships, and Groups (Accounts and Reports) Regulations 2015 ('SI 2015/980'). SI 2015/980 allowed, among other items, the format of the financial statements to be presented in accordance with International Financial Reporting Standards adopted by the European Union ('adopted IFRSs') instead of the Companies Act 2006.

#### **Transition to FRS 101**

These financial statements were prepared by the directors in accordance with FRS 101 for the first time. An explanation of how the transition affected the previously reported financial position and financial performance of the company has been disclosed in note 16 to the financial statements. The date of transition from the previous accounting standards to FRS 101 was 1 January 2014. Comparable historical financial information has therefore been provided in accordance with FRS 101 as at 1 January 2014 and as at, and for the year ended, 31 December 2014.

## **Amag Technology Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **Significant accounting policies (continued)**

##### **Exemptions**

The company has taken advantage of certain disclosure exemptions in FRS 101, in part because its financial statements are included in the publicly available consolidated financial statements of G4S plc. Copies of the consolidated financial statements of G4S plc may be obtained by writing to the Company Secretary, G4S plc, 5th Floor, Southside, 105 Victoria Street, London, SW1E 6QT. The directors have notified the company's shareholders in writing about the use of these disclosure exemptions.

These disclosure exemptions relate to:

- the presentation of a third or opening statement of financial position at the date of transition to FRS 101 and related notes;
- the requirements of IAS 7 'Statement of Cash Flows';
- the statement of compliance with adopted IFRSs;
- new IFRSs that have been issued but are not yet effective and which have not been applied by the company;
- comparative information for the movements from the beginning to the end of the year in respect of the number of shares, and certain other additional comparative information;
- financial instruments disclosures required by IFRS 7 'Financial Instruments: Disclosures';
- disclosures required by IFRS 13 'Fair Value Measurement';
- certain related party disclosures on key management compensation and transactions entered into between two or more wholly-owned members of a group; and
- capital management disclosures.

##### **Revenue**

Revenue represents amounts receivable for goods and services provided in the normal course of business and is measured at the fair value of the consideration received or receivable, net of discounts, VAT and other sales-related taxes. Revenue is recognised to reflect the period in which the service is provided.



## **Amag Technology Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **Significant accounting policies (continued)**

##### **Employee benefits**

###### *Retirement benefit costs*

The G4S plc group, of which the company is a member, operates both defined contribution and defined benefit pension schemes.

Payments to the defined contribution schemes are charged as an expense as they fall due and represent contributions payable to the schemes for the year. Where the company is a member of state-managed or public sector schemes, payments are dealt with as payments to defined contribution schemes where the company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefits scheme.

With respect to the defined benefit pension schemes, as there is no contractual agreement or stated policy for charging the net defined benefit cost to the company, the pension charge recognised in the income statement represents the contributions payable to the schemes for the year.

##### **Finance income and expense**

Finance income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable. This is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying amount.

Finance costs are recognised as an expense in the income statement on the same basis.

##### **Foreign currencies**

The financial statements are presented in sterling, which is the company's functional currency. Transactions in currencies other than the functional currency are translated at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities which are denominated in other currencies are retranslated at the rates prevailing on that date. Non-monetary items measured at historical cost denominated in other currencies are not retranslated. Gains and losses arising on retranslation are included in the income statement.

##### **Income taxes**

Tax is recognised in the income statement except to the extent that it relates to items recognised in equity, in which case it is recognised in equity or other comprehensive income. The tax expense represents current tax.

Current tax is based on taxable profit for the year. 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

## **Amag Technology Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **Significant accounting policies (continued)**

##### **Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

##### *Trade receivables*

Trade receivables do not carry interest and are stated initially at their fair value. The carrying amount of trade receivables is reduced through the use of a bad debt allowance account. The company provides for bad debts based upon an analysis of those that are past due, in accordance with local conditions and past default experience.

##### *Amounts owed by group undertakings*

Amounts owed by group undertakings are recognised initially at fair value and are subsequently stated at amortised cost.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

##### *Trade payables*

Trade payables are not interest-bearing and are stated initially at fair value.

##### *Equity instruments*

Equity instruments and financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that provides a residual interest in the assets of a business after deducting all other liabilities. Shares issued by the company classified as equity instruments are recorded at the value of proceeds received, net of direct issue costs.

##### **Impairment**

The carrying value of the company's assets, with the exception of financial assets, is reviewed on an on-going basis for any indication of impairment and, if any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised in the income statement whenever the carrying value of an asset or its cash-generating unit exceeds its recoverable amount.

An impairment loss in respect of goodwill is not reversed. In respect of any other asset, an impairment loss is reversed if there has been a change in the estimates used to determine its recoverable amount. The amount of the reversal is limited such that the asset's carrying amount does not exceed that which would have been determined (after depreciation and amortisation) if no impairment loss had been recognised.

The company provides for impairments in financial assets when there is objective evidence of impairment as a result of one or more events that impact the estimated future cash flows of the financial assets.

##### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## Amag Technology Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### 4 Accounting estimates, judgements and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of the company's accounting policies. These judgements, estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, including current and expected economic conditions, and in some cases, actuarial techniques.

Although these judgements, estimates and associated assumptions are based on management's best knowledge of current events and circumstances, the actual results may differ.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no significant judgements, estimates or assumptions used in preparing the company's financial statements.

#### 5 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2015 £ 000	2014 £ 000
Sale of goods	3,375	3,635

Analysis of revenue by geography:

	2015 £ 000	2014 £ 000
Europe	1,755	2,559
North America	173	112
Middle East and Gulf	738	282
Asia/Pacific	673	623
Africa	34	57
Latin America	2	2
	3,375	3,635

## Amag Technology Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### 6 Operating profit

Arrived at after charging

	2015 £ 000	2014 £ 000
Depreciation of property, plant and equipment - owned	111	203
- held under finance leases	6	22
Impairment of trade receivables	36	8
Impairment of intangible assets (included in administrative expenses)	716	856
Inventory recognised as an expense	1,527	1,711
Impairment of inventory	11	20
Audit fees payable to company's auditor	7	10
Operating lease charges	176	241

The above costs are recharged from G4S Technology Limited and represent the Amag Technology Limited proportion of the applicable overhead expenses.

#### 7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2015 £ 000	2014 £ 000
Wages and salaries	1,002	1,370
Social security costs	105	148
Employee benefits	64	85
	1,171	1,603

The average monthly number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	2015 No.	2014 No.
Administration and support	-	4

The company has no employees. The wages and salaries costs included in the company's income statement are recharges from G4S Technology Limited.

## Amag Technology Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### 8 Directors' remuneration

The directors' emoluments for the year were as follows:

	2015 £ 000	2014 £ 000
Aggregate emoluments	59	602
Company contributions to a money purchase scheme	5	14

The aggregate emoluments of the highest paid director were £23,000 (2014: £309,000). No contributions have been made to a pension scheme on his behalf in the year (2014: £Nil).

#### 9 Finance expense

	2015 £ 000	2014 £ 000
Other finance costs	3	-

#### 10 Income tax

Tax charged in the income statement

	2015 £ 000	2014 £ 000
<b>Current taxation</b>		
UK corporation tax	118	48
UK corporation tax adjustment to prior periods	61	-
<b>Total current tax charge</b>	179	48

The tax rate applied on profit before tax is the standard effective rate of corporation tax in the UK of 20.25% (2014: 21.5%).

The standard effective rate of corporation tax in the UK reduced from 21.5% in 2014 to 20.25% for 2015 in accordance with legislation enacted by the UK Government during 2013.

The differences are reconciled below:

	2015 £ 000	2014 £ 000
Profit before tax	583	221
Corporation tax at standard rate	118	48
Increase in current tax relating to adjustments in respect of prior periods	61	-
<b>Total tax charge</b>	179	48

The UK corporation tax rate reduced from 21% to 20% with effect from 1 April 2015. Further reductions in the UK corporation tax rate will apply from 1 April 2017 when the rate reduces to 19% and from 1 April 2020 when the rate reduces to 18%. All of these rate changes were enacted at the balance sheet date.

## Amag Technology Limited

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### 11 Trade and other receivables

	2015 £ 000	2014 £ 000
Trade receivables	798	436
Provision for impairment of trade receivable	(89)	-
	709	436
Amounts due from group undertakings (members of the G4S plc group)	1,869	1,658
	2,578	2,094

Amounts due from group undertakings are trading in nature, unsecured, interest free and repayable on demand.

#### 12 Trade and other payables

	2015 £ 000	2014 £ 000
Accrued expenses	8	82

#### 13 Share capital

##### Allotted, called up and fully paid shares

	2015		2014	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	751	751	751	751
Redeemable shares of £1 each	300	300	300	300
	1,051	1,051	1,051	1,051

The Company may, subject to certain formalities, redeem the redeemable shares at par by giving one month's notice in writing to the relevant shareholders. The holders are unable to redeem the shares without the prior written consent of the Company. The redeemable shares have full voting and dividend rights and rank equally with the ordinary shares on winding-up.

## **Amag Technology Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **14 Pension arrangements**

The G4S plc group operates both defined benefit and defined contribution pension schemes. Employer contributions to these schemes are fixed at a set level or set percentage of employees' pay. Total pension costs of £64,000 (2014: £85,000) have been charged to the income statement.

##### *Defined benefit scheme*

The defined benefit scheme is comprised of three sections. The UK scheme is closed to future accrual apart from some sub-sections of the GSL section, and for most members defines the pension based on final salary. Certain sub-sections of the GSL section have historically remained open to provide a facility to accept former public-sector employees who join the G4S plc group through outsourcings. In the Group 4 and Securicor sections, members retain their link to final salary where appropriate on their benefits accrued up to closure in 2011.

As there is no contractual agreement or stated policy for charging the net defined benefit cost of the defined benefit schemes to the company, the pension charge recognised in the income statement represents the contributions payable for the year.

Further information on the defined benefit schemes has been disclosed in the consolidated financial statements of G4S plc.

##### *Defined contribution scheme*

The pension charge recognised in the income statement for the defined contribution scheme represents the contributions payable for the year.

#### **15 Parent and ultimate parent undertaking**

The company's ultimate parent company and ultimate controlling party is G4S plc, a company incorporated in the United Kingdom.

The parent undertaking of both the largest and smallest group, which included the company and for which group financial statements are prepared, is G4S plc. G4S Technology Limited and G4S Holdings 38 (UK) Limited, companies incorporated in the United Kingdom, are the company's immediate parents.

Copies of the group financial statements for G4S plc are available upon request from the Company Secretary, 5th Floor, Southside, 105 Victoria Street, London, SW1E 6QT.

## **Amag Technology Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **16 Transition to FRS 101**

As stated in the Significant accounting policies note, these are the company's first financial statements prepared in accordance with FRS 101. The transition date from the legacy UK GAAP to FRS 101 was 1 January 2014.

The policies disclosed in the Significant accounting policies note have been applied in preparing these financial statements for each of the years ended, and as at, 31 December 2015 and 31 December 2014, and in the preparation of an opening FRS 101 statement of financial position as at 1 January 2014.

In preparing its opening FRS 101 statement of financial position the company has adjusted amounts reported in its previous statutory annual report and financial statements. An explanation of how the transition to FRS 101 has affected the company's financial position and financial performance has been provided below.

#### **Reconciliation of equity**

Adjustments were made to the statement of financial position as at 1 January 2014 and as at 31 December 2014 on transition to FRS 101 as noted below.

#### *Presentational adjustments to the statement of financial position due to the transition to FRS 101*

On transition to FRS 101, the company has reclassified certain taxation balances. Current tax liabilities are presented separately on the face of the statement of financial position in accordance with FRS 101 instead of within creditors under legacy UK GAAP. As at 1 January 2014 this resulted in a reclassification of £107,000 (31 December 2014: £48,000) from trade and other payables to current tax liabilities. Trade and other payables under FRS 101 were therefore £23,000 as at 1 January 2014 and £82,000 as at 31 December 2014.

#### **Reconciliation of profit or loss**

No adjustments were required to the income statement for the year ended 31 December 2014 on transition to FRS 101.

#### **Statement of comprehensive income and statement of changes in equity**

Under legacy UK GAAP, the financial statements included a statement of total recognised gains and losses as a primary statement, if required, and a reconciliation of movements in shareholders' funds as a note to the financial statements.

Under FRS 101, these have been replaced by the statement of comprehensive income and the statement of changes in equity, respectively. In addition, the statement of changes in equity is now presented as a primary statement instead of a note to the financial statements and it analyses in more detail the changes in equity during the year.