

ANGLE TECHNOLOGY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2016



ANGLE TECHNOLOGY LIMITED

COMPANY INFORMATION

Directors	Ian F Griffiths Andrew D W Newland
Secretary	Ian F Griffiths
Company number	02916948
Registered office	3 Frederick Sanger Road The Surrey Research Park Guildford Surrey GU2 7YD
Web site	www.ANGLEplc.com
Auditor	RSM UK Audit LLP Portland 25 High Street Crawley West Sussex RH10 1BG

ANGLE TECHNOLOGY LIMITED

CONTENTS

Page

1	Strategic Report
2 - 3	Directors' Report
4 - 5	Auditor's Report
6	Statement of Comprehensive Income
7	Statement of Financial Position
8	Statement of Cash Flows
9	Statement of Changes in Equity
10 – 31	Notes to the Financial Statements

ANGLE TECHNOLOGY LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2016

The Directors present the Strategic Report for ANGLE Technology Limited for the year ended 30 April 2016.

Principal activity and review of the business

The Company is a holding company within ANGLE plc Group (the Group). The principal activity of the Company is the provision of management and support services for the ANGLE Europe Limited and ANGLE North America Inc., which are commercialising the Parsortix system for non-invasive cancer diagnostics. ANGLE made strong progress with Parsortix during the year, commencing research use sales in the period and making substantial investment to advance and drive the development and adoption of the Parsortix cell separation system.

Key performance indicators and principal risks

The key performance indicators and principal risks and uncertainties are those associated with enabling ANGLE Europe Limited and ANGLE North America Inc. to achieve commercial success.

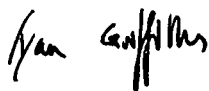
Because of the nature of the Company's continuing role within the Group the Directors do not believe that there are any key risks to be discussed in this report.

Future developments

The Company plans to continue with its existing activities in support of ANGLE Europe Limited and ANGLE North America Inc.

Additional information is provided in the ANGLE plc Annual Report and Accounts 2016 and subsequent news releases.

By order of the Board



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I F Griffiths

Director

27 January 2017

ANGLE TECHNOLOGY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2016

The Directors present their Report and Financial Statements for ANGLE Technology Limited, Company registration number 02916948, for the year ended 30 April 2016. The Financial Statements have been prepared under International Financial Reporting Standards for the first time. Full details are given in Note 1 to the Financial Statements on page 10.

The Directors have confirmed that, 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 it has been communicated to the auditor.

Directors

The following Directors have held office since 1 May 2015:

A D W Newland
I F Griffiths

Directors' interests in shares and share options in the ultimate parent undertaking, ANGLE plc, are shown in Note 19 to these Financial Statements.

Auditor

The auditor RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Chartered Accountants, has indicated its willingness to continue in office.

Results and dividends

The results for the year are set out on page 6. The Directors do not recommend the payment of a dividend for the year.

Directors' responsibilities

The Directors are responsible for preparing the Strategic Report and the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The Financial Statements are required by law and IFRS adopted by the EU to present fairly the financial position and performance of the Company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 those 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;

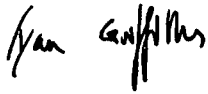
ANGLE TECHNOLOGY LIMITED

DIRECTORS' REPORT (Continued) **FOR THE YEAR ENDED 30 APRIL 2016**

- ♦ 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.

By order of the Board



.....
I F Griffiths

Director

27 January 2017

ANGLE TECHNOLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGLE TECHNOLOGY LIMITED

Opinion on Financial Statements

We have audited the Financial Statements on pages 6 to 31. 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.

In our opinion the Financial Statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements and, based on the work undertaken in the course of our audit, the Strategic report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' report.

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

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

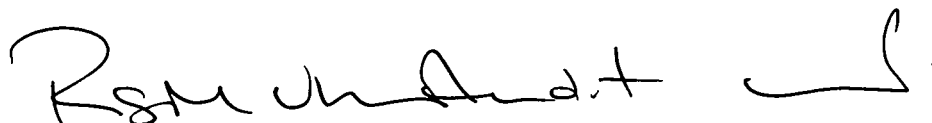
ANGLE TECHNOLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGLE TECHNOLOGY LIMITED (Continued)

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on pages 2 and 3, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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.



Geoff Wightwick (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP),
Statutory Auditor
Chartered Accountants
Portland
25 High Street
Crawley
West Sussex
RH10 1BG

27 January 2017

ANGLE TECHNOLOGY LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2016

	Note	2016 £	2015 £
Provision to write up/(off) Group balances	19	(53,061)	(462,552)
Operating profit/(loss) from continuing operations		(53,061)	(462,552)
Net finance income/(costs)	6	14,323	9,092
Profit/(loss) before tax from continuing operations		(38,738)	(453,460)
Tax	7	-	-
Profit/(loss) for the year from continuing operations		(38,738)	(453,460)
Profit/(loss) from discontinued operations	8	(3,103)	(58,601)
Profit/(loss) for the year		(41,841)	(512,061)
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss) for the year		(41,841)	(512,061)

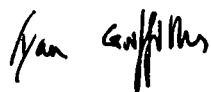
ANGLE TECHNOLOGY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2016

Company No: 02916948

	Note	2016 £	2015 Restated* £	2014 Restated* £
ASSETS				
Non-current assets				
Property, Plant and equipment	10	7,526	2,442	6,770
Intangible assets	11	-	-	856
Investments	9	2	2	2
		7,528	2,444	7,628
Current assets				
Trade and other receivables	13	95,552	170,221	242,348
Cash and cash equivalents		417,624	24,912	3,855,594
		513,176	195,133	4,097,942
Total assets		520,704	197,577	4,105,570
EQUITY				
Share capital	16	1,044,649	1,044,649	1,044,649
Share premium		2,553,356	2,553,356	2,553,356
Capital contribution reserve		605,354	368,037	273,576
Retained earnings		(15,164,676)	(15,123,083)	(14,627,982)
Equity attributable to owners		(10,961,317)	(11,157,041)	(10,756,401)
LIABILITIES				
Non-current liabilities				
Loans from Group companies	14	10,758,951	10,816,376	14,505,656
Current liabilities				
Trade and other payables	15	723,070	538,242	356,315
Total Liabilities		11,482,021	11,354,618	14,861,971
Total equity and liabilities		520,704	197,577	4,105,570

The Financial Statements on pages 6 to 31 were approved by the Board of Directors and authorised for issue on 27 January 2017 and are signed on its behalf by:



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I F Griffiths
Director

*restated on transition from UK GAAP to IFRS (see Note 20)

ANGLE TECHNOLOGY LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 APRIL 2016

	2016 £	2015 £
Operating activities		
Profit/(loss) before tax from continuing operations	(38,738)	(453,460)
Adjustments for:		
Depreciation of property, plant and equipment	2,560	4,099
(Profit)/loss on disposal of property, plant and equipment	-	791
Amortisation and impairment of intangible assets	-	856
Change in fair value	53,061	462,552
Net finance (income)/costs	(14,323)	(9,092)
Share-based payments	237,565	111,421
Operating cash flows before movements in working capital:	240,125	117,167
(Increase)/decrease in trade and other receivables	68,098	(21,606)
Increase/(decrease) in trade and other payables	218,120	75,786
Net cash from/(used in) operating activities	526,343	171,347
Investing activities		
Purchase of property, plant and equipment	(3,639)	(905)
Intercompany loans received / (repaid)	(110,486)	(4,112,302)
Interest received	14,146	10,777
Net cash from/(used in) investing activities	(99,979)	(4,102,430)
Financing activities		
Interest paid	(36)	(71)
Net cash from/(used in) financing activities	(36)	(71)
Net increase/(decrease) in cash and cash equivalents from continuing operations	426,328	(3,931,154)
Discontinued operations		
Net cash from/(used in) operating activities	(33,616)	100,472
Net increase/(decrease) in cash and cash equivalents from discontinued operations	(33,616)	100,472
Net increase/(decrease) in cash and cash equivalents	392,712	(3,830,682)
Cash and cash equivalents at start of year	24,912	3,855,594
Cash and cash equivalents at end of year	417,624	24,912

ANGLE TECHNOLOGY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2016

	Share capital £	Share premium £	Capital Contribution reserve £	Retained Earnings* £	Total Equity* £
At 1 May 2014	1,044,649	2,553,356	273,576	(14,627,982)	(10,756,401)
Profit / (loss)				(512,061)	(512,061)
Share-based payments			111,421		111,421
Release on forfeiture			(1,460)	1,460	-
Release on exercise			(15,500)	15,500	-
At 30 April 2015	1,044,649	2,553,356	368,037	(15,123,083)	(11,157,041)
Profit / (loss)				(41,841)	(41,841)
Share-based payments			237,565		237,565
Release on exercise			(248)	248	-
At 30 April 2016	1,044,649	2,553,356	605,354	(15,164,676)	(10,961,317)

*restated on transition from UK GAAP to IFRS (see Note 20)

Share capital

Represents the nominal value of shares that have been issued. The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

Share premium

Represents share capital in excess of nominal value, net of directly attributable share issue costs.

Capital contribution reserve

The capital contribution reserve is used for the corresponding entry to the share-based payments charged through the Statement of Comprehensive Income for staff incentive arrangements relating to ANGLE plc equity.

Retained earnings

Represents cumulative profit and loss net of distribution to owners.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

1.1 Basis of preparation and accounting convention

ANGLE Technology Limited is a private company, incorporated and domiciled in England. The parent company ANGLE PLC is quoted on AIM.

The Financial Statements have been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards (IFRS) in issue that have been endorsed by the EU for the year ended 30 April 2016. They have also been prepared in accordance with those parts of the Companies Act 2006 that apply to companies reporting under IFRS.

The Financial Statements have been prepared in accordance with IFRS for the first time (previously having been prepared in accordance with UK GAAP). The prior year comparatives have therefore been restated, as shown in Note 20.

Accounting standards issued but not yet effective

At the date of authorisation of these Financial Statements, there were a number of other Standards and Interpretations (International Financial Reporting Interpretation Committee – IFRIC) which were in issue but not yet effective, and therefore have not been applied in these Financial Statements. The Directors have not yet assessed the impact of the adoption of these Standards and Interpretations for future periods.

Endorsed by the European Union

IFRS 11	Accounting for Acquisitions of interests in Joint Operations
Various	Annual Improvements to IFRS 2012-14 cycle
IAS 1	Disclosure initiative
IAS 16 & 38	Clarification of Acceptable Methods of Depreciation and Amortisation
IAS 27	Separate Financial Statements

Not yet endorsed by the European Union

IFRS 9	Financial Instruments
IFRS 10, 12 & IAS 28	Investment entities
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

These Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets at fair value, as required by IAS 39 Financial Instruments: Recognition and Measurement.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies (continued)

1.2 Group accounts

The Financial Statements present information about the Company as an individual undertaking and not about it as a group. The Company has not prepared group accounts as it is exempt from the requirement to do so by the Companies Act 2006 and under IFRS10 Consolidated Financial Statements, as it is a subsidiary undertaking of ANGLE plc, a company incorporated in Great Britain, and is included in the consolidated accounts of that company.

1.3 Going concern

The Financial Statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operations for the foreseeable future.

Note 12 to the Financial Statements includes details of the Company's exposure to liquidity risk, credit risk and interest rate risk.

The Directors have prepared and reviewed the financial projections for the 12 month period from the date of signing of these Financial Statements. Based on the level of existing cash, the projected expenditure and the continuing support from the Parent company, ANGLE plc who's Directors have confirmed their intention to continue to provide financial support to the Company, the Directors have a reasonable expectation that the Company has adequate resources to continue in business for the foreseeable future. Accordingly the going concern basis has been used in preparing the Financial Statements.

1.4 Critical accounting estimates and judgements

The preparation of the Financial Statements requires the use of estimates, assumptions and judgements that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates, assumptions and judgements are based on management's best knowledge of the amounts, events or actions, and are believed to be reasonable, actual results ultimately may differ from those estimates.

1.5 Revenue

Revenue represents amounts receivable for goods and services net of value added tax. Management services revenues are recognised in proportion to the stage of completion of each project. The stage of completion takes into account the milestones achieved in relation to the project deliverables.

1.6 Taxes

Tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates (and laws) that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies (continued)

1.6 Taxes (continued)

Deferred tax is provided for in full on all temporary differences resulting from the carrying value of an asset or liability and its tax base, except where they arise from the initial recognition of goodwill or from the initial recognition of an asset or liability that at the date of initial recognition does not affect accounting or taxable profit or loss on a transaction that is not a business combination. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred tax liability is settled or deferred tax asset realised.

Deferred tax liabilities are recognised on any increase in the fair value of investments to the extent that substantial shareholdings relief or unutilised losses may be unavailable. Deferred tax assets are only recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

IAS 12 Income Taxes requires the separate disclosure of deferred tax assets and liabilities on the Company's Statement of Financial Position. If there is a legally enforceable right to offset current tax assets and liabilities, and they relate to taxes levied by the same tax authority, and the Company intends to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously, then deferred tax assets and liabilities are offset.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

1.7 Foreign currency

The Financial Statements are presented in Pounds Sterling which is the Company's functional and presentational currency. Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Reporting Date.

Non-monetary assets and liabilities denominated in foreign currencies and held at cost use the exchange rate at the date of the initial transactions. Non-monetary assets and liabilities denominated in foreign currencies and held at fair value use the exchange rate at the date that the fair value was determined.

Profits and losses on both the individual transactions during the period and monetary assets and liabilities are dealt with in the Statement of Comprehensive Income.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies (continued)

1.8 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation or impairment value. Cost includes expenditure that is attributable to the acquisition of the items. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful economic life.

The following rates are used:

Computer equipment	33.33%	Straight line
Fixtures, fittings and equipment	33.33%	Straight line

Assets held under finance leases, if any, are depreciated over their expected useful economic life on the same basis as owned assets, or where shorter, the lease term. Assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

1.9 Intangible assets other than goodwill

Computer software

Under IAS 38 Intangible Assets, acquired computer software should be capitalised as an intangible asset unless it is an integral part of the related hardware (such as the operating system) where it remains as an item of property, plant and equipment.

Internally developed computer software will be capitalised in accordance with the research and development accounting policy. If the software is developed for in-house use the capitalised amount is reclassified from research and development to computer software.

Amortisation is calculated using the straight line method to allocate the cost of the software over its estimated useful economic life and is included within operating costs. The useful economic life is estimated at three years, unless there are specific circumstances that dictate this should be for a shorter or longer period.

1.10 Fixed asset investments

Fixed asset investments are carried at the lower of pre-transaction carrying amount or cost, less provision for impairment in value. Carrying values are reviewed on a regular basis by the Directors. Provisions for impairment are based upon an assessment of events or changes in circumstances that indicate impairment has occurred.

1.11 Financial instruments

Financial assets and liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies (continued)

1.11 Financial instruments (continued)

Cash and cash equivalents

Cash and short term deposits in the Statement of Financial Position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash and short term deposits as defined previously and other short term highly liquid investments that are readily convertible into cash and are subject to an insignificant risk of changes in value, net of outstanding short term borrowings.

Deposits

Deposits in the Statement of Financial Position comprise longer term deposits with an original maturity of greater than three months.

Bank loans, loan notes and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowings. After initial recognition, these are subsequently measured at amortised cost.

Other assets

Assets, other than those specifically accounted for under a separate policy, include trade and other receivables and are stated at their amortised cost. They are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated based on expected discounted future cash flows. Any change in the level of impairment is recognised directly in the Statement of Comprehensive Income. An impairment loss is reversed at subsequent reporting dates to the extent that the asset's carrying amount does not exceed its carrying value had no impairment loss been recognised.

Other liabilities

Liabilities, other than those specifically accounted for under a separate policy, include trade and other payables and are stated based on their amortised cost at the amounts which are considered to be payable in respect of goods or services received up to the reporting date.

1.12 Provisions

Provisions are recognised when the Company has a present obligation of uncertain timing or amount as a result of past events, and it is probable that the Company will be required to settle that obligation and a reliable estimate of the obligation can be made. The provisions are measured at the Directors' best estimate of the amount to settle the obligation at the reporting date, and are discounted back to present value if the effect is material. Changes in provisions are recognised in the Statement of Comprehensive Income for the year.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies (continued)

1.13 Employee benefits

Share-based payments

IFRS 2 Share-based Payment has been applied to all share-based payments.

Share-based incentive arrangements which allow Company's employees to acquire shares of the Parent Company may be provided to staff, subject to certain criteria. The fair value of options granted is recognised as a cost of employment within operating costs with a corresponding increase in equity. Share options granted are valued at the date of grant using an appropriate option pricing model and taking into account the terms and conditions upon which they were granted. Market related performance conditions are taken into account in calculating the fair value, while service conditions and non-market related performance conditions are excluded from the fair value calculation, although the latter are included in initial estimates about the number of instruments that are expected to vest. The fair value is charged to operating costs over the vesting period of the award, which is the period over which all the specified vesting conditions are to be satisfied. Options are fully vested and capable of exercise when the employee becomes unconditionally entitled to the options. The annual charge is modified to take account of revised estimates about the number of instruments that are expected to vest, for example, options granted to employees who leave the Company during the performance or service condition vesting period and forfeit their rights to the share options and in the case of non-market related performance conditions, where it becomes unlikely they will vest.

For options granted to staff under unapproved share-based payment compensation schemes, to the extent that the share price at the reporting date is greater than the exercise price then a provision is made for any employer's National Insurance Contributions, or equivalent. Share option agreements in place include a tax indemnity that allows employer's National Insurance Contributions, or equivalent, to be recovered from the Option holder and where this is likely to be applied a receivable for such taxes is also recorded, otherwise a charge is made to the Statement of Comprehensive Income.

Pension obligations

Pension costs are charged against profits as they fall due and represent the amount of contributions payable to employee personal pension schemes on an individual basis. The Company has no further payment obligations once the contributions have been paid.

Compensated absences

A liability for short term compensated absences, such as holiday, is recognised for the amount the Company may be required to pay as a result of the unused entitlement that has accumulated at the reporting date.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies (continued)

1.14 Leases

Operating lease costs are charged to the profit and loss account on a straight-line basis over the lease term. Benefits such as rent-free periods, and amounts received or receivable as incentives to take on operating leases, are spread on a straight-line basis over the lease term.

2 Operating costs	2016 £	2015 £
Staff costs (Note 4)	1,301,250	1,400,254
Staff costs recharged to group companies	(1,301,250)	(918,011)
Depreciation (Note 10)	2,560	4,099
Amortisation (Note 11)	-	856
Loss on disposal of fixed assets	-	379
Operating lease costs – buildings	25,764	27,572
Auditor's remuneration – see below	48,850	50,373
Exchange (gains)/losses	969	(3,343)
Third party Management services contract costs	6,800	45,473
Other operating costs	(81,823)	36,674
	<hr/>	<hr/>
Total operating costs	3,120	644,326
Operating costs from discontinued operations	(3,120)	(644,326)
	<hr/>	<hr/>
Operating costs from continuing operations	-	-
	<hr/>	<hr/>

ANGLE plc and ANGLE Technology Limited employ all UK Directors and staff who provide resources to other group companies as required. Non ANGLE plc and ANGLE Technology Limited costs are recharged to other Group companies.

Auditor's remuneration	£	£
<i>Audit services</i>		
Statutory audit of parent and consolidated accounts	23,000	20,000
Statutory audit of the Company	16,500	19,500
Other	2,500	1,800
<i>Non-audit services</i>		
Tax compliance services	5,000	7,323
Tax advisory services	1,850	1,750
	<hr/>	<hr/>
Total auditor's remuneration	48,850	50,373
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ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

3 Directors' emoluments	2016	2015
	£	£
Aggregate emoluments for qualifying services	750,436	506,719
Employer pension contributions	40,000	40,000
Employer's National Insurance contributions	100,506	67,285
Total	890,942	614,004

The above includes the following amounts paid in respect of the highest paid Director:

Emoluments for qualifying services	485,423	333,511
Employer's National Insurance contributions	65,271	44,526
Total	550,694	378,037

4 Employment Employment costs

The aggregate of employment costs of staff (including Directors) for the year was:

	2016	2015
	£	£
Wages and salaries	919,776	1,125,574
Social security costs	103,909	123,259
Pension contribution costs (Note 5)	40,000	40,000
	1,063,685	1,288,833
Share-based payment charge (Note 17)	237,565	111,421
Total staff costs from continuing operations	1,301,250	1,400,254
Staff costs from discontinued operations	-	(405,845)
Staff costs from continuing operations	1,301,250	994,409

The key management personnel are the Directors and their remuneration is disclosed in Note 3.

Number of employees

The average monthly number of employees (including Directors) during the year was:

	2016	2015
	Number	Number
Specialist medtech – continuing operations	6	8
Discontinued operations	-	10
Total	6	18

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

5 Pension costs

The Company incurred UK pension contribution charges of £40,000 (2015: £40,000) for payment directly to personal pension plan schemes. Contributions to personal pension plan schemes of £Nil (2015: £Nil) were payable at the year end. One Director has received contributions under a defined contribution pension scheme (2015: one).

6 Net finance income / (costs)

	2016	2015
	£	£
Finance income		
Bank interest	14,359	9,163
Finance costs		
Other interest	(36)	(71)
	<u>14,323</u>	<u>9,092</u>

7 Tax

	2016	2015
	£	£
Current tax:		
UK corporation tax	-	-
Deferred tax:		
Origination and reversal of timing differences	-	-
Tax charge / (credit)	<u>-</u>	<u>-</u>
Profit/(loss) on before tax from continuing operations	<u>(38,738)</u>	<u>(453,460)</u>
Tax on profit/(loss) from continuing operations at 20% (2015: 21%)	(7,748)	(95,227)
Factors affecting charge:		
Capital allowances in excess of depreciation	(2,056)	(1,067)
Disallowable expenses	958	(14,988)
Provision against Group balances	10,612	97,136
Other tax adjustments	(2,865)	(24,264)
Group loss relief	(46,414)	-
Share-based payments charge	47,513	23,398
Unutilised losses carried forward	-	15,012
Tax charge/(credit) for year	<u>-</u>	<u>-</u>

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

7 Tax (continued)

The Finance (No 2) Act 2015, which provides for reductions in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 and to 18% effective from 1 April 2020, was substantively enacted on 26 October 2015.

The Company has estimated capital losses available to carry forward against future capital profits of £2,516,117 (2015: £2,516,117). No deferred tax asset has been recognised in respect of losses due to uncertainty over recoverability.

8 Discontinued operations

During the prior year the Company initiated an orderly wind-down of the Management services business which was completed by 30 April 2015 with some minor residual receivables and payments in the current year.

A summary of the results is set out below:

Results of discontinued operations	2016 £	2015 £
Revenue	17	585,725
Operating costs	(3,120)	(644,326)
Profit/(loss) for the year	(3,103)	(58,601)

The Statement of Cash Flows shows the net cash used in the operating activities of the discontinued operations. The impact of the discontinued operations on the Statement of Financial Position is minimal.

9 Fixed asset investments

Shares subsidiaries	£
Cost	
At 1 May 2015 and 30 April 2016	2
Provisions	
At 1 May 2015 and 30 April 2016	-
Net Book Value	
At 30 April 2016 and 30 April 2015	2

The Company has investments in the following subsidiaries:

Company	Principal activity	Class of share held	Shares held %
Subsidiaries			
ANGLE Technology Ventures Limited*	Investments	Ordinary	100.00
ANGLE Technology LLC*	Dormant	Membership Units	100.00
ANGLE Technology Licensing Limited*	Dormant	Ordinary	100.00
Novocellus Limited ⁽¹⁾	IVF Diagnostics - Dormant	Ordinary	91.98
YCC Limited ⁽¹⁾	Dormant	Ordinary	100.00

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

9 Fixed asset investments (continued)

All "Limited" Companies are incorporated and registered in England and Wales . The "LLC company" is incorporated and registered in the US.

*subsidiary held directly

(1) During the year a decision was taken to dissolve the Company and its wholly owned subsidiary YCC Limited and subsequent to the Reporting Date they were formally struck-off.

10 Property, plant and equipment

	Computer equipment*	Fixtures, fittings and equipment	Total
Cost	£	£	£
At 1 May 2014	31,137	50,741	81,878
Additions	562	-	562
Disposals	(5,493)	(587)	(6,080)
At 30 April 2015	26,206	50,154	76,360
Additions	3,639	4,005	7,644
Disposals	(574)	(3,474)	(4,048)
At 30 April 2016	29,271	50,685	79,956
Depreciation			
At 1 May 2014	25,586	49,522	75,108
Charge for the year	3,678	421	4,099
Disposals	(4,702)	(587)	(5,289)
At 30 April 2015	24,562	49,356	73,918
Charge for the year	1,935	625	2,560
Disposals	(574)	(3,474)	(4,048)
At 30 April 2016	25,923	46,507	72,430
Net book value			
At 30 April 2016	3,348	4,178	7,526
At 30 April 2015	1,644	798	2,442

*Restated to show computer software as an intangible asset under IAS 38 Intangible Assets

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

11 Intangible assets

	Computer software £
Cost	
At 1 May 2014 and at 30 April 2015	15,949
Disposals	(7,033)
At 30 April 2016	8,916
Amortisation	
At 1 May 2014	15,093
Charge for the year	856
At 30 April 2015	15,949
Charge for the year	-
Disposals	(7,033)
At 30 April 2016	8,916
Net book value at 30 April 2016	-
Net book value at 30 April 2015	-

Amortisation charges are charged to operating costs in the Statement of Comprehensive Income.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

12 Financial risk management

Overview

The Company is exposed, through its normal operations, to a number of financial risks, the most significant of which are credit and liquidity risks.

The Company's financial instruments comprise cash, trade and other receivables and trade and other payables which arise directly from its operations, and from time to time treasury deposits, overdrafts and finance leases.

It is the Company's policy that no trading in financial derivatives shall be undertaken.

Financial assets

Financial assets comprise cash at bank and in hand as well as treasury deposits and trade and other receivables (see Note 13). It is the Company's policy to place surplus cash resources on deposit at both floating and fixed term deposit rates of interest with the objective of maintaining a balance between accessibility of funds and competitive rates of return. Fixed term deposits are for varying periods ranging from one to six months, to the extent that cash flow can be reasonably predicted.

Financial liabilities

Financial liabilities of the Company in the normal course of business comprise trade and other payables, overdraft facilities and finance leases. It is the Company's policy to use various financial instruments with floating and fixed rates of interest with the objective of maintaining a balance between continuity of funding, matching the liability with the use of the asset, and finding flexible funding options for a reasonable charge.

The Company currently does not utilise overdraft facilities or finance leases. The Company has no long term borrowings or undrawn committed borrowing facilities. The Company is currently not exposed to any interest rate risk on its financial liabilities.

Liquidity risk

The principal risk to which the Company is exposed is liquidity risk, which is that the Company will not be able to meet its financial obligations as they fall due. The Company has obtained confirmation from the Directors of its Parent Company ANGLE plc that they will continue to provide financial support to meet its debts as they fall due.

Credit risk

The Company's credit risk is attributable to its cash and cash equivalents, trade receivables and other receivables. The Company seeks to mitigate its credit risk on cash and cash equivalents through banking with banks with the highest credit ratings. The Company's objective with respect to credit risk is to minimise the risk of default by customers.

The maximum exposure to credit risk at the reporting date is represented by the carrying amount of the assets described above.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

12 Financial risk management (continued)

Interest rate risk

The Company's financial assets and financial liabilities have the following interest rate profile:

	Fixed rate ⁽¹⁾ £'000	Floating rate ⁽²⁾ £'000	Interest free £'000	2016 Total £'000	Fixed rate ⁽¹⁾ £'000	Floating rate ⁽²⁾ £'000	Interest free £'000	2015 Total £'000
Financial assets:								
Trade and other receivables	-	-	8	8	-	-	11	11
Cash and cash equivalents	1	412	5	418	7	13	5	25
Total financial assets	1	412	13	426	7	13	16	36
Financial liabilities:								
Trade and other payables	-	-	265	265	-	-	160	160
Total financial liabilities	-	-	265	265	-	-	160	160

(1) Fixed rate cash deposits in Sterling earned interest at rates between 0.2% and 0.5% (2015: 0.15% and 1.25%).

(2) Floating rate cash deposits in Sterling earned interest at rates between 0.02% and 0.4% (2015: 0.01% and 0.51%). The weighted average interest rate on Sterling cash deposit for this period was between 0.02% and 0.4% (2015: 0.01% and 0.51%). Floating rate other receivables in Sterling earns interest at 0.1%.

The Company does not consider the impact of interest rate risk to be material to its results or operations.

The primary interest rate risk impact relates to movements in underlying bank interest rates and the impact on interest received on cash and cash equivalents held with corporate banks. If interest rates had been 1% higher on floating rate cash deposits then finance income would have been increased by £6,096 (2015: £19,315).

There is currently no interest rate risk on financial liabilities as the Company has no interest bearing loans and borrowings.

All amounts have maturity dates of less than twelve months (2015: £Nil was greater than 12 months).

Foreign currency risk

The majority of the Company's operating revenues and expenses are in Sterling, Euros and US Dollars. Excess exposure, if any, may be managed for all significant foreign currencies using forward currency contracts or currency swaps.

Capital risk management

The Company defines the capital that it manages as its total equity. The objectives when managing capital are to:

- safeguard the Company's ability to continue as a going concern;
- have available the necessary financial resources to allow the Company to deliver benefits from its operational activities.

Hedging

The Company did not hedge its financial transactions in 2016 or 2015.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

12 Financial risk management (continued)

Currency profile

The Company's financial assets and financial liabilities have the following currency profile:

	Sterling £'000	US dollar £'000	2016 Total £'000	Sterling £'000	US dollar £'000	2015 Total £'000
Financial assets:						
Trade and other receivables	8	-	8	11	-	11
Cash and cash equivalents	417	1	418	18	7	25
Total financial assets	425	1	426	29	7	36
	=====	=====	=====	=====	=====	=====
Financial liabilities:						
Trade and other payables	265	-	265	160	-	160
Total financial liabilities	265	-	265	160	-	160
	=====	=====	=====	=====	=====	=====

Fair values of financial assets and liabilities

The Directors believe that the fair value and the book value of financial assets and financial liabilities is not materially different. Trade payables and receivables have a remaining life of less than one year so their value on the Statement of Financial Position is considered to be a fair approximation of fair value.

The fair values of the Company's financial assets and liabilities, together with the carrying values shown in the Statement of Financial Position, are as follows:

	Fair value through profit or loss £'000	Amortised cost £'000	Total carrying value £'000	Fair value £'000
30 April 2016				
Trade and other receivables	-	8	8	8
Cash and cash equivalents	-	418	418	418
Trade and other payables	-	(265)	(265)	(265)
30 April 2015				
Trade and other receivables	-	11	11	11
Cash and cash equivalents	-	25	25	25
Trade and other payables	-	(160)	(160)	(160)

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

13 Trade and other receivables	2016	2015
Current assets:	£	£
Trade receivables	-	3,600
Other receivables	2,594	74,595
Prepayments and accrued income	92,958	92,026
	95,552	170,221

The standard credit period allowed for trade receivables is 30 days, although this may be extended such that invoices become payable after completion of a key milestone.

Age profile of trade receivables	2016	2015
	£	£
Not past due	-	3,600

14 Loans

Non-current liabilities	2016	2015
	£	£
Amounts owed to group undertakings	10,758,951	10,816,376

ANGLE plc provides a centralised treasury function to trading subsidiaries. The amounts due to Group undertakings are interest free, unsecured and have no fixed date of repayment. Additional information on the balances is provided in Note 19.

15 Trade and other payables

	2016	2015
Current liabilities:	£	£
Trade payables	124,790	92,415
Other taxes and social security costs	57,311	73,870
Accruals and deferred income	540,969	371,957
	723,070	538,242

Accruals include amounts for professional fees, vacation, salary and bonuses (Note 19). Deferred income includes amounts for pre-billed revenues.

16 Share capital

	2016	2015
	£	£
Allotted, called up and fully paid		
10,446,484 (2015: 10,446,484) Ordinary shares of 10p each	1,044,649	1,044,649

The Company has one class of ordinary shares which carry no right to fixed income.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

17 Share-based payments

Share Option Scheme

The key disclosures that enable the user of the Financial Statements to understand the nature and extent of share-based payment charges through the Statement of Comprehensive Income relate to shares in the Company's parent company ANGLE plc.

The share-based payment charge for the share option schemes was £237,565 (2015: £111,421).

ANGLE plc operates Share Option Schemes as a means of encouraging ownership and aligning interests of staff and external shareholders. These are a key part of the remuneration package and granted at the discretion of the Remuneration Committee of ANGLE plc taking into account the need to motivate, retain and recruit high calibre executives.

Each Scheme is governed by a specific set of rules and administered by the Directors. Options are generally granted at the market price of the shares on the date of grant. Options granted may have a service condition and/or a non-market performance condition and/or a market performance condition (such as a target share price). If the performance conditions are not met, the options do not vest and will lapse at the date specified at the time of grant. Options are forfeited if the employee leaves the Company before the awards vest unless the conditions under which they leave are such that they are considered to be a "good leaver"; in this case some or all of their options may remain exercisable for a limited period of time, subject to any performance condition having been met. Options lapse if they are not exercised by the date they cease to be exercisable.

EMI Share Option Scheme #1 and Unapproved Share Option Scheme #2

ANGLE plc has an Enterprise Management Incentive (EMI) Share Option Scheme and an Unapproved Share Option Scheme. Share options are granted under a service condition and/or a non-market performance condition and/or a market performance condition. Options cease to be exercisable after ten years from the date of grant or on an earlier specified date.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

17 Share-based payments (continued)

EMI Share Option Scheme #1 and Unapproved Share Option Scheme #2 (continued)

The movement in the number of employee share options is set out below:

	2016 Number of share options #	2016 Weighted average exercise price (p)	2015 Number of share options #	2015 Weighted average exercise price (p)
Outstanding at 1 May	6,646,000	67.30	4,346,000	53.92
During the year				
Granted	440,806	44.62	2,560,000	85.99
Exercised	(4,000)	25.75	(250,000)	25.75
Forfeited	-	-	(10,000)	73.00
Outstanding at 30 April	7,082,806	65.91	6,646,000	67.30
Capable of being exercised at 30 April	2,422,809	40.46	1,829,333	31.52

The options outstanding at 30 April 2016 had a weighted average remaining contractual life of seven years (2015: seven years and ten months).

A Trinomial option pricing model has been as the basis to determine the fair value of the share options.

The following assumptions are used in the model to determine the fair value of share options at the respective date of grant that are still outstanding at 30 April 2016:

Date of grant	Exercise price (£)	Share price at date of grant (£)	Expected volatility	Risk free interest rate	Expected life of option (years)	Expected dividends	Vesting conditions	Outstanding share options
30 August 2011	0.2575	0.2575	45.00%	1.06%	3.5	Nil	(1)	1,221,353
18 November 2011	0.7550	0.7550	40.00%	0.62%	2.5	Nil	(2)	1,320,990
5 November 2012	0.2575	0.3750	40.00%	0.35%	3.0	Nil	(1)	380,647
5 November 2012	0.7550	0.3750	40.00%	0.23%	2.0	Nil	(2)	589,010
11 December 2013	0.7300	0.7300	40.00%	0.97%	3.0	Nil	(3)	570,000
18 July 2014	0.7500	0.7500	40.00%	1.40%	3.0	Nil	(4)	60,000
10 November 2014	0.8625	0.8625	40.00%	1.53%	5.0	Nil	(5)	1,500,000
10 November 2014	0.8625	0.8625	40.00%	1.03%	3.0	Nil	(4)	390,000
31 March 2015	0.8625	0.7850	40.00%	0.67%	3.0	Nil	(4)	610,000
12 November 2015	0.1000	0.7550	40.00%	0.68%	2.0	Nil	(6)	120,806
1 March 2016	0.5650	0.5650	40.00%	0.42%	3.0	Nil	(4)	300,000
29 March 2016	0.7550	0.7550	40.00%	0.51%	3.0	Nil	(4)	20,000
Total								7,082,806

17 Share-based payments (continued)

Expected volatility was derived from observation of the volatility of quoted shares in similar sectors to the Parent Company and observation of the historic volatility of the Company's shares, adjusted for any unusual historic events and expected changes to future volatility. The expected life used in the model is based on management's best estimate taking into account the effects of non-transferability, exercise restrictions, behavioural conditions and expected future events.

The share options issued were subject to both performance and service (employment) conditions:

- (1) Vesting is subject to a) a performance condition that the Parent Company's share price together with any dividend payments has risen by at least 50% from the market price on 30 August 2011, and b) a service condition with options vesting over a three year period. These conditions have been met and the options are fully vested and capable of exercise.
- (2) Vesting is subject to a) the performance conditions that (i) the Parent Company's share price must have increased to £2.00 at some point since the date of grant and (ii) the Parsortix separation device must have been demonstrated to successfully capture circulating tumour cells (CTCs) from cancer patient blood (this condition has been met), and b) a service condition with options vesting over a three year period.
- (3) Vesting is subject to a) specific performance conditions for senior management and b) a service condition with options vesting over a three year period.
- (4) Vesting is subject to a service condition with options vesting over a period up to three years.
- (5) Vesting is subject to the performance conditions that a) the Parent Company's share price must have increased to £2.00, £2.25, £2.50 and £2.75 at some point since the date of grant for each quarter of the allocation and b) a time/event condition with options vesting after five years or on the sale of Parsortix, whichever is earliest.
- (6) Options were granted as Bonus Options in accordance with the Remuneration Committee's discretion to settle an element of the Annual Bonus in the form of share options. The Bonus Options vest immediately and are exercisable at par value.

Once all performance and/or service conditions have been met the employee becomes unconditionally entitled to the options and they are capable of exercise. Based on these performance and/or service conditions a number of options have vested and become capable of exercise and 4,000 options were exercised in the year (2015: 250,000).

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

18 Guarantees and other financial commitments

The Company has operating lease commitments for office accommodation.

The Company also has a number of retainers with professional advisors which can be terminated on short notice periods.

	2016 £	2015 £
Minimum commitments under non-cancellable operating leases on property expiring:		
Not Later than one year	1,251	-
Between one and two years	-	25,380

The Company has no other contractual commitment to continue to provide funding.

19 Related party transactions

Directors' interests - related party interests and transactions

The Directors' interests, including beneficial interests, in the ordinary shares of the ultimate parent company ANGLE plc were as stated below:

	Ordinary shares of 10p each	
	30 April 2016	1 May 2015
I F Griffiths	559,546	559,546
A D W Newland	5,704,686 ⁽¹⁾	5,704,686 ⁽¹⁾

⁽¹⁾Total interest in shares is 7,054,686 shares, which includes 1,350,000 shares subject to a sale and repurchase agreement.

The Directors' interests in options over the ordinary shares of the Company were as stated below:

	Ordinary shares of 10p each	
	30 April 2016	1 May 2015
I F Griffiths	1,546,980	1,500,000
A D W Newland	3,023,826	2,950,000

Note 17 provides additional information on share options.

Disclosures required in respect of IAS24 Related Party Disclosures regarding remuneration of key management personnel is covered by the disclosure of directors remuneration included within Note 3.

I F Griffiths sacrificed salary during the current year and performance bonuses in the prior year. The Company elected to make contributions to his personal pension.

At the reporting date, £224,400 of remuneration (2015: £92,287) was due to Andrew Newland and £142,800 of remuneration (2015: £63,142) was due to Ian Griffiths.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

19 Related party transactions (continued)

Group transactions and balances

Corporate costs of £647,983 (2015: £453,221) and management fees of £1,296,784 (2015: £914,914) were recharged to ANGLE Europe Limited in the year. Management fees of £4,466 (2015: £2,396) were recharged to ANGLE Technology Ventures Limited in the year.

At 30 April 2016 the following balances were owed to / by Group companies:

	Gross £	Provision £	Net £
Amounts owed to group undertakings			
ANGLE PLC	29,820,685	-	29,820,685
Amounts owed by group undertakings			
ANGLE Technology LLC	(10,834,831)	8,073,828	(2,761,003)
ANGLE Europe Limited	(18,435,400)	2,476,783	(15,958,617)
ANGLE Technology Ventures Limited	(7,579,830)	7,579,830	-
ANGLE Technology Licencing Limited	(256,026)	256,026	-
Employee Share Ownership Trust (ESOT)	(342,114)	-	(342,114)
Amounts owed to / by group undertakings	<u>(7,627,516)</u>	<u>18,386,467</u>	<u>10,758,951</u>

At 30 April 2015 the following balances were owed to / by Group companies:

	Gross £	Provision £	Net £
Amounts owed to group undertakings			
ANGLE PLC	21,946,497	-	21,946,497
Amounts owed by group undertakings			
ANGLE Technology LLC	(10,833,570)	8,073,828	(2,759,742)
ANGLE Europe Limited	(9,845,657)	2,476,783	(7,368,874)
ANGLE Technology Ventures Limited	(8,186,160)	7,526,769	(659,391)
ANGLE Technology Licencing Limited	(256,026)	256,026	-
Employee Share Ownership Trust (ESOT)	(342,114)	-	(342,114)
Amounts owed to / by group undertakings	<u>(7,517,030)</u>	<u>18,333,406</u>	<u>10,816,376</u>

Provision to write up/(off) Group balances

The provision of £53,061 (2015: £462,552) reflects the Directors' view of existing valuation circumstances for investments and the amounts owed by individual subsidiary undertakings and their ability to repay them and an investment value adjustment on the ESOT.

ANGLE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 APRIL 2016

20 Effect of transition to IFRS

This is the first year that the Company has presented its Financial Statements in accordance with IFRS for the first time. The following disclosures are required in the year of transition. The last Financial Statements, prepared in accordance with UK GAAP were for the year ended 30 April 2015 and the date of transition to IFRS was therefore 1 May 2015.

Reconciliation of equity at 1 May 2015 (date of transition to IFRS)

	UK GAAP £	ESOT £	IFRS £
Current assets			
Investment - ESOT	102,172	(102,172)	-
Equity			
Retained Earnings	(14,895,810)	267,828	(14,627,982)
ESOT	370,000	(370,000)	-

The Company has an Employee Share Ownership Trust (ESOT) to assist with meeting the obligations under share option and other employee remuneration schemes. Under UK GAAP the ESOT was consolidated as if it is a subsidiary and accounted for as Treasury (own) shares. Under IFRS the ESOT is not consolidated rather the rights and obligations of the trust will be reflected in its own individual financial statements, rather than those of the sponsoring entity.

There were no other differences between UK GAAP and IFRS.

There was no effect on cash flows as a result of the transition.

21 Control

The parent undertaking of the largest group for which group accounts are prepared and of which the company is a member is ANGLE plc, the company's ultimate holding company, which is registered in England. Copies of these group accounts are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.