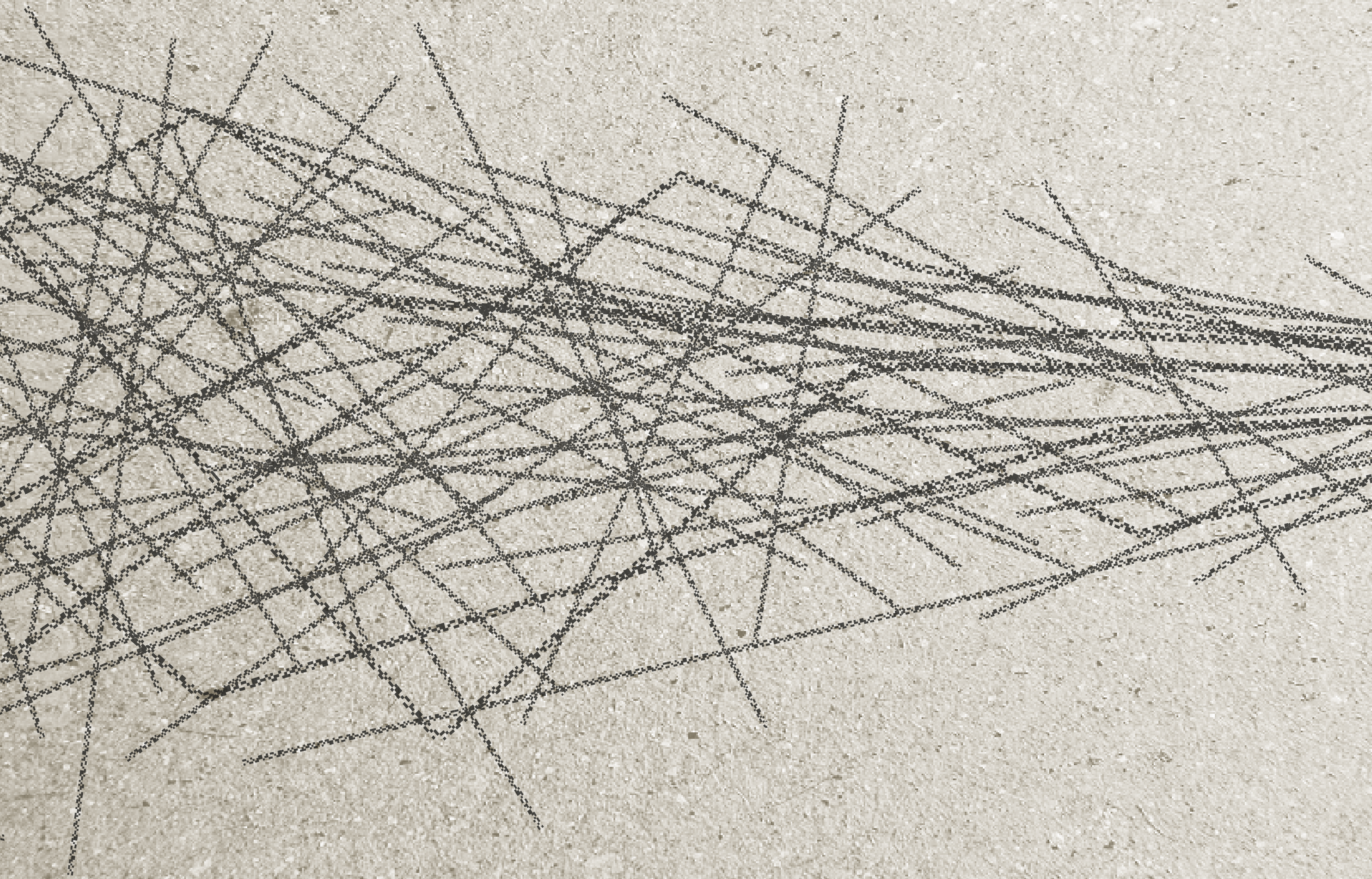
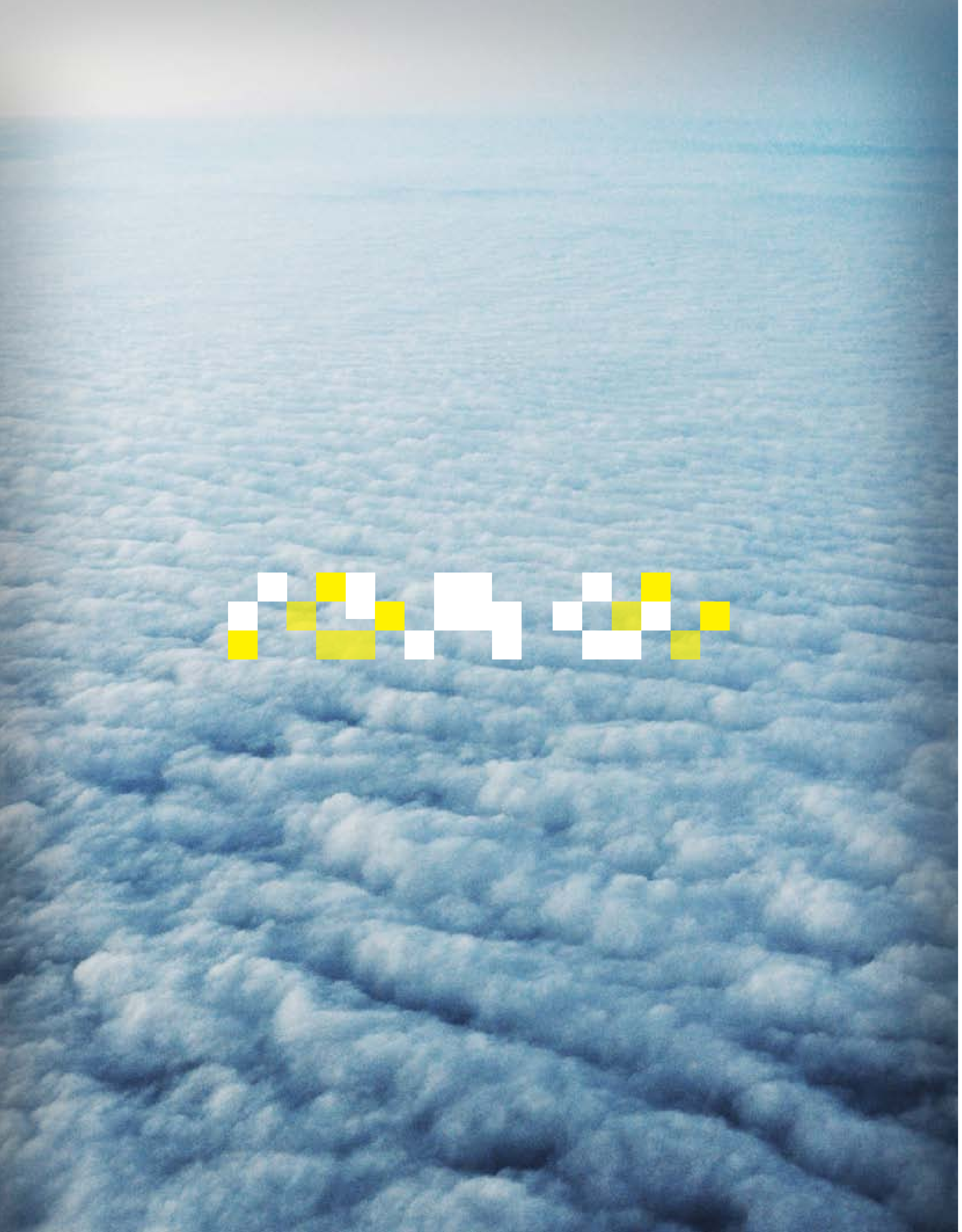
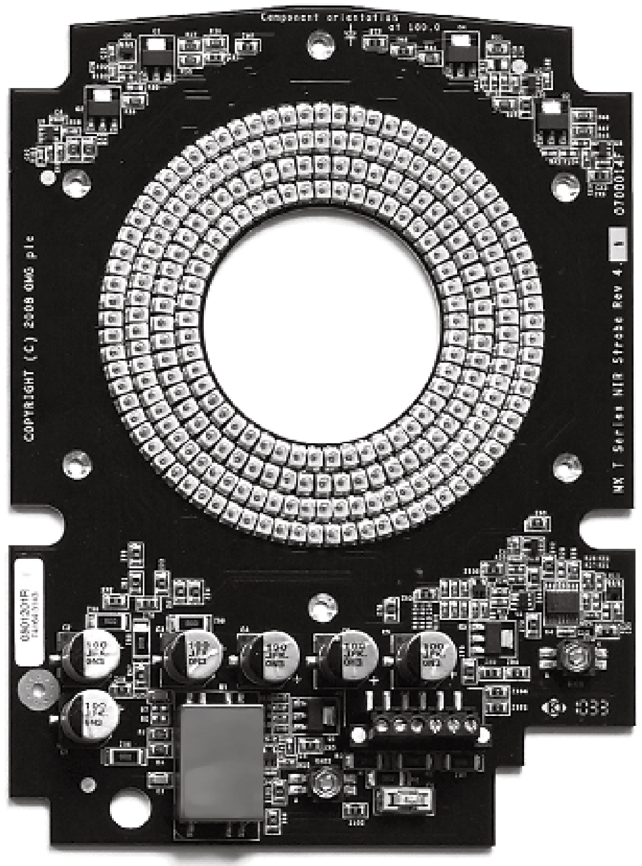
OMG PLC
2013.14





Contents

30 Years of Innovation

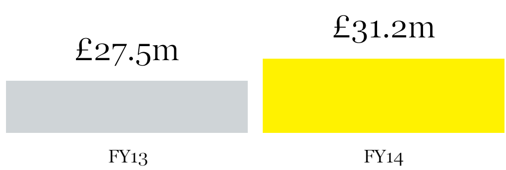


Oxford Metrics Group has been pioneering the real-world application of computer vision technology for over 30 years. Today, our software and hardware solutions are used in over 70 countries in a wide variety of markets including entertainment, medicine, engineering, defence and infrastructure management. Through these innovations we aim to empower our customers, inspire our markets and serve our shareholders.

Financial Highlights

Group Revenue from continuing operations up:

13.6% ↑



Profit Before Tax from continuing operations up:

£0.1m ↑

£1.3m Adjusted*Profit Before Tax from continuing operations of £1.3m (FY13: £2.0m)

£5.7m Adjusted* Profit Before Tax excluding OMG Life of £5.7m (FY13: £4.3m)

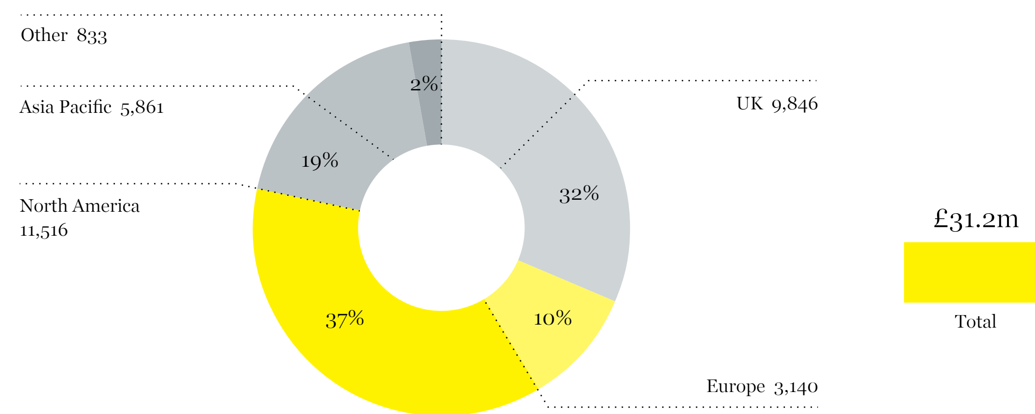
£7.6m Stable Net Cash balance at 30 September 2014 of £7.6m (FY13: £7.8m)

0.50p Proposed dividend increased by 25% to 0.50p (FY13: 0.40p), in line with our stated progressive dividend policy

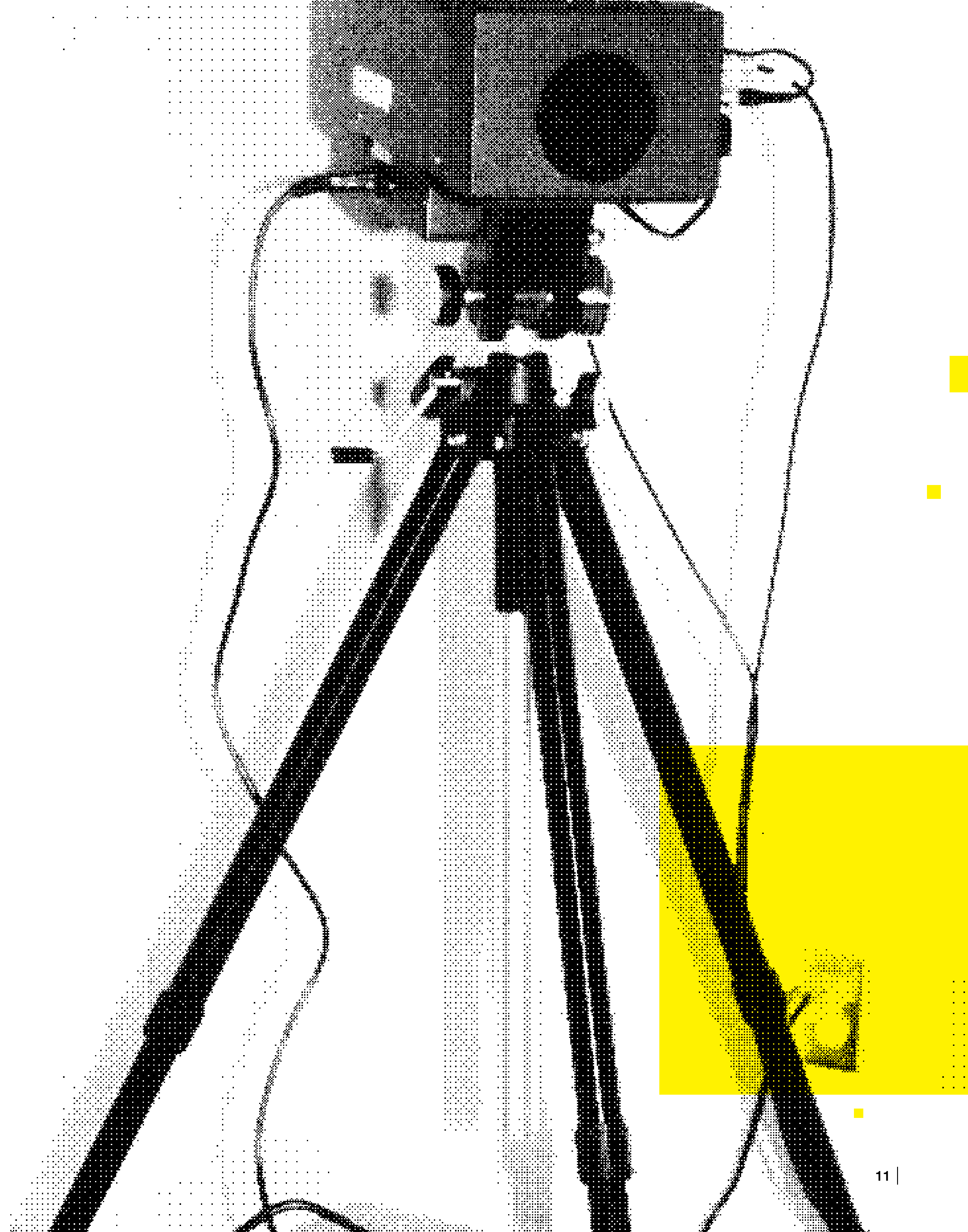
FY14 Revenue by division - £'000

* *Profit Before Tax from continuing operations before group recharges adjusted for share based payments, amortisation of intangibles arising on acquisition, fair value adjustment to contingent consideration, unwinding of discount on contingent consideration, acquisition costs and redundancy costs. The statutory equivalents of the adjusted numbers shown in this statement are disclosed in notes 4 and 6.*

FY14 Revenue by geography - £'000



Group Revenue past 5 years from continuing operations - £'000



First generation Vicon
The original Vicon camera, launched in 1982, was primarily used for research in biomechanics, orthopaedics and gait analysis.

Chairman's Statement

Anthony Simonds-Gooding

In summary, 2013/14 was a year which saw the new shape of OMG beginning to emerge. We saw three of our four subsidiaries report encouraging levels of profitability. We signed the largest deal in the Group's history within our 2d3 business, lined up the successful disposal of the House of Moves operation, which completed after the year-end, and made some important strategic decisions around our OMG Life subsidiary.

Overall the Group saw revenues from continuing operations grow by 13.6%. On a divisional basis, Vicon® had a solid year achieving revenues and adjusted* profits on a similar level to last year. Yotta reported revenue and adjusted* profits growth due to an improved mix in favour of software and increasing the quality of its recurring revenue base. 2d3 achieved both revenue and adjusted* profits growth.

The hard work at OMG Life – our direct to consumer technology venture – has continued during the year. We are proud of our product here and particularly pleased that we have not only created the world's first wearable camera but have also taken a lead role in creating the entire product category in which the Autographer® device now sits. It is a genuinely innovative product and one which our existing user base has engaged enthusiastically with. However we are yet to see significant consumer traction outside of the core user base to match the investments being made in marketing, media and sales channels. We have therefore taken the decision to discontinue sales, consumer marketing and manufacturing activities.

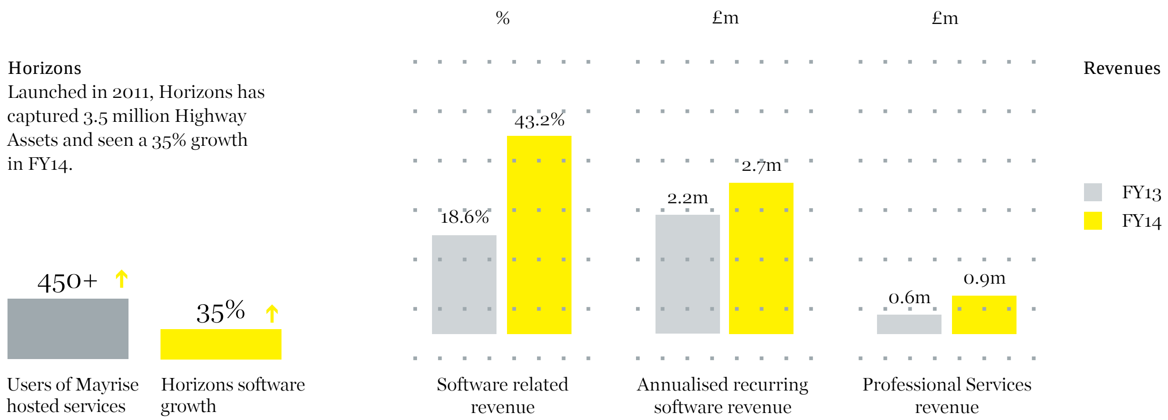
In parallel with our product efforts, we have received interest from and engaged in conversation with a number of consumer technology businesses: each of whom has seen promise and potential in the technology behind Autographer and its application. These initial conversations have since evolved into more formal licensing discussions, which remain on-going.

Based on these changes, the Board has resolved to pursue a licensing strategy for the OMG Life business, whereby the IP inherent within this division is monetised by organisations better scaled to ensure consumer success. The Board is confident that the core IP within OMG Life retains significant value, with that value being held on the statement of financial position at a sum of £1.6m (FY13: £2.0m). Further, the Board is confident that a focus on generating license and royalty revenue from this IP will yield benefit in future years. To this end, a focussed R&D team has been retained to maintain and develop this IP and its capabilities. We expect, going forward, that the cost base within OMG Life will therefore reduce to an annualised level of £0.9m.

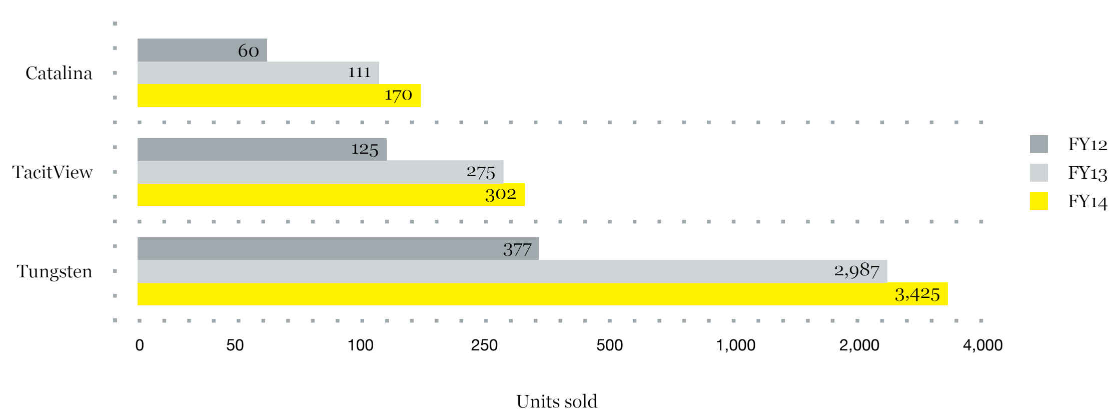
G-Cloud Programme

Yotta's Horizons software can now be purchased through the Government's flagship G-Cloud Programme. Being able to purchase through G-Cloud will save purchasing bodies time and money as it doesn't require lengthy tender processes, making it more accessible to Government departments, Local Authorities and the wider public sector. The G-Cloud Framework is an initiative intended to increase the adoption of cloud-based products within the UK public sector.

Growth of software and services in Yotta



Growth of 2d3 product licenses



In terms of headline results for continuing operations, overall revenue was £31.2m (FY13: £27.5m) and an adjusted* profit before tax result of £1.3m (FY13: £2.0m) is reported. On an unadjusted basis including the disposal of House of Moves the Group reported a loss before tax of £0.6m (FY13: Loss of £0.4m). As at 30 September 2014, cash remained stable at £7.6m (FY13: £7.8m).

Later Nick Bolton, our Chief Executive, will go into more depth on the individual businesses and their trading performance, but noteworthy achievements in 2013/14 include:

- A significant US$5.7m defence deal for 2d3 Inc. with an existing customer which saw the business exceed expectations.
- Yotta achieved revenue growth of 37.8% helped by further take-up of the Horizons platform which as of year-end has 42 customers (FY13: 31 customers). Mayrise, acquired in July 2013 continued to perform well which helped to increase the value of recurring revenues to £2.7m (FY13: £2.2m).
- Vicon (excluding House of Moves) reported a slight decline in revenues but through diligent cost control reported an adjusted* profit similar to last year. During the year Vicon successfully released new products in Life Sciences, Engineering and Entertainment segments which further cemented Vicon's leadership in the market place.

Undoubtedly, one of the key strengths to our Group is its diversity. This diversity has offered us a wider spread of opportunity and better balance to our revenue than would have been the case if we were a single business, competing in a single market, using just one business model.

We have always believed that there is significant shareholder value to be gained through adapting our technology, experience and leadership in imaging to multiple commercial opportunities. That belief is evident in the Group we have today, with everything from the most advanced and powerful Vicon camera to our Yotta surveying system, and the software that surrounds it - all evolved from our core IP.

At the half year, we highlighted that there is significant latent value in some of OMG's IP which is not currently being captured. We are pleased to report that we're making progress to find new ways to realise this latent value, particularly in OMG Life, and this is where our attention squarely rests. The Board continues to explore a range of opportunities across all subsidiaries, which may involve the licensing of certain technologies where external companies see value in deploying our

Arctic Puma test

2d3 took part in a recent exercise where an AeroVironment Puma was used to fly over the Arctic Ocean as equipment collected data from down below. The National Oceanic and Atmospheric Administration along with the US Coast Guard's Research and Development Center conducted the study to determine the Puma's ability to withstand extreme weather. 2d3 supplied supporting software for exploitation and improvement of the Puma imagery in real time.

IP to pursue their own business goals or, as in the most recent case of House of Moves, the sale of certain assets, where we believe that greater shareholder value can be realised in the near term.

Financial Performance

Key performance indicators (KPIs) for the Group from continuing operations are as follows:

KPI	FY14	FY13	Change
Group revenue	£31.2m	£27.5m	+£3.7m
Group cash position	£7.6m	£7.8m	-£0.2m
Group adjusted* profit before tax	£1.3m	£2.0m	-£0.7m

The loss reported from discontinued operations (House of Moves) consisted of £0.4m trading losses for the year plus £0.6m impairment of Goodwill.

Foreign exchange rates, in particular the US Dollar-Sterling rate, have been relatively stable during 2013/14, and have not made any real impact on year-on-year Group profit before tax performance.

The Group continues to invest in Research and Development (R&D) and spent £6.8m (FY13: £5.9m) during the year. A number of key projects were completed and launched during the year, detailed in the Chief Executive's statement. From this total spend, we expensed £4.3m (FY13: £3.8m) and capitalised £2.5m (FY13: £2.1m) in this year's results.

The Statement of Financial Position shows a decrease in non-current assets which includes the pending disposal of House of Moves Goodwill (£0.6m) and Fixed Assets (£0.5m). The increase in Current Assets is due to particularly strong revenues in September 2014, which contributed to an increase in Trade Receivables to £11.1m (FY13: £9.2m). The Group finished the year with a cash balance of £7.6m (30 September 2013: £7.8m, 31 March 2014: £6.5m). Assets held for sale is the book value attributed to House of Moves. The final earn-out in relation to the Sensing Systems

acquisition was settled in the financial year so trade and other payables have declined accordingly. As a whole, the Statement of Financial Position remains robust.

There is a small current tax charge for the year due to the group making a taxable profit in the US resulting in an overall effective tax rate of 3.2%.

In view of the Group's underlying progress, I am pleased to report the Board's proposal to increase the dividend for the year to 0.50p (FY13: 0.40p) in line with our stated progressive dividend policy.

All this would not be possible without the dedicated and brilliant team of people within OMG whom I would like to thank very warmly, and for the continued support of all the Group's customers and shareholders.

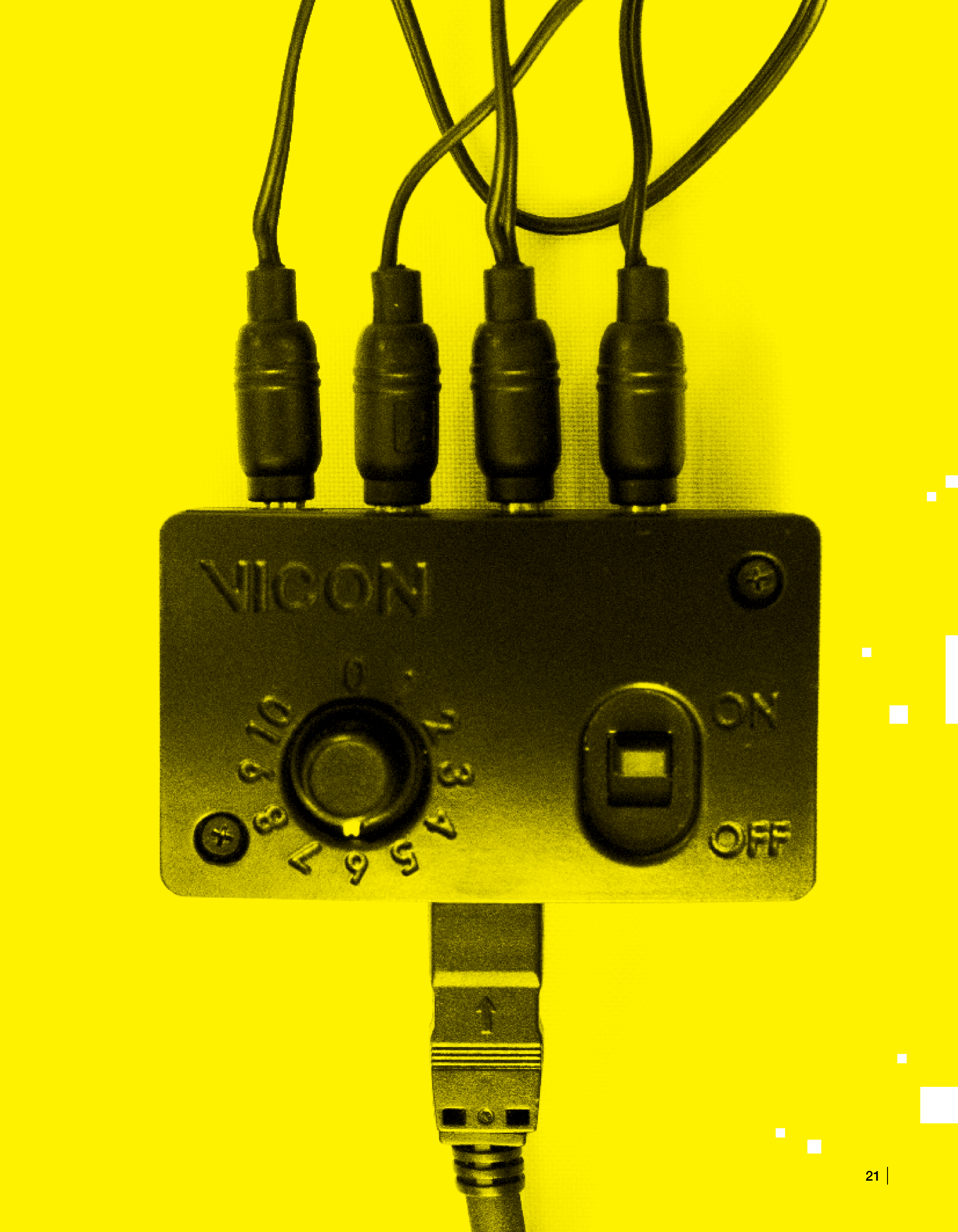
** Profit Before Tax from continuing operations before group recharges adjusted for share based payments, amortisation of intangibles arising on acquisition, fair value adjustment to contingent consideration, unwinding of discount on contingent consideration, acquisition costs and redundancy costs. The statutory equivalents of the adjusted numbers shown in this statement are disclosed in notes 4 and 6 to the financial statements.*

Looking ahead

Notwithstanding changes in macro-economic conditions, we expect our businesses to develop and grow in the year ahead. In Vicon's case, the business is entering a period of investment underpinned by the award of a grant by Innovate UK which will see the emergence of new and innovative technology over the next two years. The grant will be leveraged to help drive future growth in revenues and profits. Yotta will continue its evolution into a software and services business, driven largely by Horizons which is expected to achieve further growth. The Group's SaaS orientated approach to revenue growth within Yotta will continue to help the division to be more predictable, providing increased visibility and higher quality income. 2d3 continues to gain reputational traction in the marketplace and is now embedded in key defence programmes in the USA and UK so the expectation is to see further revenue and profit growth as demonstrated by performance over the past few years. We continue to support OMG Life but as discussed earlier, the Board has actively decided to re-focus here so the quantum of investment will from now on be less of a burden on the Group's resources.

> As we enter a new financial year, all four businesses are fit and healthy and ready to move forward to the next stage of their development.

Anthony Simonds-Gooding



Strategic Report

Chief Executive Nick Bolton

Group Strategy

As a Group, our strategy is to deliver growth by combining a strong core of unique expertise in imaging technology with the other resources necessary (people, money, marketing and acquisitions) to grow a portfolio of profitable diversified businesses.

We achieve this by applying the most appropriate business model for the specific market in which we've identified a clear opportunity. In one market, this may mean delivering exceptional service enabled by our technology; in another, we may integrate our technology into a powerful and transformative hardware or software product.

Because our businesses operate in different markets, each is subject to a different set of market forces, which we believe provides the Group with a wider spread of opportunity and better balance than would be the case for a single business, competing in a single market, using just one business model.

Key Performance Indicators

The Group relies on financial key performance indicators including revenue, profit before tax and adjusted profit before tax (see note 6) to measure the performance of the Group described below. The Group does not use non-financial key performance indicators to measure performance.

Image courtesy of **RePlay consortium**

Chief Executive's Statement

The consolidated income statement for the year is set out on page 67 and shows revenue from continuing operations for the year of £31,196,000 (2013: £27,470,000) and profit of £295,000 (2013: profit of £527,000). The result of discontinued operations is a loss of £865,000 (2013: £679,000) and is shown separately in the income statement. The total revenue for the year is £33,441,000 (2013: £29,456,000) and the loss is £570,000 (2013: £152,000).

Collectively 2013/14 has been a year of progress for OMG. Vicon, a solid profit performer, continues to deliver reliably. The Yotta business, transformed over the past couple of years, now has a solid platform for growth and can be relied on to produce profits from a growing software business with increasing recurring revenues. 2d3 has gained traction this year and has certainly broken out in its marketplace, where the business and its technology is recognised as the 'go to' place for Intelligence Surveillance Reconnaissance ("ISR") solutions. As for OMG Life, the innovative technology that made Autographer the world's first intelligent, wearable camera possible, may well have a future as part of other third party branded products.

OMG Vicon: continuing to dominate the motion capture market

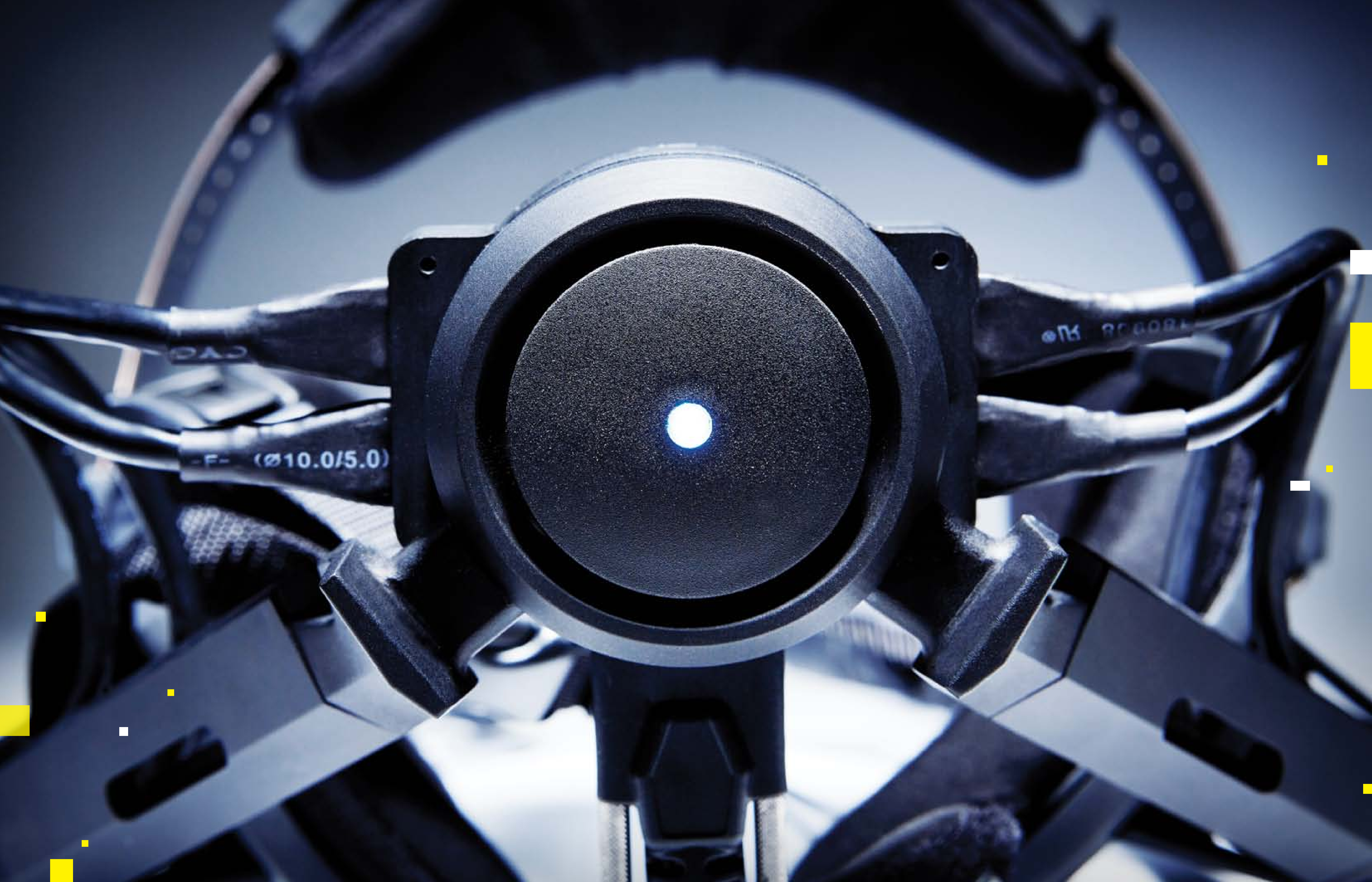
This year Vicon celebrated its 30th year of trading and demonstrated once again its ability to deliver revenues, profits and cash to the Group.

Vicon continues to define what is best in its market place and had a busy year launching new products spanning our three main market sectors – Life Sciences, Entertainment and Engineering.

In Life Sciences, Nexus 2 was launched in July 2014 to very positive market reception. Key new features broaden the software's appeal in the sectors of biomechanical modelling and data sharing. The use of third party modelling and visualisation software in biomechanics and gait analysis has grown over recent years and Nexus 2 allows seamless interaction with these packages, keeping Vicon technology at the heart of the solution. Vicon has continued its long and successful association with the Shriners Group of Hospitals with upgrades to several sites during the year. Indeed, demand continues for Vicon system upgrades. The Oxford Gait Lab, one of Vicon's longest-

Paddington

Vicon customer, Framestore, used their T40 system to guide the creative process on the movie, Paddington. The Vicon system gave the team instant feedback on scenarios that were working well, and how the timing and performance of the different actors vastly affected the character of the bear. Entire scenes could be acted out in real time previsualisation environments, guiding the creative process on what to explore further.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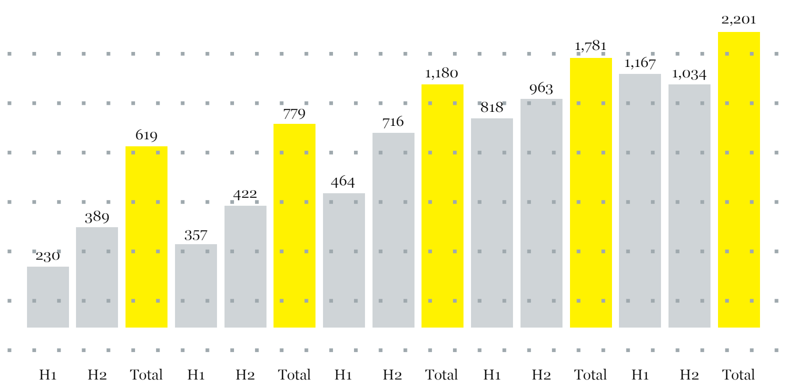
Growth of Vicon Bonita

Bonita
Launched in 2009, Bonita outsold any previous Vicon product in its first 90 days.

6,500+

Bonita cameras shipped worldwide



Units shipped

30 years of Vicon

Sales and distribution
Americas
Asia Pacific
EMEA

4,500+

Systems shipped worldwide

75

Across 75 countries

PING

Golf club manufacturer, PING, developed its new G30 clubs using Vicon T-Series and Nexus software. The pinpoint accuracy of the T-Series analysed how the club performed during the swing, helping produce the optimal design of the highly acclaimed G30 driver. The Vicon system is also used as a golf club fitting system and coaching tool, and has been used to analyse the swings of top PING staff players.

	Revenue		PBT		Adjusted* PBT	
KPI	FY14	FY13	FY14	FY13	FY14	FY13
Vicon UK/ROW	£9.6m	£9.3m	£3.7m	£3.0m	£2.4m	£2.2m
Vicon US	£7.6m	£8.1m	£0.6m	£0.7m	£2.6m	£2.9m
Total Vicon	£17.2m	£17.4m	£4.3m	£3.7m	£5.0m	£5.1m

standing customers purchased its fifth Vicon system during the year highlighting the company's technological leadership and innovation.

For Entertainment users, two new iterations of Vicon Blade software were released during the year providing further improvements to this globally popular software solution. The Cara facial animation system launched in the previous fiscal year has been selling well to both high end production houses and animation educational facilities. An enhanced system was launched in August 2014 providing greater accuracy and flexibility together with improved robustness to cope with the challenging conditions found on film sets. At the time of writing the system is being used on several blockbuster movies as well as training the next generation of motion capture technicians and animation artists. Notable sales have been made to TV Globo, the Brazilian TV conglomerate, Quantic Dream upgraded their Vicon system for the third time and we received stage upgrade and expansion orders from Konami and the White Studio.

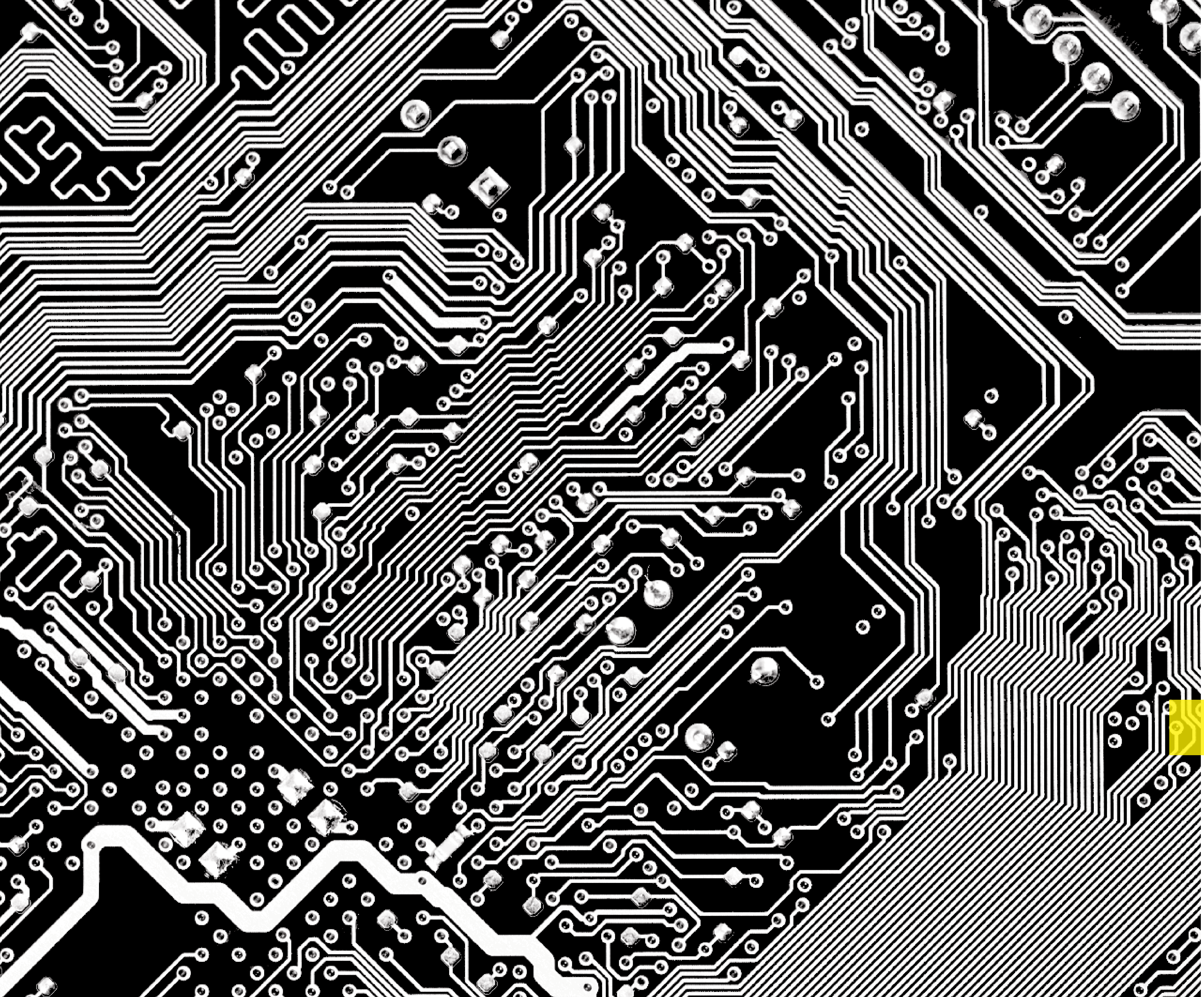
In the Engineering space, Vicon launched a product which was developed with a long-term technology partner, Ikinema. The increased usage of game engine technology alongside the use of third party avatar software in the Engineering market has increased demand for a solving and retargeting tool that seamlessly links Vicon systems to these products. Vicon Pegasus was developed to address this need and was launched in the summer. Pegasus is already proving a popular choice in these key sectors.

Our Vicon Bonita entry-level camera, which has become synonymous with reliability, capability and affordability, continues to gain traction and delivered record sales during this year, shipping over 2,200 units.

This broad range of products alongside Vicon's renowned global support has helped establish key partnerships with turnkey system providers such as Motek Medical, EON Reality, DJI and Clearpath Robotics. We move into FY15 with further strategic partnerships in negotiation.

Our Vicon systems continue to be featured in top video game and film releases. Indeed, most recently, Vicon was used to help create the recent productions Transformers: Age of Extinction, Teenage Mutant Ninja Turtles, Paddington (currently in cinemas) and video game Alien: Isolation.

Image courtesy of **RePlay FP7 Project/Aoibheann Bird**



OMG Yotta: evolving into a great business

Yotta, our infrastructure software and services business, reported a headline revenue increase of £2.2m, up 37.8%. The improvement in Yotta's business was achieved through a significant upturn in sales of its Mayrise software, growth in Professional Services and further traction with its Horizons SaaS platform, which grew its subscriber numbers by 40% in 2013/14. Whilst the wet weather did affect surveying the impact was lessened given 43.2% (FY13: 18.6%) of revenues are now being derived from software related activities.

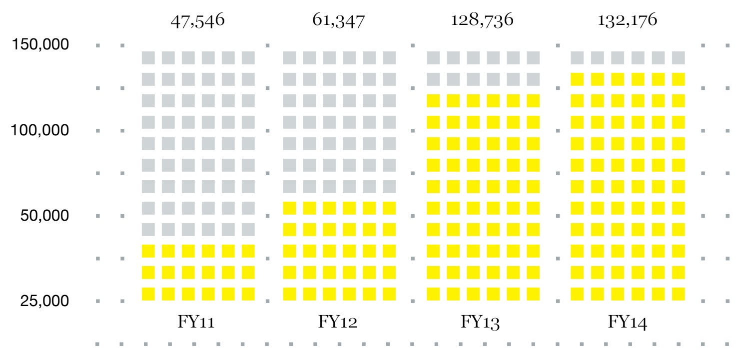
Yotta grew its technology footprint through the acquisition of Mayrise Systems Limited completed in July 2013. I am pleased to report that the integration of the Mayrise business has proven to be successful, improving visibility and providing a solid platform for future growth. We highlighted the clear strategic fit and the benefits of an increased focus on sales, marketing, support and professional services associated with the Mayrise product. These factors have all contributed to the full year results. Our offering is stronger and broader with Mayrise and the union is delivering combined wins such as with Telford and Wrekin council. Other notable wins include Tower Hamlets and Gloucestershire councils. The continued demand from customers for hosted software also saw its Mayrise online offering (where Mayrise software is hosted on its own infrastructure, rather than that of the customer) grow to support over 450 users from over 35 customers.

	Revenue		PBT		Adjusted* PBT	
KPI	FY14	FY13	FY14	FY13	FY14	FY13
Yotta DCL	£5.4m	£5.2m	(£0.4m)	(£0.4m)	£0.0m	£0.4m
Mayrise**	£2.5m	£0.5m	£0.8m	£0.2m	£1.5m	£0.3m
Yotta	£7.9m	£5.7m	£0.4m	(£0.2m)	£1.5m	£0.7m

The Horizons product was deployed as a decision support tool within the Highways Agency and is being used to incorporate data gathered from a package of condition surveys. Much of that survey data is captured by Yotta for the Highways Agency and includes traffic speed condition surveys, skid resistance and deflectograph data for England's trunk roads and motorways, covering approximately 18,650 lane miles. The decision support tool helps the Highways Agency to visualise its asset data and to run analyses to develop programmes of pavement renewals work. This contract was a real achievement for Yotta.

*** FY13 is for 2 months trading post acquisition*

Kilometres surveyed by Yotta



There have been great examples of synergistic cross-selling between the historic customer bases of Mayrise and Yotta product portfolios, for example at Halton, Warrington and Cheshire East. This has enabled Yotta to provide its customers with further insight and use for their data, as well as help it to continue to positively differentiate in its market-place. The growth in both sales and recurring revenues is very encouraging and we expect to see further benefits to Yotta and its customers as the links between its products continue to strengthen.

Yotta achieved software licence sales of £1.3m (FY13: £0.5m) and had on-going contracted software and maintenance revenues in 2013/14 of £2.7m, up from £2.2m in 2012/13. Yotta had, during 2013/14, 150 active customers in the UK.

Yotta has also strengthened its performance in its Professional Services group. Yotta provides services to its customers for the installation and configuration of its software, and delivers training and support to assist customers in gaining the maximum return on investment. Through continued focus in this area, Yotta has seen revenues grow in 2013/14 to £0.9m up from £0.6m in 2013/14.

The requirements on Yotta to meet the evolving and demanding quality management and security needs of its customers has seen Yotta invest in its infrastructure to ensure it can comply. During 2013/14 Yotta was awarded ISO27001:2013 (the provision of trusted and managed information security services), which is vital to its performance in the delivery of SaaS applications.

Yotta saw surveying revenues strengthen considerably in the second half of 2013/14 and ended 2013/14 having surveyed 132,176 lane km (2012/13: 128,736 lane km) across all surveying lines.

Overall an encouraging Yotta result in 2013/14 with the prospect of another good performance in 2014/15.

Telford and Wrekin Council

Yotta was selected by Telford and Wrekin Council for its expanded product-offering, following the acquisition of Mayrise. The contract included Horizons software, Mayrise Street Works software, Professional Services and a number of surveys to be carried out across the Council's road network. Horizons is helping the Council re-engineer its approach to highways asset management and Mayrise Street Works will enable the Council to monitor its street works register.

OMG Life: a new direction for Life

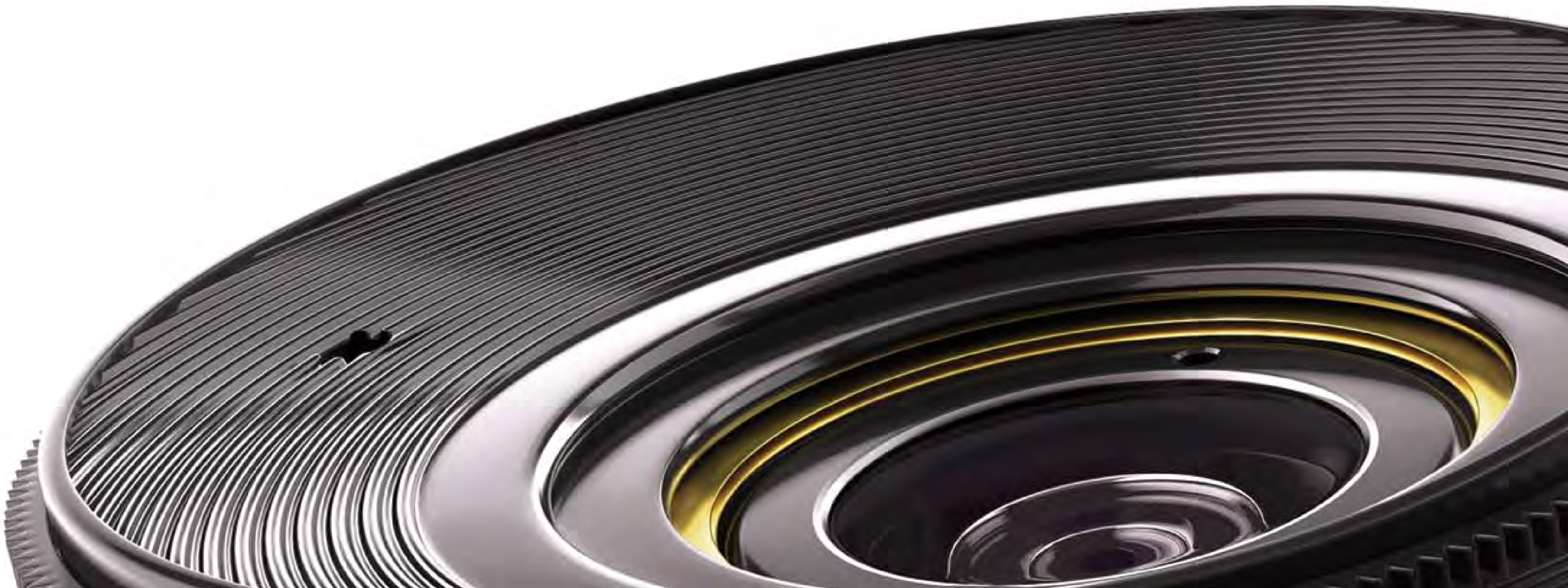
As our Chairman alluded to earlier, we are immensely proud of our technical achievements in OMG Life and with Autographer. We have played a key role in bringing both a new product and a new product category to market. It is evident, however, that the level of consumer interest we have been able to generate so far has been hampered by the level of sales and marketing spend we are able to direct at the initiative. This combined with lower unit volumes did not enable the planned for economies of scale to be achieved. The revenue and profit results for the year reflect that clearly.

	Revenue		PBT		Adjusted* PBT	
KPI	FY14	FY13	FY14	FY13	FY14	FY13
Total OMG Life	£0.5m	£0.1m	(£4.7m)	(£2.6m)	(£4.3m)	(£2.4m)

As a result, we have resolved to adopt a new strategy for generating returns from the investments made to date in OMG Life and the IP behind Autographer. The time and investment that would be required on our part to meaningfully break through with consumer adoption is higher than can be accepted. This acceptance, however, does not diminish the excellence of the IP, the attractiveness of its application to the market nor the value of our efforts to date. A number of well-known and market leading consumer technology brands have expressed interest in our IP and its application. Like us, these brands believe that the concepts developed around wearable automated imaging can – and will – succeed at a consumer level. Our focus now is to work with these and other brands to see that come to fruition in a manner that sees OMG deliver a return to shareholders via a licensing and royalty model.

Steve McCurry

World renowned Magnum photographer, Steve McCurry, is known for his breath-taking travel photography of far-flung countries and communities, his most famous being The Afghan Girl portrait in December '84. To help document his recent trip, McCurry took an Autographer along, capturing images automatically, showing a beautiful and honest portrayal of his trip. Commenting on his use of Autographer, McCurry said, 'I wish I had this 25 years ago'.



OMG 2d3: Record performance, continuing to win

FY14 proved to be a tremendous year for 2d3 – while certain areas of the market are still reeling from the shock of sequestration, we have succeeded in landing several key accounts and building upon existing accounts. Once again, 2d3 has delivered the single largest order in the Group's history at $5.7m ($1.3m of which is pre-paid maintenance), fuelling $9m in recognised revenue while successfully balancing cost growth with revenue growth.

In addition to strong growth from the US operation, our UK business unit reversed its position from a loss in FY13 to a record adjusted* profit in FY14, delivering on an array of UK MoD Defence Science and Technology Laboratory ("Dstl") contracts, and landing some key international software license sales to the Netherlands and the German Navy, contributing significantly to 2d3's positive performance.

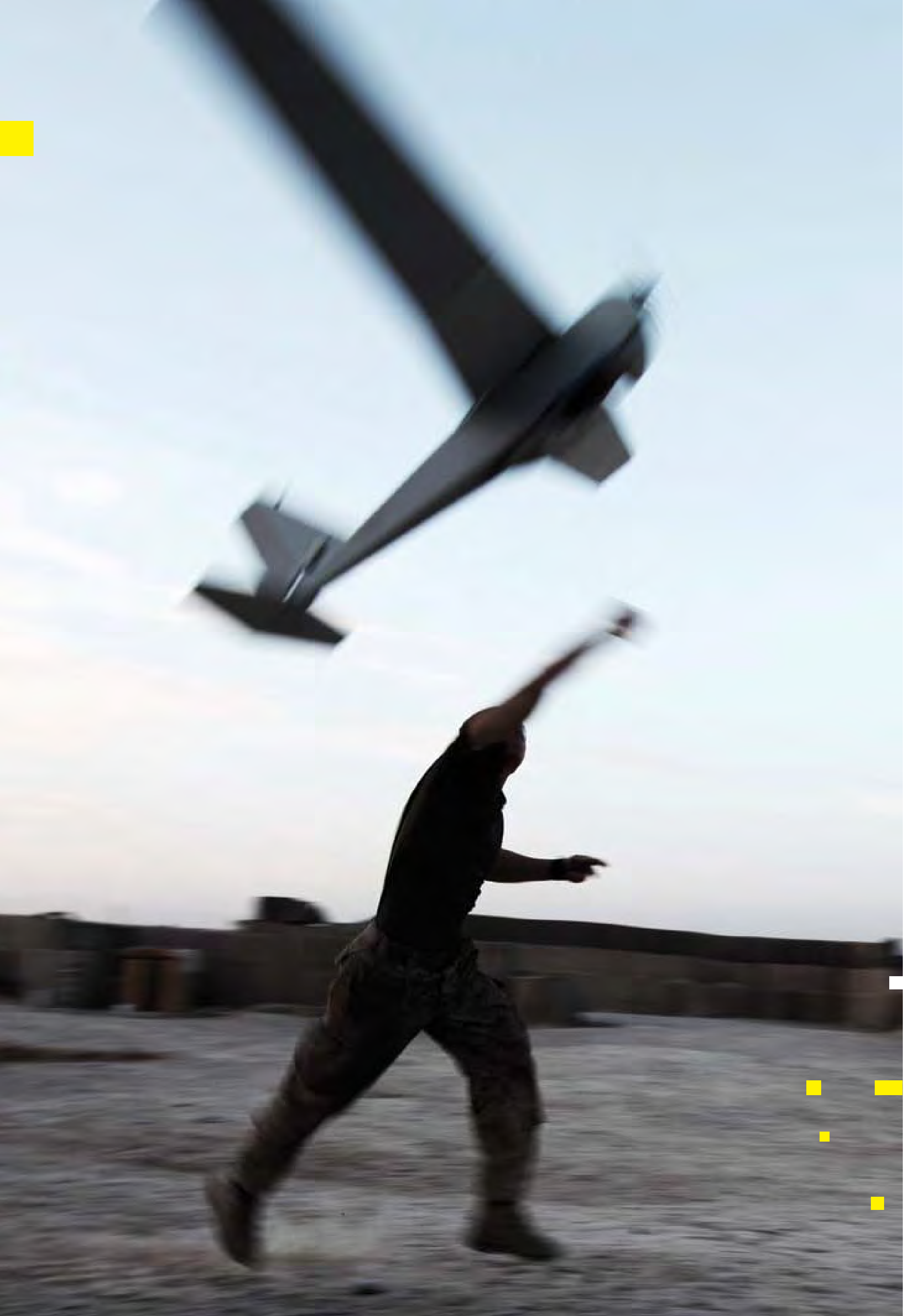
In addition to landing additional sales with our lead customer, USAF RPA-SOC, 2d3 also continued to achieve other significant milestones, including introduction into the US Navy's P-8 program as the on-board Full Motion Video ('FMV') software solution. This is expected to produce a stream of orders in the future for its flagship TacitView and Catalina software suites. FY14 also saw increased professional services revenue, including contract work from the UK Dstl on a key NATO project to manage streaming intelligence data on government networks, and the US Joint Special Operations Command ('JSOC') for the integration of our software and Catalina into their FMV software pipeline.

	Revenue		PBT		Adjusted* PBT	
KPI	FY14	FY13	FY14	FY13	FY14	FY13
UK	£0.6m	£0.3m	(£0.1m)	(£0.4m)	£0.2m	(£0.3m)
US	£5.0m	£3.9m	£0.6m	(£0.2m)	£1.1m	£0.8m
Total 2d3	£5.6m	£4.2m	£0.5m	(£0.6m)	£1.3m	£0.5m

Progress made in several other areas of the business including our cooperative research and development agreement ('2CRADA') with the US National Geospatial-Intelligence Agency ('NGA'),

Netherlands Ministry of Defence

2d3 has been awarded a contract to upgrade the Dutch Army's Scan Eagle UAS (Unmanned Aerial System) motion imagery exploitation capability. 2d3 will deliver its TacitView and Catalina software and integrate with the existing UAS capability. The combined capabilities will enable analysts to create a metadata-based catalogue of the imagery archive and rapidly exploit live feeds of video data that enable enhanced and faster support to decision makers.

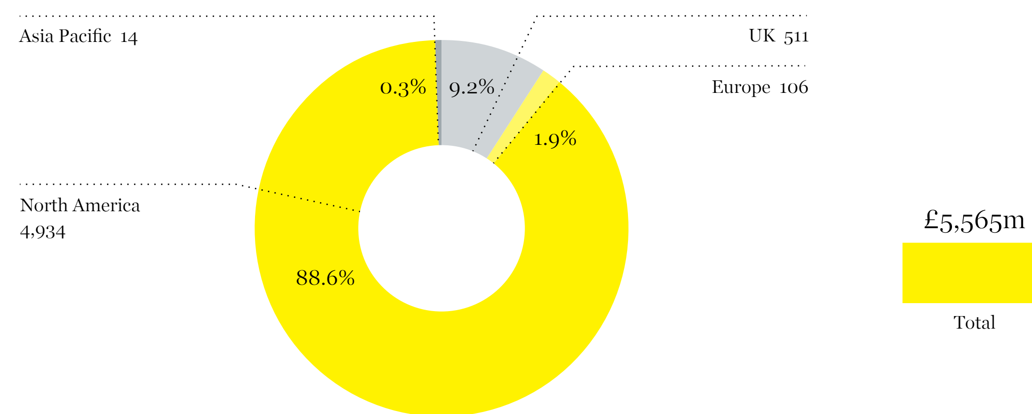


exploring the application of our commercial off-the-shelf 3D reconstruction and real-time video geo-registration capabilities, as well as achieving full ISO 9001 certification.

Our product development team continues to generate incredible capabilities in line with being an agile and flexible software organization. We had two major releases of our TacitView and Catalina software in 2014, including new and improved features, plus four incremental releases. Our software investment in 2012 to re-design our software into a plug-in architecture has started to pay off, allowing us and our customers to rapidly integrate new features and capabilities without requiring the compilation and testing of entirely new builds of software. We continue to prove to our existing and prospective customers that we "lean forward" when it comes to providing solutions to their problems, anticipating market demand, and delivering software that is robust and easy to use.

In 2006, we set out to introduce our brand of computer vision powered solutions to the aerial imaging market. Although the "larger players" chose to compete head-to-head with each other, we took a different tack – one of commercial off-the-shelf speed and responsiveness combined with software that was intuitive, easy to use and very powerful. That approach has helped us land cornerstone accounts during the financial year in both the US and the UK, providing a solid baseline for expansion into those and adjacent accounts in the future. While we plan to continue our efforts in our key markets, we are also investigating adjacent aerial imaging markets, especially those enabled by the commercialisation of Unmanned Aerial Vehicles. These new markets and the simplification of the tools for geospatial information production will provide additional opportunities for alternate business models and complementary revenue streams.

2d3 revenue by geography £'000



German Navy

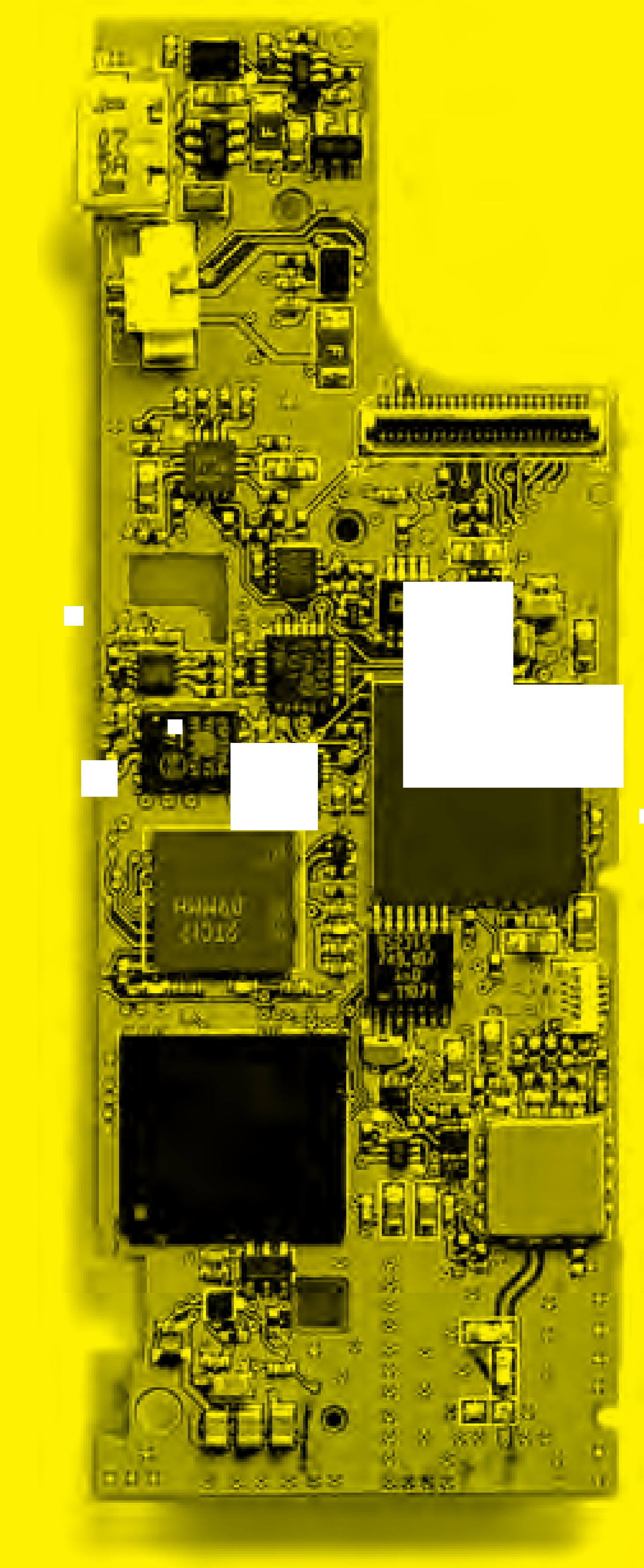
2d3 and ESG Elektroniksystem- und Logistik-GmbH (ESG) have delivered an enhanced motion imagery processing, exploitation and dissemination system to the German Navy. The system was integrated into an existing Maritime Patrol Aircraft mission support system by ESG. 2d3 ensured the mapping data could be viewed within TacitView and metadata burnt into the image stream could be read in real time, re-digitised, and used as part of the exploitation workflow.

Stepping up in 2015

2013/14 saw all three of our established business collectively delivering improved profitability and we made some important strategic decisions around our OMG Life subsidiary. We enter 2014/15 with increasing momentum as all four businesses are fit and healthy and ready to move forward to the next stage of their development. We anticipate that 2014/15 momentum will largely be driven by Yotta's evolution into a software and services business, offering increased visibility and higher quality income, 2d3's continued traction in the marketplace, sustained demand for Vicon's products and additional progress made to find new ways to realise latent value in OMG's IP.

Given this momentum we expect our businesses to develop and grow in the year ahead.

Nick Bolton



Principal Risks and Uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The Group monitors these risks on a continual basis through the use of a Risk Register and through market intelligence provided by operational management and determines mitigation plans and actions accordingly. During the financial year under review the risk profile of the Group has not significantly changed. The key business risks affecting the Group ability to deliver on its strategic objectives are set out below:

Product and technology risk

The Group operates in a complex and competitive technological environment. The business requires continual investment and innovation in its products and services to maintain its competitive position. In order to mitigate this risk the business has invested in product marketing with the objective of focusing research and development with specific measurable aims and goals to meet market needs. The business coordinates each development project with Board monitoring and project management principles in order to mitigate the length of time that products take to enter the market.

Suppliers

The Group sources certain product components which are only available from a small number of specialist suppliers. Disruption to the supply chain could have an adverse effect on the business. Where possible, such risks are mitigated by ensuring ownership of design and intellectual property and maintaining appropriate inventory levels.

Employee Retention

The Group's performance depends largely on its skilled staff. The loss of key individuals and the inability to recruit individuals with the right experience and skills could adversely impact the Group's results. To mitigate these matters, the Group aims to put in place appropriate management structures and provide competitive remuneration, including share options and where possible provide continuing career development for key personnel.

Market

The Group operates in multiple geographical markets so there is a risk that territory and global macro-economic conditions may result in one or more of these markets being adversely affected and the revenues of the business impacted accordingly. However, by virtue of selling in multiple geographical markets the impact of localised economic downturn in one or a number of markets is minimised.

The Group operates in multiple service and product segments with specific risks and uncertainties including:

- Vicon Group

  Vicon operates in three distinct areas described below. In mitigation of the risks identified Vicon operates in multiple geographies, through well-established distributors, who provide insight into local markets and an effective defence against competitive activity. Furthermore, Vicon has a well-established and respected brand and through continual innovation maintains a competitive advantage over the competition.

  Life Sciences – Our customers are primarily Medical and Educational Institutions funded largely, but not exclusively, by Government which are subject to National budgetary decisions although in many markets these areas of spend are protected to some extent.

  Engineering – The majority of our customers are largely commercial organisations whose investment decisions are determined by general macro-economic conditions in their markets so revenues can be affected accordingly. The remaining customers tend to be higher education research establishments whose funding is ultimately controlled by National Budgetary decisions.

  Entertainment – Our customers are commercial organisations who produce content for the Film, TV and Video Game market place. Spending in this market tends to be erratic and ultimately driven by consumer demand for content which by virtue of this market place cannot always be guaranteed.

- Yotta Group

  Infrastructure (including Highways, Street works and Street lighting) – The majority of our customers are ultimately funded by the UK Government so spending is subject to National Budgetary decisions and priorities. In mitigation, the business secures long-term service contracts and recurring annual support contracts whenever possible.

- 2d3 Group

  Defence – Our customers are ultimately the US Department of Defence and the UK Ministry of Defence. Their spending is subject to National Budgetary decisions and political developments (particularly in the US where Sequestration and Government shut-downs have disrupted revenues in the past). In mitigation, we specifically address the intelligence sector within the defence market which is an area of expenditure that has been given priority so is protected to some extent but subject to timing variations.

- OMG Life

  Consumer electronics – Our potential customers are Consumer electronic businesses that produce electronic products incorporating our technology under license. Our revenue will ultimately be influenced by consumer demand for such 3rd party products in markets where there is significant choice and demand on disposable income. In mitigation, the Group has developed a unique and innovative technology that will be deployed across multiple brands, products and markets.

Financial

The business has outlined its principal financial risks in note 21 to the accounts. These are broadly summarised as foreign currency and credit risks. Typically half of the Group's revenues are generated from its US subsidiaries in US dollars, together with some overseas territories which purchase in US dollars and Euros. Changes in exchange rate could have an adverse effect on revenues and profitability of the Group. Where possible the Group aims to mitigate this by making purchases and engaging personnel in local markets.

Non-Financial

The business continually assesses its exposure to non-financial risks. These are broadly summarised as competition, reputation and product related risks. The Board is cognisant of this information when determining business strategy.

Nick Bolton
Chief Executive
8 December 2014

Other Reports and Accounts

Report of The Directors

The directors present their report together with the audited consolidated and parent Company financial statements for the year ended 30 September 2014.

Business review
OMG plc is a holding Company. The nature of the Group's operations and its principal activities are set out in the Strategic Report on pages 24 to 58. Its principal subsidiary undertakings are shown in note 16. The Strategic Report includes details of the market overview; key growth drivers; our business model; strategic objectives; principal risks and uncertainties; key performance indicators and a summary of 2013/14 performance.

Share capital
The Company has one class of ordinary shares which carry no right to a fixed income. Full details of changes in share capital during the year are shown in note 23 to the financial statements. Details of employee share options are set out in note 24.

Dividends
The directors are proposing a final dividend in respect of the financial year ended 30 September 2014 of 0.50 pence per share which will absorb an estimated £567,000 of shareholders' funds. This dividend, if approved, will be paid on 11 March 2015 to shareholders on the register of members at close of business on 19 December 2014.

Research and development
During the year, the Group expensed £4,260,000 (2013: £3,781,000) in research costs. In addition £2,533,000 (2013: £2,102,000) of development costs were capitalised. Research and development costs are principally the costs of employees involved in research and development, together with related equipment and materials for hardware development and external costs. Further information regarding the nature and value to the Group of this expenditure is explained in the Strategic Report.

Directors and their interests
The interests of the directors in the shares of the Company and their interest in options over the shares of the Company at 30 September 2014 are disclosed in the Report on Remuneration.

The directors who served during the year were as follows:

Anthony Simonds-Gooding	Nick Bolton
Jonathon Reeve	David Deacon
Adrian Carey	Catherine Robertson
Julian Morris	

At the Annual General Meeting of the Company, Nick Bolton and David Deacon representing one third of the Board, will retire and, being eligible, offer themselves for re-election.

Financial instruments
Information about the Group's management of financial risk can be found in note 21 of the financial statements.

Directors' indemnity insurance
The directors confirm that qualifying third party indemnity provisions are held that comply with Section 309B under the Companies (Audit, Investigations and Community Enterprise) Act 2004.

Employees
The Group ensures that all employees are kept informed, as far as is practical, with regard to the activities of the Group. This is achieved through the use of staff briefings and electronic communications. It is the Group's aim that recruitment and development of staff should be determined solely on ability and other relevant requirements of the job. Disabled persons and those who become disabled are given the same consideration as others and, depending on their skills, will enjoy the same prospects as other staff.

The Group's policies on Health & Safety are continually under review, ensuring that current practices comply with the laws applicable in the countries in which it operates.

Subsequent events
On 26 September 2014, the Group signed a Share Purchase Agreement relating to the sale of the CGU House of Moves Inc., classified as a disposal group as at 30 September 2014. After the year end, the transaction completed on 15 October 2014 for a total consideration of $1,300,000 and the Group estimate to break even on this transaction. Any profit or loss on the sale will be recognised through the income statement in the year ending 30 September 2015.

Going concern
After making relevant enquiries, reviewing the cash flow forecasts for the two year period from 30 September 2014 and considering the Group's risk profile, the directors consider the Group to have adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Statement on disclosure of information to auditors
So far as each director is aware, there is no relevant audit information of which the Group's auditors are unaware. Relevant information is defined as "information needed by the Group's auditors in connection with preparing their report".

Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) 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 Group's auditors are aware of that information.

Statement of directors' responsibilities
The directors are responsible for preparing the annual 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 Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 Group and Company and of the profit or loss of the Group for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

In preparing these financial statements, the directors are required to:
- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of 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.

Website publication
The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Group's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Group's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Auditors
BDO LLP offer themselves for reappointment as auditors and a resolution will be proposed at the AGM to approve the auditors reappointment.

By order of the Board
Catherine Robertson
Secretary
8 December 2014

Corporate Governance Report

Directors' statement on corporate governance

The Board of Directors is accountable to shareholders for the good corporate governance of the Group. Under the AIM rules compliance with the UK Corporate Governance Code ('the Code') is voluntary. Although the Board has not formally adopted the Code, the Board is aware of the best practice defined by the Code and will seek to adopt procedures to institute good governance insofar as is practical and appropriate for a group of its size while retaining its primary focus on the entrepreneurial success of the business. This statement sets out how certain principles of the Code are met through the Group's application of best practice.

Directors

The composition of the Board is set out on page 60. The Board comprises a non-executive Chairman, two additional non-executive directors and four executive directors.

The Board meets bi-monthly and is provided with relevant information on financial, business and corporate matters prior to meetings. The Board has a formal schedule of matters reserved to it and is responsible for overall Group strategy, acquisition and divestment policy, approval of major capital expenditure projects and consideration of significant operational and financial matters. The Board has established both an Audit and Remuneration Committee. Given the small size of the Board, it is not considered necessary to constitute a separate Nominations Committee. All members of the Board are fully consulted on the potential appointment of a new director. All directors are subject to re-election every three years.

Steps are taken to ensure that members of the Board develop an understanding of the views of shareholders through the use of trading updates, announcements, annual and interim reports and the AGM.

Accountability and audit

The Audit Committee comprises two of the non-executive directors and meets at least twice annually. The Committee has specific terms of reference which deal with its authority and duties. The Committee overviews the adequacy of the Group's internal controls, accounting policies, internal audit programme and financial reporting and provides a forum through which the Group's external auditors report to the Board.

Internal control

There is an ongoing process for identifying, evaluating and managing risk via review of internal controls and these control processes were in place during the year. The Board has overall responsibility for ensuring that the Group maintains systems of internal control to provide it with reasonable assurance regarding the reliability of financial information used within the business and that the assets of the business are safeguarded. It is acknowledged that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. Key areas of internal control are listed below:

- The preparation and review of monthly financial information which provides a comparison to budget and forecast and identifies and explains significant variances and also highlights emerging trends in the business;
- The preparation of an annual budget showing projected revenues, costs, funding requirements and operational targets. The Board is responsible for approving the budget. Forecasts are produced to update the budget for any significant change in Group performance;
- An internal audit programme ensuring the integrity of reporting, adoption and consistency of financial controls and identifying potential areas of risk across the Group;
- Significant capital expenditure projects, acquisitions, and contracts require Board approval.

Report on Directors' Remuneration

The Directors' Remuneration Report Regulations are not a requirement for AIM listed Companies. However, set out below are certain disclosures relating to directors' remuneration.

Remuneration Committee

The Remuneration Committee is made up of the non-executive directors. The terms of reference of the Committee are to review and make recommendations to the Board regarding the terms and conditions of employment of the executive directors.

Service agreements

No director has a service agreement with a notice period that exceeds 12 months.

Policy on directors' remuneration

The remuneration is set by comparison to market rates at levels to attract, retain and motivate the best staff, recognising that they are key to the ongoing success of the business.

Directors' remuneration

The remuneration of directors who served during the year, excluding share based payments, was as follows:

	Salary £'000	Bonus £'000	Benefits in kind £'000	Gains on the exercise of share options £'000	**2014 Total £'000**	**2014 Pension contributions £'000**	2013 Total £'000	2013 Pension contributions £'000
A Simonds-Gooding (Chairman)	40	-	-	-	**40**	**-**	40	-
J Reeve (Non Executive Director)	30	-	-	-	**30**	**-**	30	-
A Carey (Non Executive Director)	30	-	-	-	**30**	**-**	30	-
J Morris (Executive Director)	110	16	2	-	**128**	**16**	94	16
N Bolton (Chief Executive Officer)	222	79	1	-	**302**	**-**	224	-
C Robertson (Secretary and Executive Director)	79	13	1	-	**93**	**8**	80	8
D Deacon (Chief Finance Officer)	174	52	4	-	**230**	**-**	175	-
	685	160	8	-	**853**	**24**	673	24

Directors' share options

Interests in share options for directors who served during the year were as follows:

	Exercise price	**At 30 September 2014 Number**	At 1 October 2013 Number	Exercise period
J Reeve	55.94p	**65,000**	65,000	August 2009 to August 2017
A Carey	31.18p	**77,194**	77,194	September 2015 to September 2023
C Robertson	24.59p	**600,000**	600,000	September 2014 to July 2022
N Bolton	12.53p	**1,200,000**	1,200,000	June 2006 to June 2015
N Bolton	0.25p	**3,000,000**	3,000,000	September 2015 to September 2022
D Deacon	23.42p	**900,000**	900,000	March 2011 to March 2019
D Deacon	0.25p	**1,500,000**	1,500,000	September 2015 to September 2022
		7,342,194	7,342,194	

The vesting of options takes place proportionally over time which is typically a period of three years. The vesting of options is not subject to any performance criteria, other than remaining in employment, except for the options with an exercise price of 0.25p which vest on 30 September 2015 in a quantity subject to the achievement of certain profit targets and the performance of the Company's share price in the 30 day period prior to the vesting date.

There were no share option gains made by any directors in 2014 or 2013.

The average share price for the year was 27.80 pence (2013: 32.65 pence) and the closing share price was 28.25 pence (2013: 31.50 pence).

Directors' interests

The directors who held office at the end of the financial year had the following beneficial interests in the ordinary share capital of OMG plc at 30 September 2014 and at 1 October 2013 according to the register of directors' interests.

	Ordinary shares of 0.25p		Percentage of issued share capital	
	2014 Number	2013 Number	2014 %	2013 %
A Simonds-Gooding	1,036,295	1,036,295	0.91	1.00
J Reeve	31,475	31,475	0.03	0.03
A Carey	175,080	175,080	0.15	0.17
J Morris	9,459,320	9,459,320	8.34	9.10
C Robertson	1,162,801	1,162,801	1.03	1.12
N Bolton	374,383	374,383	0.33	0.36
D Deacon	25,000	25,000	0.02	0.02

By order of the Remuneration Committee

Jonathon Reeve
Chairman

Independent Auditor's Report to the Members of OMG plc

We have audited the financial statements of OMG plc for the year ended 30 September 2014 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of cashflows, the consolidated and company statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 30 September 2014 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Christopher Pooles (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Reading
United Kingdom

Date: 8 December 2014

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

Consolidated Income Statement for the year ended 30 September 2014

	Note	2014 Continuing operations £'000	2014 Discontinued operations £'000	2014 Total £'000	2013 Continuing operations £'000	2013 Discontinued operations £'000	2013 Total £'000
Revenue	4	**31,196**	**2,245**	**33,441**	27,470	1,986	29,456
Cost of sales		**(11,149)**	**(1,601)**	**(12,750)**	(10,603)	(1,669)	(12,272)
Gross profit		**20,047**	**644**	**20,691**	16,867	317	17,184
Sales, support and marketing costs		**(6,486)**	**(80)**	**(6,566)**	(5,271)	(152)	(5,423)
Research and development costs		**(4,260)**	**-**	**(4,260)**	(3,777)	(4)	(3,781)
Administrative expenses		**(8,949)**	**(1,553)**	**(10,502)**	(7,156)	(909)	(8,065)
Other operating income		**62**	**-**	**62**	46	-	46
Operating profit/(loss)		**414**	**(989)**	**(575)**	709	(748)	(39)
Finance income	9	**6**	**-**	**6**	11	-	11
Finance expense	9	**(15)**	**-**	**(15)**	(416)	-	(416)
Profit/(loss) before taxation	5	**405**	**(989)**	**(584)**	304	(748)	(444)
Taxation	8	**(110)**	**124**	**14**	223	69	292
Profit/(loss) for the financial year attributable to owners of the parent during the year		**295**	**(865)**	**(570)**	527	(679)	(152)
Earnings per share for profit/(loss) attributable to owners of the parent during the year							
Basic earnings/(loss) per ordinary share (pence)	10	**0.27p**	**(0.78)p**	**(0.51)p**	0.67p	(0.86)p	(0.19)p
Diluted earnings/(loss) per ordinary share (pence)	10	**0.26p**	**(0.78)p**	**(0.51)p**	0.57p	(0.86)p	(0.19)p

Consolidated Statement of Comprehensive Income for the year ended 30 September 2014

	Group 2014 £'000	Group 2013 £'000
Net loss for the year	**(570)**	(152)
Other comprehensive income		
Exchange differences on retranslation of overseas subsidiaries	**20**	(54)
Tax recognised directly in equity	**23**	53
Total other comprehensive income/(expense)	**43**	(1)
Total comprehensive expense for the year attributable to owners of the parent	**(527)**	(153)

The notes on pages 71 to 103 are an integral part of these financial statements.

Consolidated and company Statement of Financial Position as at 30 September 2014

COMPANY NUMBER: 3998880	Note	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Non-current assets					
Goodwill and intangible assets	13	**16,686**	17,913	**-**	-
Property, plant and equipment	15	**1,387**	2,198	**22**	23
Financial asset - investments	16	**69**	69	**8,743**	8,743
Deferred tax asset	22	**614**	897	**209**	163
		18,756	21,077	**8,974**	8,929
Current assets					
Inventories	17	**1,691**	1,836	**-**	-
Trade and other receivables	18	**13,176**	10,972	**20,769**	16,306
Cash and cash equivalents	29	**7,579**	7,803	**(886)**	716
		22,446	20,611	**19,883**	17,022
Assets classified as held for sale	26	**720**	-	**-**	-
Current liabilities					
Trade and other payables	19	**(8,640)**	(9,749)	**(2,710)**	(933)
Current tax liabilities		**(139)**	(348)	**-**	-
		(8,779)	(10,097)	**(2,710)**	(933)
Liabilities directly associated with assets classified as held for sale	26	**(45)**	-	**-**	-
Net current assets		**14,342**	10,514	**17,173**	16,089
Total assets less current liabilities		**33,098**	31,591	**26,147**	25,018
Non-current liabilities					
Financial liabilities	20	**-**	(51)	**-**	-
Deferred tax liability	22	**(2,280)**	(2,559)	**-**	-
		(2,280)	(2,610)	**-**	-
Net assets		**30,818**	28,981	**26,147**	25,018
Capital and reserves attributable to owners of the parent					
Share capital	23	**283**	260	**283**	260
Shares to be issued		**65**	65	**65**	65
Share premium account		**15,443**	15,443	**15,443**	15,443
Merger reserve		**6,589**	4,008	**6,589**	4,008
Retained earnings		**8,493**	9,280	**3,775**	5,250
Foreign currency translation reserve		**(55)**	(75)	**(8)**	(8)
Total equity shareholders' funds		**30,818**	28,981	**26,147**	25,018

The financial statements on pages 67 to 103 were approved and authorised for issue by the Board of Directors on 8 December 2014 and signed on its behalf by

Nick Bolton
Director

David Deacon
Director

The notes on pages 71 to 103 are an integral part of these financial statements.

Consolidated and Company Statement of Cashflows for the year ended 30 September 2014

	Note	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Cash flows from operating activities – continuing operations					
Operating profit		**414**	(39)	**(1,257)**	-
Depreciation and amortisation		**3,511**	1,796	**19**	15
Impairment of intangibles		**287**	-	**-**	-
Loss on the sale of property, plant and equipment		**4**	1	**-**	-
Share-based payments		**189**	389	**160**	216
Exchange adjustments		**27**	(23)	**(2)**	(8)
Decrease in inventories		**145**	34	**-**	-
Increase in receivables		**(2,008)**	(1,358)	**(1,857)**	(8,570)
Increase in payables		**1,240**	309	**1,777**	1,802
Cash generated from continuing operations		**3,809**	1,109	**(1,160)**	(6,545)
Discontinued operations	12	**(221)**	-	**-**	-
Cash generated from operating activities		**3,588**	1,109	**(1,160)**	(6,545)
Tax paid		**(261)**	(41)	**-**	-
Net cash from operating activities		**3,327**	1,068	**(1,160)**	(6,545)
Cash flows from investing activities					
Purchase of property, plant and equipment		**(712)**	(655)	**(18)**	(4)
Purchase of intangible assets		**(2,533)**	(2,102)	**-**	-
Proceeds on disposal of property, plant and equipment		**292**	60	**-**	-
Interest received		**6**	11	**5**	9
Acquisition of subsidiary undertaking net of cash acquired	27	**-**	(3,003)	**-**	-
Net cash used in investing activities		**(2,947)**	(5,689)	**(13)**	5
Cash flows from financing activities					
Payment of finance lease liabilities		**(111)**	(137)	**-**	-
Interest element of finance lease repayments		**(10)**	(11)	**-**	-
Bank interest paid		**(5)**	-	**-**	-
Issue of ordinary shares		**-**	9,006	**-**	9,006
Share issue costs		**-**	(514)	**-**	(514)
Equity dividends paid	35	**(429)**	(255)	**(429)**	(255)
Net cash used in financing activities		**(555)**	8,089	**(429)**	8,237
Net (decrease) / increase in cash and cash equivalents		**(175)**	3,468	**(1,602)**	1,697
Cash and cash equivalents at beginning of the period		**7,803**	4,341	**716**	(981)
Effect of exchange rate changes		**-**	(6)	**-**	-
Cash and cash equivalents at end of the period		**7,628**	7,803	**(886)**	716
Amount included in cash and cash equivalents	29	**7,579**	7,803	**(886)**	716
Amount included in assets classified as held for sale	26	**49**	-	**-**	-
Total cash and cash equivalents at end of the period		**7,628**	7,803	**(886)**	716

Major non-cash transactions
During the current and prior year shares relating to the deferred consideration for the purchase of Sensing Systems Inc. were issued. Further details of this transaction are set out in note 27.

The notes on pages 71 to 103 are an integral part of these financial statements.

Consolidated and Company Statement of changes in Equity for the year ended 30 September 2014

Group	Share capital £'000	Shares to be issued £'000	Share premium account £'000	Merger reserve £'000	Retained earnings £'000	Foreign currency translation reserve £'000	Total £'000
Balance as at 1 October 2012	179	65	7,028	3,546	9,245	(21)	20,042
Net loss for the year	-	-	-	-	(152)	-	(152)
Exchange differences on retranslation of overseas subsidiaries	-	-	-	-	-	(54)	(54)
Tax recognised directly in equity	-	-	-	-	53	-	53
Transactions with owners:							
Dividends	-	-	-	-	(255)	-	(255)
Issue of share capital	81	-	8,929	462	-	-	9,472
Costs of share issue deducted from equity	-	-	(514)	-	-	-	(514)
Movement in relation to share options	-	-	-	-	389	-	389
Balance as at 30 September 2013	260	65	15,443	4,008	9,280	(75)	28,981
Net loss for the year	**-**	**-**	**-**	**-**	**(570)**	**-**	**(570)**
Exchange differences on retranslation of overseas subsidiaries	**-**	**-**	**-**	**-**	**-**	**20**	**20**
Tax recognised directly in equity	**-**	**-**	**-**	**-**	**23**	**-**	**23**
Transactions with owners:							
Dividends	**-**	**-**	**-**	**-**	**(429)**	**-**	**(429)**
Issue of share capital	**23**	**-**	**-**	**2,581**	**-**	**-**	**2,604**
Movement in relation to share options	**-**	**-**	**-**	**-**	**189**	**-**	**189**
Balance as at 30 September 2014	**283**	**65**	**15,443**	**6,589**	**8,493**	**(55)**	**30,818**

Company	Share capital £'000	Shares to be issued £'000	Share premium account £'000	Merger reserve £'000	Retained earnings £'000	Foreign currency translation reserve £'000	Total £'000
Balance as at 1 October 2012	179	65	7,028	3,546	180	-	10,998
Net profit for the year	-	-	-	-	5,055	-	5,055
Exchange differences on retranslation of overseas subsidiaries	-	-	-	-	-	(8)	(8)
Tax recognised directly in equity	-	-	-	-	54	-	54
Transactions with owners:							
Dividends	-	-	-	-	(255)	-	(255)
Issue of share capital	81	-	8,929	462	-	-	9,472
Costs of share issue deducted from equity	-	-	(514)	-	-	-	(514)
Movement in relation to share options	-	-	-	-	216	-	216
Balance as at 30 September 2013	260	65	15,443	4,008	5,250	(8)	25,018
Net loss for the year	**-**	**-**	**-**	**-**	**(1,230)**	**-**	**(1,230)**
Tax recognised directly in equity	**-**	**-**	**-**	**-**	**24**	**-**	**24**
Transactions with owners:							
Dividends	**-**	**-**	**-**	**-**	**(429)**	**-**	**(429)**
Issue of share capital	**23**	**-**	**-**	**2,581**	**-**	**-**	**2,604**
Movement in relation to share options	**-**	**-**	**-**	**-**	**160**	**-**	**160**
Balance as at 30 September 2014	**283**	**65**	**15,443**	**6,589**	**3,775**	**(8)**	**26,147**

The notes on pages 71 to 103 are an integral part of these financial statements.

Notes to the Financial Statements for the year ended 30 September 2014

1. Basis of preparation of the financial statements

The consolidated and parent Company financial statements of OMG plc have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS as adopted by the EU), IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies which affect the reported amount of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reported period. Although the estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

Changes in accounting standards

International Accounting Standards (IAS/IFRS)

The following new standards have been adopted during the period:

- IFRS 13 Fair Value measurement (effective 1 January 2013);
- Amendment to IFRS 7: Financial Instruments: Disclosures (effective 1 January 2013);
- Amendment to IAS 19 Employee Benefits (effective 1 January 2013).

The adoption of the above new standards has not had a material impact on the financial statements during the period ended 30 September 2014.

At the date of authorisation of these financial statements the following standards, amendments to standards and interpretations, which have not been adopted early in these financial statements, were issued by the IASB, but not yet effective:

- IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'
- IFRS 9 'Financial Instruments'
- IFRS 10 'Consolidated Financial Statements'
- IFRS 12 'Disclosure of Interests in Other Entities'
- IFRS 15 'Revenue from contracts with customers'
- IAS 24 'Related Party Disclosures' (revised)
- IAS 27 'Separate Financial Statements' (revised)
- Amendment to IAS 32 'Financial Instruments: Presentation'
- Amendment to IAS 36 'Impairment of Assets'

The Group and Company has considered the above new standards, interpretations and amendments to published standards that are not yet effective and concluded that they are either not relevant to the Group and Company or that they would not have a significant impact on the Group's financial statements, apart from additional disclosures.

2. Accounting policies

The principal accounting policies applied in the preparation of these consolidated and parent Company financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of consolidation

The consolidated financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to 30 September 2014. Subsidiary undertakings are those entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. Subsidiary undertakings are fully consolidated from the date on which control is transferred to the Group. Acquisitions of subsidiaries are dealt with by the acquisition method of accounting from the date of acquisition. Inter-company balances and transactions are eliminated on consolidation.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker has been identified as the Board of Directors of OMG plc.

Revenue
Revenue represents the fair value of consideration received or receivable arising from the provision of goods and services to third party customers, net of VAT, and trade discounts.

Within Vicon, OMG Life, Mayrise and 2d3 revenue is recognised on the delivery of the product or service, with a deferral made for the fair value of the undelivered element under the terms of the sale. Revenue not recognised in the income statement under this policy is classified as deferred income in the balance sheet. Revenue from services is recognised as the work is performed. Revenue is only recognised where there is appropriate evidence of an arrangement, where the consideration is fixed and determinable and where collectability is reasonably assured.

Within Yotta survey contracts are accounted for in accordance with IAS 18, 'Revenue'. Where the outcome of the contract can be estimated reliably, revenue is recognised by reference to the total sales value and the stage of completion of the survey contracts. The related profit includes results attributable to contracts completed and in progress where a profitable outcome can be prudently foreseen.

Where revenue earned exceeds amounts invoiced it is included within trade and other receivables as amounts due from customers for contract work. Receipts in excess of recognised turnover are included within trade and other payables under payments on account in respect of contract work. The amount of costs incurred on survey contracts, net of amounts transferred to cost of sales is included in long term contract balances within inventories.

Government grants
Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and that the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Goodwill and intangible assets
Goodwill is carried at cost less any provision for impairment. Intangible assets are valued at cost less amortisation and any provisions for impairment.

Goodwill arising on business combinations (representing the excess of fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised and its subsequent measurement is based on annual impairment reviews, with any impairment losses recognised immediately in the income statement. For business combinations completed after 1 January 2010, direct costs of acquisition are recognised immediately in the income statement as an expense.

The Group has elected to apply IFRS 3, 'Business combinations' prospectively from the date of transition to IFRS and therefore goodwill written off to reserves prior to 1 October 2006 has not been reinstated on transition to IFRS.

Externally acquired intangible assets
Intangible assets are capitalised at cost and amortised to nil by equal annual instalments over their estimated useful economic life.

Intangible assets are recognised on business combinations if they are separable from the acquired entity. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques (see note 3). The significant intangibles recognised by the Group and their useful economic lives are as follows:

• Brand name	over 10 years
• Customer relationships	over 8 years
• Intellectual property	over 3-5 years

Internally generated intangible assets (research and development costs)
Expenditure on internally developed products is capitalised if it can be demonstrated that:

• It is technically feasible to develop the product for it to be sold;
• Adequate resources are available to complete the development;
• There is an intention to complete and sell the product;
• The Group is able to sell the product;
• Sale of the product will generate future economic benefits; and
• Expenditure on the project can be measured reliably.

Notes to the Consolidated Financial Statements
continued

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed, which is estimated to be 3 - 6 years. The amortisation expense is included within research and development expenses in the consolidated income statement.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the consolidated income statement as incurred.

Impairment of non-financial assets (excluding inventories and deferred tax assets)
Impairment tests on goodwill are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; (its cash generating unit). Goodwill is allocated on initial recognition to each of the Group's CGU's that are expected to benefit from the synergies of the combination giving rise to the goodwill.

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates applicable are:

• Computers and equipment	25% - 50%
• Furniture and fixtures	20% or 50%
• Motor vehicles	25%
• Demonstration equipment	25% or 50%, some demonstration equipment held within the Vicon Group is not depreciated
• Leasehold improvements	Over the lower of 10 years, and remaining period of the lease.

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

Investments in subsidiaries
Investments are included at cost less provision for impairment.

Inventories
Inventories are stated at the lower of historical cost and net realisable value, on a first in first out basis, after making allowance for obsolete and slow moving items. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

Non-current assets and disposal groups
Non-current assets and disposal groups are classified as held for sale when:

• They are available for immediate sale;
• Management is committed to a plan to sell;
• It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn;
• An active programme to locate a buyer has been initiated;
• The asset or disposal group is being marketed at a reasonable price in relation to its fair value; and
• A sale is expected to complete within 12 months from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of:

- Their carrying amount immediately prior to being classified as held for sale in accordance with the group's accounting policy; and
- Fair value less costs of disposal.

Following their classification as held for sale, non-current assets (including those in a disposal group) are not depreciated. The results of operations held for sale are included in the consolidated statement of comprehensive income up to the date of disposal.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale, that has been disposed of, has been abandoned or that meets the criteria to be classified as held for sale.

Discontinued operations are presented in the consolidated income statement separately from continuing operations in a section identified as relating to discontinued operations.

Financial assets

The Group and Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Group has not classified any of its financial assets as held to maturity.

Fair value through profit or loss: This category comprises only in-the-money derivatives (see financial liabilities section for out-of-money derivatives). They are carried in the balance sheet at fair value with changes in fair value recognised in the consolidated income statement in finance income or expense. Other than derivative financial instruments which are not designated as a hedging instrument, the Group does not have any assets held for trading nor does it voluntarily classify any financial asset as being at fair value through profit or loss.

Loans and receivables: Loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet. The accounting policies for these assets are discussed below.

Available-for-sale: Available-for-sale financial assets comprise the equity investment in a business start-up incorporated in Germany (see note 16). Available-for-sale financial assets are measured at fair value with gains or losses recognised directly in equity through the statement of changes in equity and recycled into the income statement on sale or impairment of the asset.

Financial liabilities

The Group and Company classifies its financial liabilities into one of two categories depending on the purpose for which the liability was acquired.

Fair value through profit or loss: This category comprises only out-of-the-money derivatives (see financial assets for in-the-money derivatives). They are carried in the balance sheet at fair value with changes in fair value recognised in the consolidated income statement. Other than these derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

Other financial liabilities: Other financial liabilities include trade payables and other short term monetary liabilities. The accounting policies for these liabilities are discussed below.

Trade and other receivables

Trade receivables do not carry interest and are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Trade receivables are assessed individually for impairment. Such provisions for impairment are recorded in a separate allowance account with the loss being recognised within administrative expenses in the income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, net deposits held at call with banks and other short term highly liquid investments with original maturities of less than three months.

Trade and other payables

Trade payables and other short term monetary liabilities are recognised at fair value.

Current and deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base, except for differences arising on:

- The initial recognition of goodwill;
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit; and
- Investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- The same taxable Group company; or
- Different Group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Foreign currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Sterling (£) which is also the Company's functional currency.

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the income statement.

For consolidation purposes assets and liabilities of foreign subsidiaries that have a functional currency different from the presentation currency are translated at the rates of exchange ruling at the balance sheet date. Income statements of such undertakings are translated at the average rates of exchange during the year. Exchange differences arising on these translations are taken to the foreign currency translation reserve.

Employee benefits

Contributions to pension schemes
The Group accounts for pensions and similar employee benefits under IAS 19 'Employee benefits'. The Group operates defined contribution pension schemes for both its UK and US employees. The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

Employee share option schemes
The Group operates an equity settled share based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense in the income statement over the vesting period of the grant with a corresponding adjustment to equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non market vesting conditions (for example, profitability and sales growth targets). Non market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

Operating leases
Leases in which a significant proportion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

Where properties are sublet the rental income received is recognised as other income in the income statement on a straight line basis over the lease term.

Finance leases
Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long term payables. The interest element of the finance cost is charged to the income statement over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

Dividend distribution
Dividends are recognised when they become legally payable. In the case of interim dividends, this is when they are paid. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

3. Critical accounting estimates and judgements
The Group makes certain estimates and assumptions regarding the future. Estimates are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates, judgements and assumptions
(a) Impairment of goodwill
The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method required estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows (see note 14). Actual outcomes may vary.

(b) Useful lives of intangible assets and property, plant and equipment
Intangible assets and property, plant and equipment are amortised or depreciated over their estimated useful lives. Useful lives are based on the management's estimates of the period that the assets will generate revenue, which are periodically reviewed for continued appropriateness. Changes to estimates can result in significant variations in the carrying value and amounts charged to the consolidated income statement in specific periods. More details including carrying values are included in notes 13 and 15.

(c) Inventory
The Group reviews the net realisable value of, and demand for, its inventory on a regular basis to provide assurance that recorded inventory is stated at the lower of cost or net realisable value. Factors that could impact estimated demand and selling prices include the timing and success of future technological innovations, competitor actions, supplier prices and economic trends. If total inventory losses differ from management estimates by 1%, the Group's consolidated net income in 2014 would have improved/declined by an estimated £4,000, depending upon whether the actual results were better/worse, respectively, than expected.

(d) Share based payments
The Group operates a number of equity settled share based remuneration schemes for employees. Employee services received, and the corresponding increase in equity, are measured by reference to the fair value of the equity instruments at the date of grant, excluding the impact of any non market vesting conditions. The fair value of share options is estimated using the Monte Carlo option pricing model on the date of grant based on certain assumptions. Those assumptions are described in note 24 and include, among others, the expected volatility and expected life of the option. More details including carrying values are disclosed in note 24.

Where equity instruments are granted to persons other than employees, the consolidated income statement is charged with the fair value of goods and services received.

(e) Determination of fair values of intangible assets acquired in business combinations
The fair value of intellectual property acquired in business combinations is based on the estimated cost to recreate the intellectual property. The fair values of customer relationships and brand names are based on the discounted cash flows expected to be derived from the use and eventual sale of the asset.

(f) Income taxes
The Group is subject to income tax in several jurisdictions and significant judgement is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Group recognises tax liabilities based on estimates of whether additional taxes and interest will be due. The Group believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgements about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered.

(g) Revenue recognition
The Group reviews recognition of revenue with respect to hardware and software sales where they include an element of provision for additional services, such as support and maintenance, in line with IAS 18.The Group's selling price for hardware sales includes support and maintenance servicing and therefore the Group defers an element of revenue which is recognised over a subsequent period. Typically the servicing is for a period of one year from date of sale, but can be up to five years. Management believes that, based on past experience with similar revenue streams and actual support costs, an estimate of deferral of between 1% and 5% per year, dependent upon the specific CGU, is appropriate and is consistent with prior years.

In addition, the Group earns installation fees in respect of some contracts to contribute to the installation cost of certain software and hardware products. Management are required to assess the amounts receivable at each reporting date and whether all the conditions have been met to enable these to be recognised.

(h) Capitalisation of development costs
Development costs are capitalised according to the criteria set out in IAS 38. Management make assumptions as to when these criteria have been met and consequently the date from which the costs for a project are capitalised. Development costs are amortised over their estimated useful lives which are based on management's estimates of the period that the asset will generate revenue. These are periodically reviewed for continued appropriateness. Management review the carrying value of capitalised development costs on an annual basis and test for impairment.

4. Segmental analysis
Segment information is presented in the financial statements in respect of the Group's business segments, which are reported to the Chief Operating Decision Maker (CODM). The Group has identified the Board of Directors of OMG plc ("the Board") as the CODM. The business segment reporting reflects the Group's management and internal reporting structure.

The Group comprises the following business segments:

- Vicon Group: This is the development, production and sale of computer software and equipment for the engineering, entertainment and life science markets;
- Yotta Group: This is services for the management of infrastructure, highway surveying and associated software development;
- 2d3 Group: This is the development and sale of computer software for the defence market; and
- OMG Life: This is the consumer electronics segment.

Other unallocated costs represent head office expenses not recharged to subsidiary companies.

Inter segment transfers are priced along the same lines as sales to external customers, with an appropriate discount being applied to encourage use of Group resources. This policy was applied consistently throughout the current and prior year. There were no significant inter segment sales during the current or prior year.

Intra segment sales between Vicon UK and Vicon USA are eliminated prior to management and internal reporting, and hence are not shown separately in the analysis below. The total sales from Vicon UK to Vicon USA in the year ended 30 September 2014 are £3,721,000 (2013: £3,213,000).

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories and trade and other receivables. Unallocated assets comprise deferred taxation, investments and cash and cash equivalents.

Business segments are analysed below:

	Revenue	
	2014 £'000	2013 £'000
Vicon UK	**9,626**	9,267
Vicon USA	**7,556**	8,132
Vicon Group	***17,182**	*17,399
Yotta UK	**5,397**	5,247
Yotta Mayrise	**2,505**	488
Yotta Group	**7,902**	5,735
2d3 UK	**631**	278
2d3 USA	**4,934**	3,939
2d3 Group	**5,565**	4,217
OMG Life UK	**325**	119
OMG Life US	**222**	-
Life Group	**547**	119
Continuing operations	**31,196**	27,470
House of Moves – discontinued operation	**2,245**	1,986
OMG Group	**33,441**	29,456

	Revenue	
	2014 £'000	2013 £'000
By destination		
UK	**9,846**	7,101
Europe	**3,140**	2,729
North America	**11,516**	11,020
Asia Pacific	**5,861**	5,823
Other	**833**	797
Continuing operations	**31,196**	27,470
UK	**20**	-
North America	**1,729**	976
Asia Pacific	**496**	1,010
Discontinued operations	**2,245**	1,986
OMG Group	**33,441**	29,456
By origin		
UK	**18,484**	15,399
North America	**12,712**	12,071
Continuing operations	**31,196**	27,470
North America – discontinued operation	**2,245**	1,986
OMG Group	**33,441**	29,456

	2014 £'000	2013 £'000
Vicon revenue by market		
Engineering	**3,177**	3,659
Entertainment	**4,329**	3,460
Life sciences	**9,676**	10,280
Vicon Group	***17,182**	*17,399

*This additional information is provided to the Chief Operating Decision Maker. Further analysis by market is not available.

Notes to the Consolidated Financial Statements
continued

	2014				2013			
	Adjusted profit/(loss) before tax £'000	**Adjusting items £'000**	**Group recharges £'000**	**Profit/(loss) before tax £'000**	Adjusted profit/(loss) before tax £'000	Adjusting items £'000	Group recharges £'000	Profit/(loss) before tax £'000
Vicon UK	**2,373**	**(8)**	**1,359**	**3,724**	2,162	(35)	872	2,999
Vicon USA	**2,607**	**-**	**(2,054)**	**553**	2,907	-	(2,163)	744
Vicon Group	**4,980**	**(8)**	**(695)**	**4,277**	5,069	(35)	(1,291)	3,743
Yotta UK	**56**	**(114)**	**(306)**	**(364)**	440	(453)	(440)	(453)
Yotta Mayrise	**1,487**	**(424)**	**(301)**	**762**	297	(71)	-	226
Yotta Group	**1,543**	**(538)**	**(607)**	**398**	737	(524)	(440)	(227)
2d3 UK	**241**	**(10)**	**(378)**	**(147)**	(259)	(50)	(133)	(442)
2d3 USA	**1,092**	**(233)**	**(253)**	**606**	792	(789)	(213)	(210)
2d3 Group	**1,333**	**(243)**	**(631)**	**459**	533	(839)	(346)	(652)
OMG Life UK	**(4,208)**	**14**	**(402)**	**(4,596)**	(2,357)	(37)	(175)	(2,569)
OMG Life US	**(138)**	**-**	**-**	**(138)**	-	-		
Life Group	**(4,346)**	**14**	**(402)**	**(4,734)**	(2,357)	(37)	(175)	(2,569)
Unallocated	**(2,170)**	**(160)**	**2,335**	**5**	(2,027)	(216)	2,252	9
Continuing operations	**1,340**	**(935)**	**-**	**405**	1,955	(1,651)	-	304
House of Moves – discontinued operation	**(373)**	**(616)**	**-**	**(989)**	(748)	-	-	(748)
OMG Group	**967**	**(1,551)**	**-**	**(584)**	1,207	(1,651)	-	(444)

Adjusted profit before tax is detailed in note 6.

	Non-current assets		Additions to non-current assets		Carrying amount of segment assets		Carrying amount of segment liabilities		Segment depreciation and amortisation	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
	£'000	£'000	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000
Vicon UK	**2,748**	2,464	**1,552**	676	**8,459**	6,700	**(2,346)**	(2,204)	**863**	563
Vicon USA	**701**	1,234	**43**	49	**3,787**	3,964	**(1,561)**	(1,377)	**45**	51
Vicon Group	**3,449**	3,698	**1,595**	725	**12,246**	10,664	**(3,907)**	(3,581)	**908**	614
Yotta UK	**4,477**	4,839	**407**	651	**10,497**	8,482	**(1,702)**	(1,504)	**594**	77
Yotta Mayrise	**4,586**	5,033	**23**	5,108	**9,371**	9,490	**(1,833)**	(1,942)	**458**	477
Yotta Group	**9,063**	9,872	**430**	5,759	**19,868**	17,972	**(3,535)**	(3,446)	**1,052**	554
2d3 UK	**11**	15	**2**	3	**2,353**	1,684	**(48)**	(60)	**4**	9
2d3 USA	**4,297**	4,410	**313**	229	**8,665**	8,094	**(2,163)**	(4,109)	**390**	363
2d3 Group	**4,308**	4,425	**315**	232	**11,018**	9,778	**(2,211)**	(4,169)	**394**	372
OMG Life UK	**1,633**	2,081	**862**	1,123	**(2,470)**	733	**(777)**	(784)	**1,137**	200
OMG Life USA	**-**	-	**-**	-	**380**	-	**(2)**	-	**-**	-
Life Group	**1,633**	2,081	**862**	1,123	**(2,090)**	733	**(779)**	(784)	**1,137**	200
House of Moves – retained assets	**-**	-	**-**	-	**534**	-	**-**	-	**-**	-
Unallocated	**303**	257	**17**	4	**(400)**	1,147	**(622)**	(473)	**20**	14
Continuing operations	**18,756**	20,333	**3,219**	7,843	**41,176**	40,294	**(11,054)**	(12,453)	**3,511**	1,754
Yotta USA	**-**	-	**-**	-	**26**	26	**(5)**	(5)	**-**	-
House of Moves	**-**	744	**26**	22	**720**	1,368	**(45)**	(249)	**27**	42
Discontinued operations	**-**	744	**26**	22	**746**	1,394	**(50)**	(254)	**27**	42
OMG Group	**18,756**	21,077	**3,245**	7,865	**41,922**	41,688	**(11,104)**	(12,707)	**3,538**	1,796

5. (Loss)/profit before taxation

The (loss)/profit before taxation is stated after charging/(crediting):

	2014	2013
	£'000	£'000
Loss on disposal of property, plant and equipment	**4**	1
Depreciation of property, plant and equipment - owned (note 15)	**584**	520
- under hire purchase/finance lease (note 15)	**105**	111
Amortisation of customer relationships (note 13)	**429**	182
Amortisation of intellectual property (note 13)	**310**	217
Amortisation of development costs (note 13)	**2,110**	766
Impairment of intangible fixed assets (note 13)	**903**	-
Share based payments – equity settled (note 24)	**189**	389
Operating lease charges – other than plant and machinery	**906**	843
Fair value adjustment to contingent consideration	**-**	150
Foreign exchange	**27**	(23)
Research and development costs	**4,260**	3,781

During the year the Group obtained the following services from the Group's auditors as detailed below:

	2014	2013
	£'000	£'000
Fees payable to the Company's auditor for the audit of the parent Company and consolidated financial statements	**27**	24
Fees payable to the Company's auditor for other services:		
The audit of financial statements of subsidiaries pursuant to legislation	**64**	60
Tax services	**38**	36
	129	120

Audit services include £13,000 in respect of the Company (2013: £13,000).

6. Reconciliation of adjusted (loss)/profit before tax

A reconciliation of (loss)/profit before tax to adjusted (loss)/profit before tax, which the Board consider better reflects operational performance is provided below. This measure complements the statutory measure as reported in the Consolidated Income Statement and is a performance indicator provided to the Chief Operating Decision Maker.

	Group 2014	Group 2013
	£'000	£'000
Profit before tax – continuing operations	**405**	304
Share based payments – equity settled	**189**	389
Amortisation of intangibles arising on acquisition	**737**	397
Fair value adjustment to contingent consideration	**-**	150
Unwinding of discount on contingent consideration	**-**	405
Acquisition costs	**-**	293
Redundancy costs	**9**	17
Adjusted profit before tax – continuing operations	**1,340**	1,955
Loss before tax – discontinued operations	**(989)**	(748)
Impairment of goodwill	**616**	-
Adjusted loss before tax – discontinued operations	**(373)**	(748)

Acquisition costs in the year ended 30 September 2013 comprise costs relating to the acquisition of Mayrise Limited.

The redundancy costs in the year ended 30 September 2014 are associated with the Yotta UK business and those in the year ended 30 September 2013 are associated with the restructuring of the 2d3 UK business.

7. Directors and employees

Staff costs during the year were as follows:

	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Wages and salaries	**14,678**	12,991	**1,197**	941
Share-based payments	**189**	389	**160**	216
Social security costs	**1,403**	1,232	**148**	138
Other pension costs	**463**	421	**52**	51
	16,733	15,033	**1,557**	1,346

The average number of employees of the Group during the year was:

	2014 Number	2013 Number
Development	**61**	39
Sales and customer support	**61**	57
Production and production services	**109**	98
Management and administration	**50**	55
	281	249

The average number of employees of the Company during the year was 10 (2013:11) all of which are classified as management and administration.

The remuneration of the directors included salary and bonuses of £845,000 (2013: £666,000), benefits in kind of £8,000 (2013: £7,000), pension contributions of £24,000 (2013: £24,000), social security costs of £93,000 (2013: £105,000) and share based payments of £160,000 (2013: £216,000).

Details of individual directors' remuneration are included in the Report on Directors' Remuneration. For the purposes of IAS 24 'Related party disclosures' the directors are considered key management.

Exercise of directors' share options

During the year no directors (2013: no directors) exercised share options. Additional details can be obtained from the Report on Directors' Remuneration on page 63.

8. Taxation

The tax is based on the (loss)/profit for the year and represents:

	2014 £'000	2013 £'000
United Kingdom corporation tax at 22.0% (2013: 23.5%)	**-**	-
Overseas taxation	**66**	-
Adjustments in respect of prior year	**(16)**	-
Current taxation	**50**	-
Deferred taxation (note 22)	**(64)**	(292)
Total taxation income	**(14)**	(292)

At 30 September 2014, the Group had an undiscounted deferred tax asset of £678,000 (2013: £897,000). The asset comprises principally accelerated capital allowances, the accumulated unrelieved tax losses available to Group undertakings to offset against future taxable trading profits of the same trade and future tax relief available on the exercise of outstanding employee share options in OMG plc.

Deferred tax assets and liabilities have been measured at an effective rate of 20% and 38% in the UK and USA, respectively (2013: 21% and 38%, respectively) and are detailed in note 22.

The inclusion of legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014 and then a further reduction to 20% from 1 April 2015 was substantively enacted on 3 July 2013.

For the purposes of deferred tax, the rate change from 21% to 20% had been substantively enacted before the balance sheet date.

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 22.0% (2013: lower than the standard rate of 23.5%).

The differences are explained as follows:

	2014 £'000	2013 £'000
Loss on ordinary activities before tax	**(584)**	(444)
Expected tax income based on the standard rate of corporation tax in the UK of 22.0% (2013: 23.5%)	**(128)**	(104)
Effect of:		
Expenses not deductible for tax purposes	**(47)**	(309)
Unrelieved current year losses	**241**	327
Utilisation of losses brought forward	**142**	(357)
Adjustments to tax charge in respect of prior year current tax	**(16)**	-
Adjustments to tax charge in respect of prior year deferred tax	**-**	(134)
Higher rates on overseas taxation	**47**	532
Research and development tax credit	**(245)**	(194)
Effect of rate change	**(8)**	(53)
Total tax income	**(14)**	(292)

9. Finance income and expense

	2014 £'000	2013 £'000
Finance expense - Hire purchase liabilities	**(10)**	(11)
- Bank interest paid	**(5)**	-
- Unwinding of discount on contingent consideration (note 27)	**-**	(405)
	(15)	(416)
Finance income - Interest income on short term bank deposits	**6**	11

10. Earnings/(loss) per share

	2014 Earnings/(loss) £'000	2014 Weighted average number of shares	2014 Per share amount (pence)	2013 Earnings/(loss) £'000	2013 Weighted average number of shares	2013 Per share amount (pence)
Continuing operations						
Basic earnings per share						
Earnings attributable to ordinary shareholders	295	111,334,397	0.27	527	78,609,466	0.67
Dilutive effect of employee share options	-	3,912,111	(0.01)	-	13,504,414	(0.10)
Diluted earnings per share	295	115,246,508	0.26	527	92,113,880	0.57
Discontinued operations						
Basic earnings per share						
Earnings attributable to ordinary shareholders	(865)	111,334,397	(0.78)	(679)	78,609,466	(0.86)
Dilutive effect of employee share options	-	-	-	-	-	-
Diluted earnings per share	(865)	111,334,397	(0.78)	(679)	78,609,466	(0.86)
Total operations						
Basic loss per share						
Loss attributable to ordinary shareholders	(570)	111,334,397	(0.51)	(152)	78,609,466	(0.19)
Dilutive effect of employee share options	-	-	-	-	-	-
Diluted loss per share	(570)	111,334,397	(0.51)	(152)	78,609,466	(0.19)

Basic earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares (share options). For share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscriptions rights and outstanding share based payment charges attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise price of the share options.

11. (Loss)/profit of the holding company

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own income statement in these financial statements. The loss of the Company for the year was £1,230,000 (2013: profit of £5,055,000).

12. Discontinued operations

On 26 September 2014 the Group signed a Share Purchase Agreement relating to the sale of House of Moves Inc. and received a cash deposit of $100,000. This transaction was completed on 15 October 2014 for a total consideration of $1,300,000 and in addition, under the Share Purchase Agreement, the Group retained the trade receivables and a proportion of cash, adjusted for working capital. Under IFRS 5, House of Moves Inc. has been classified as a disposal group as it represented a separate major line of business. The carrying amount was principally recovered through the sale of the CGU, which completed subsequent to year end, see note 37.

The statement of cash flows includes the following amounts relating to discontinued operations:

	2014 £'000	2013 £'000
Operating activities	**(221)**	88
Tax paid	**(2)**	(4)
Investing activities	**(26)**	(22)
Financing activities	**-**	-
Net cash flow from discontinued operations	**(249)**	62

Further information is disclosed in note 26 and 37.

13. Goodwill and intangible fixed assets

Group	Brand name £'000	Customer relationships £'000	Intellectual property £'000	Development costs £'000	Goodwill £'000	Total £'000
Cost						
At 1 October 2013	67	3,442	1,731	7,854	8,627	21,721
Additions	-	-	-	2,533	-	2,533
Reclassified as assets held for sale	-	-	(7)	-	-	(7)
Translation difference	-	-	-	-	-	-
At 30 September 2014	**67**	**3,442**	**1,724**	**10,387**	**8,627**	**24,247**
Amortisation						
At 1 October 2013	67	721	677	2,343	-	3,808
Charge for the year	-	429	310	2,110	-	2,849
Impairment	-	-	-	287	616	903
Reclassified as assets held for sale	-	-	(1)	-	-	(1)
Translation difference	-	-	2	-	-	2
At 30 September 2014	**67**	**1,150**	**988**	**4,740**	**616**	**7,561**
Net book value at 30 September 2014	**-**	**2,292**	**736**	**5,647**	**8,011**	**16,686**
Net book value at 30 September 2013	-	2,721	1,054	5,511	8,627	17,913

Group	Brand name £'000	Customer relationships £'000	Intellectual property £'000	Development costs £'000	Goodwill £'000	Total £'000
Cost						
At 1 October 2012	67	1,058	1,107	5,755	6,638	14,625
Additions	-	-	-	2,102	-	2,102
Acquired through business combinations	-	2,386	630	-	2,014	5,030
Translation difference	-	(2)	(6)	(3)	(25)	(36)
At 30 September 2013	**67**	**3,442**	**1,731**	**7,854**	**8,627**	**21,721**
Amortisation						
At 1 October 2012	67	541	468	1,582	-	2,658
Charge for the year	-	182	217	766	-	1,165
Translation difference	-	(2)	(8)	(5)	-	(15)
At 30 September 2013	**67**	**721**	**677**	**2,343**	**-**	**3,808**
Net book value at 30 September 2013	**-**	**2,721**	**1,054**	**5,511**	**8,627**	**17,913**
Net book value at 30 September 2012	-	517	639	4,173	6,638	11,967

None of the goodwill included in the tables above has been internally generated. Goodwill of £616,000 arising on the House of Moves cash generating unit was impaired in full in the year (2013: £Nil). Further information on the sale is disclosed in notes 12, 26 and 37.

Current estimates of the remaining useful economic lives of the intangible assets are as follows:

Customer relationships	1-7 years
Intellectual property	1-4 years
Development costs	1-6 years
Goodwill	Indefinite

Company	Intellectual Property £'000
Cost	
At 1 October 2013 and 30 September 2014	**164**
Amortisation	
At 1 October 2013 and 30 September 2014	**164**
Net book value at 30 September 2013 and 2014	**-**

Company	Intellectual Property £'000
Cost	
At 1 October 2012 and 30 September 2013	164
Amortisation	
At 1 October 2012 and 30 September 2013	164
Net book value at 30 September 2012 and 2013	-

14. Goodwill and impairment

Details of goodwill allocated to cash generating units for which the amount of goodwill so allocated is significant in comparison to total goodwill is as follows:

	Goodwill carrying value 2014 £'000	2013 £'000
Vicon:		
Vicon USA cash generating unit (Peak)	**427**	427
House of Moves cash generating unit (HoM)	**-**	616
Yotta:		
Yotta UK cash generating unit (DCL)	**2,452**	2,452
Mayrise cash generating unit (Mayrise)	**2,014**	2,014
2d3:		
2d3 USA cash generating unit (Sensing)	**3,118**	3,118
	8,011	8,627

The recoverable amounts of all the CGUs have been determined from value in use calculations based on cash flow projections from formally approved budgets covering the financial years ending 30 September 2015 and 30 September 2016. Goodwill of £616,000 arising on the House of Moves cash generating unit was impaired in full in the year (2013: £Nil). Further information on the sale is disclosed in notes 12, 26 and 37.

The recoverable amount for the CGUs that hold a significant proportion of the Group's overall goodwill balance are as follows:

• Yotta UK (DCL) exceeds its carrying amount by £1.6m (2013: £1.7m);
• Mayrise exceeds its carrying amount by £2.3m (2013: £1.6m); and
• 2d3 USA (Sensing) exceeds its carrying amount by £1.4m (2013: £3.5m).

Other major assumptions are as follows (the growth rate applies only to the period beyond the formal budgeted period with the value in use calculation based on the budgeted cash flows up to 30 September 2016 and assumes a perpetuity based terminal value).

	Peak 2014 %	HoM 2014 %	DCL 2014 %	Mayrise 2014 %	Sensing 2014 %
Pre tax discount rate	**22.2**	**-**	**18.6**	**18.2**	**21.9**
Average operating margin	**40.0**	**-**	**13.0**	**58.0**	**31.0**
Growth rate	**1.0**	**-**	**2.5**	**2.5**	**2.0**

	Peak 2013 %	HoM 2013 %	DCL 2013 %	Mayrise 2013 %	Sensing 2013 %
Pre tax discount rate	18.2	20.3	18.2	17.8	18.7
Average operating margin	36.0	6.0	14.0	58.0	11.0
Growth rate	1.0	0.0	2.5	2.5	2.0

Operating margins have been based on past experience and future expectations in the light of anticipated economic and market conditions. Discount rates are based on the Group's WACC adjusted to reflect management's assessment of specific risks related to the cash generating unit. Growth rates beyond the formally budgeted period are based on economic data pertaining to the region concerned.

A sensitivity analysis has been performed to establish how a change in the key assumptions would impact the value in use. The discount rate would need to move 4.0% for Mayrise goodwill carrying value to be impaired. All other discount rates would have to move in excess of 5.0% in order for the carrying values to be impaired. A growth rate of 0% would not result in any of the carrying values being impaired.

15. Property, plant and equipment

Group	Computers and equipment £'000	Furniture and fixtures £'000	Motor vehicles £'000	Demonstration equipment £'000	Leasehold improvements £'000	Total £'000
Cost						
At 1 October 2013	5,693	516	402	580	869	8,060
Additions	373	8	22	309	-	712
Disposals	(593)	(134)	(70)	(398)	(217)	(1,412)
Reclassified as assets held for sale	(1,065)	(21)	-	-	(120)	(1,206)
Translation differences	(13)	4	(1)	(1)	(6)	(17)
At 30 September 2014	**4,395**	**373**	**353**	**490**	**526**	**6,137**
Depreciation						
At 1 October 2013	4,268	470	168	325	631	5,862
Charge for the year	488	22	73	43	63	689
Disposals	(591)	(133)	(40)	(135)	(217)	(1,116)
Reclassified as assets held for sale	(527)	(21)	-	-	(117)	(665)
Translation differences	(15)	4	(1)	(3)	(5)	(20)
At 30 September 2014	**3,623**	**342**	**200**	**230**	**355**	**4,750**
Net book value at 30 September 2014	**772**	**31**	**153**	**260**	**171**	**1,387**
Net book value at 30 September 2013	1,425	46	234	255	238	2,198

Included within the net book value of £1,387,000 is £131,000 relating to assets held under hire purchase and finance lease agreements. The depreciation charged in the period in respect of these assets amounted to £105,000.

Group	Computers and equipment £'000	Furniture and fixtures £'000	Motor vehicles £'000	Demonstration equipment £'000	Leasehold improvements £'000	Total £'000
Cost						
At 1 October 2012	5,366	499	194	511	871	7,441
Additions	355	4	164	132	-	655
On acquisition	20	14	44	-	-	78
Disposals	(33)	-	-	(59)	-	(92)
Translation differences	(15)	(1)	-	(4)	(2)	(22)
At 30 September 2013	**5,693**	**516**	**402**	**580**	**869**	**8,060**
Depreciation						
At 1 October 2012	3,825	450	120	323	561	5,279
Charge for the year	466	21	48	23	73	631
Disposals	(12)	-	-	(19)	-	(31)
Translation differences	(11)	(1)	-	(2)	(3)	(17)
At 30 September 2013	**4,268**	**470**	**168**	**325**	**631**	**5,862**
Net book value at 30 September 2013	**1,425**	**46**	**234**	**255**	**238**	**2,198**
Net book value at 30 September 2012	1,541	49	74	188	310	2,162

Included within the net book value of £2,198,000 is £236,000 relating to assets held under hire purchase and finance lease agreements. The depreciation charged in the period in respect of these assets amounted to £111,000.

Company	Computers and equipment £'000	Furniture and fixtures £'000	Leasehold improvements £'000	Total £'000
Cost				
At 1 October 2013	264	280	8	552
Additions	18	-	-	18
Disposals	(83)	(69)	-	(152)
Transferred to subsidiary undertaking	(2)	-	-	(2)
At 30 September 2014	**197**	**211**	**8**	**416**
Depreciation				
At 1 October 2013	254	269	6	529
Charge for the year	14	4	1	19
Disposals	(83)	(69)	-	(152)
Transferred to subsidiary undertaking	(2)	-	-	(2)
At 30 September 2014	**183**	**204**	**7**	**394**
Net book value at 30 September 2014	**14**	**7**	**1**	**22**
Net book value at 30 September 2013	10	11	2	23

Company	Computers and equipment £'000	Furniture and fixtures £'000	Leasehold improvements £'000	Total £'000
Cost				
At 1 October 2012	260	280	8	548
Additions	4	-	-	4
At 30 September 2013	**264**	**280**	**8**	**552**
Depreciation				
At 1 October 2012	244	265	5	514
Charge for the year	10	4	1	15
At 30 September 2013	**254**	**269**	**6**	**529**
Net book value at 30 September 2013	**10**	**11**	**2**	**23**
Net book value at 30 September 2012	16	15	3	34

16. Investments

	Group 2014 £'000	Group 2013 £'000	**Company 2014 £'000**	Company 2013 £'000
Shares in subsidiary undertakings - cost				
At 1 October	**-**	-	**8,674**	5,674
Additions	**-**	-	**-**	3,000
At 30 September	**-**	-	**8,674**	8,674
Other investment - cost				
At 1 October and 30 September	**69**	69	**69**	69
Total financial assets - investments	**69**	69	**8,743**	8,743

During the prior year ended 30 September 2013 OMG plc increased its investment in Yotta Limited by way of a capital contribution via an intercompany waiver of £3,000,000.

Details of the Company's principal subsidiary undertakings, all of which are wholly owned and included within the consolidated financial statements, are as follows:

Name of entity	Principal activity	Country of incorporation
Vicon Motion Systems Limited	Development, production and sale of computer software and equipment	England and Wales
2d3 Limited	Development and sale of computer software	England and Wales
Yotta Limited	Services for the management of infrastructure	England and Wales
Mayrise Limited*	Provision of computer software, hardware and maintenance contracts	England and Wales
Mayrise Services Limited*	Dormant holding company	England and Wales
Mayrise Systems Limited*	Dormant holding company	England and Wales
OMG Life Limited	Development of consumer electronics	England and Wales
Vicon Motion Systems, Inc.*	Sales, marketing and customer support	United States of America
House of Moves, Inc.*	Motion capture services	United States of America
2d3, Inc. *	Development and sale of computer software	United States of America
Sensing Systems, Inc.*	Provision of software products and services for aerial platforms	United States of America

*Investment held indirectly.

Available-for-sale financial asset

During the year ended 30 September 2005 the Company acquired 12% of the equity in a business start-up incorporated in Germany in return for a capital injection of €100,000 (£69,000). There were no disposals or impairment provisions on the available-for-sale financial asset in the year ended 30 September 2014 or 2013.

17. Inventories

	Group 2014 £'000	Group 2013 £'000	**Company 2014 £'000**	Company 2013 £'000
Finished goods	**251**	95	**-**	-
Component parts	**1,440**	1,741	**-**	-
	1,691	1,836	**-**	-

The cost of inventories recognised as an expense and included in cost of sales is £5,501,000 (2013: £6,194,000).

During the year £nil of inventories were impaired (2013: £149,000) and included within cost of sales.

18. Trade and other receivables

	Group 2014 £'000	Group 2013 £'000	**Company 2014 £'000**	Company 2013 £'000
Trade receivables	**11,134**	9,180	**-**	-
Provision for impairment of trade receivables	**(145)**	(93)	**-**	-
Net trade receivables	**10,989**	9,087	**-**	-
Amounts owed by other Group undertakings	**-**	-	**20,604**	16,166
Other debtors	**550**	337	**30**	16
Prepayments and accrued income	**959**	712	**135**	124
Amounts due from customers for contract work	**678**	836	**-**	-
	13,176	10,972	**20,769**	16,306

Amounts owed by other Group undertakings are repayable on demand and do not carry interest.

As of 30 September 2014 trade receivables of £2,183,000 (2013: £1,646,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	Group 2014 £'000	Group 2013 £'000	**Company 2014 £'000**	Company 2013 £'000
Up to 3 months	**1,923**	1,407	**-**	-
3 to 6 months	**209**	116	**-**	-
Over 6 months	**51**	123	**-**	-
	2,183	1,646	**-**	-

As of 30 September 2014 trade receivables of £163,000 (2013: £171,000) were impaired. The amount of the provision was £145,000 as of 30 September 2014 (2013: £93,000). The ageing of these receivables is as follows:

	Group 2014 £'000	Group 2013 £'000	**Company 2014 £'000**	Company 2013 £'000
Up to 3 months	**-**	-	**-**	-
3 to 6 months	**-**	-	**-**	-
Over 6 months	**163**	93	**-**	-
	163	93	**-**	-

The carrying amounts of the Group and Company's trade and other receivables are denominated in the following currencies:

	Group 2014 £'000	Group 2013 £'000	**Company 2014 £'000**	Company 2013 £'000
Sterling	**6,964**	5,052	**20,118**	14,798
Euro	**211**	215	**-**	-
US Dollar	**6,001**	5,705	**651**	1,508
	13,176	10,972	**20,769**	16,306

Movements in the provision for impairment of trade receivables are as follows:

	Group 2014 £'000	Group 2013 £'000	**Company 2014 £'000**	Company 2013 £'000
At 1 October	**93**	50	**-**	-
Provided/(utilised) during the year	**52**	43	**-**	-
At 30 September	**145**	93	**-**	-

The movement on the provision for impairment of trade receivables has been included in administrative expenses in the income statement.

Other classes of financial assets included within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the fair value of each receivable set out above.

19. Trade and other payables

	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Trade payables	2,107	1,197	124	38
Amounts payable to Group undertakings	-	-	2,136	462
Social security and other taxes	590	494	-	-
Other creditors	162	42	-	-
Accruals and deferred income	5,730	5,282	450	433
Hire purchase and finance lease agreements	51	111	-	-
Contingent consideration (note 27)	-	2,623	-	-
	8,640	9,749	2,710	933

Amounts payable to Group undertakings are payable on demand and do not carry interest. The amounts disclosed under hire purchase and finance lease agreements are secured against the assets to which they relate.

20. Financial liabilities

	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Hire purchase and finance lease agreements	-	51	-	-

Hire purchase arrangements are repayable:

	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Not later than one year	51	111	-	-
Later than one year but not later than two years	-	51	-	-
	51	162	-	-

21. Financial instruments

The Group and Company's financial instruments comprise cash and short term deposits, debtors and creditors that arise directly from its operations. The risks associated with these financial instruments and the Group's policies for managing those risks are outlined below.

Interest rate risk of financial liabilities

	Total £'000	Fixed rate £'000	Weighted average fixed interest rate %	Weighted average period for which rate is fixed Years
30 September 2014				
UK Sterling	51	51	10.18	0.63
30 September 2013				
UK Sterling	162	162	7.95	1.38

The hire purchase arrangements represent the Group's financial liabilities shown above, the maturity profile is shown in note 20.

Interest rate risk of financial assets

Surplus cash funds are deposited with UK clearing banks on a short term basis for periods of less than three months. The interest rates earned (all of which are variable throughout the year) are compared with those available from other financial institutions of comparable credit status.

The rate of interest earned during the year on cash deposits was 0.08% (2013: between 0.08% and 0.40%).

	GBP £'000	Euro £'000	US$ £'000	2014 Total £'000	GBP £'000	Euro £'000	US$ £'000	2013 Total £'000
Group cash at bank and in hand	4,922	79	2,627	7,628	6,610	11	1,182	7,803

	GBP £'000	Euro £'000	US$ £'000	2014 Total £'000	GBP £'000	Euro £'000	US$ £'000	2013 Total £'000
Company cash at bank and in hand	(901)	-	15	(886)	716	-	-	716

Management considers a 0.5 basis point move in interest rates to be reasonably possible. If the interest rates in effect during the year had moved by plus or minus 0.5 basis points and all other variables held constant the Group's loss for the year ended 30 September 2014 would decrease/increase by £38,000 (2013: decrease/increase by £30,000). There would be no impact on other equity reserves.

As disclosed in note 16 the Group has an equity investment of £69,000 (2013: £69,000) denominated in Euros. This is accounted for as an available-for-sale financial asset and is measured at fair value in the balance sheet with gains or losses recognised directly in equity.

The Group and Company do not have any longer term foreign currency cash holdings.

Borrowing facilities

The Group and Company have no borrowings other than the hire purchase arrangements disclosed above.

The Group operates a Multi-Currency Balance Management Arrangement between certain Group companies. This arrangement may result in individual accounts of certain entities showing debit balances. However, due to the arrangements in place, such debit balances do not incur interest charges and the Group position must always result in a net deposit balance as there is no borrowing facility. Therefore, such accounts are presented net as cash and cash equivalents on the face of the Consolidated and Company Statement of Financial Position.

Risk management

The Group is exposed through its activities to the following financial risks:

Liquidity risk
At 30 September 2014 the Group's cash and short term deposits amounted to £7,628,000 (2013: £7,803,000). The Group had no financial borrowing obligations.
All financial liabilities are due within five years.
Management does not consider liquidity to be a key risk.

Credit risk
Sales are made on a basis designed to minimise so far as possible the risk of non-payment in each case. Balances owing from customers are reviewed at least monthly, and action is taken where considered appropriate with a view to achieving timely settlement, see note 18.

The Group and Company are continually reviewing the credit risk associated with holding money on deposit in banks and seek to mitigate this risk by spreading deposits between banks with high credit status.

Foreign currency risk
The Group's foreign exchange transaction exposure arises principally in the UK subsidiaries from trading with US subsidiary undertakings and third parties in Europe and the Far East. The Group's policy is to reduce exposure to revaluation of monetary assets and liabilities. Under the policy, assets and liabilities held in currencies other than a Company's functional currency are minimised through intercompany trading.

The Group considers the volatility of currency markets over the year to be representative of the potential foreign currency risk it is exposed to. The main currency the Group's results were exposed to at the year end was the US dollar and over the year the volatility of this currency was 5.7% (2013: 8.3%). If Sterling had strengthened against the dollar at year end by 10% it would have decreased the Group loss by £23,000 (2013: increased Group loss by £148,000). If Sterling had weakened against the dollar at year end by 10% it would have increased the Group loss by £28,000 (2013: decreased Group loss by £181,000).

The table below shows the extent to which Group companies have monetary assets in currencies other than their local currency.

Functional currency of operation:	**Sterling £'000**	**US$ £'000**	**Euro £'000**	**2014 Total £'000**	Sterling £'000	US$ £'000	Euro £'000	2013 Total £'000
Sterling	**-**	**3,357**	**285**	**3,642**	-	3,248	238	3,486
US Dollar	**(3,692)**	**-**	**-**	**(3,692)**	(1,080)	-	-	(1,080)

Derivative financial instruments at fair value through profit or loss
At the current and prior year end, the Group had no forward contracts outstanding.

Fair value of financial assets and financial liabilities

Fair value measurement
A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

Level 1: Quoted prices in active markets for identical items (unadjusted)

Level 2: Observable direct or indirect inputs other than Level 1 inputs

Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group considers that the book values of financial assets and liabilities are not materially different from their fair values.

Financial instruments held for trading purposes
The Group does not trade in financial instruments.

The carrying value of the Group and Company's financial assets and liabilities is as follows:

Financial assets	**Group 2014 £'000**	Group 2013 £'000	**Company 2014 £'000**	Company 2013 £'000
Loans and receivables				
Trade receivables	**10,989**	9,087	**-**	-
Other debtors	**550**	337	**30**	16
Prepayments and accrued income	**959**	712	**135**	124
Amounts due from customers for contract work	**678**	836	**-**	-
Investments in subsidiaries	**-**	-	**8,674**	8,674
Cash and cash equivalents	**7,579**	7,803	**(886)**	716
Available for sale				
Equity investment	**69**	69	**69**	69
Assets held for sale				
House of Moves	**720**	-	**-**	-
At 30 September	**21,544**	18,844	**8,022**	9,599

Financial liabilities				
Other financial liabilities				
Trade payables	**2,107**	1,197	**124**	38
Social security and other taxes	**590**	494	**-**	-
Other creditors	**162**	42	**-**	-
Accruals and deferred income	**5,730**	5,282	**450**	433
Contingent consideration	**-**	2,623	**-**	-
Hire purchase and finance lease agreements	**51**	162	**-**	-
Liabilities associated with assets held for sale				
House of Moves	**45**	-	**-**	-
At 30 September	**8,685**	9,800	**574**	471

Capital management
The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders.

The Group considers its capital to comprise ordinary share capital, shares to be issued, share premium and accumulated retained earnings. Neither the foreign currency translation reserve nor share based payment reserve are considered capital. There have been no changes in what the Group considers to be capital from the prior year.

In order to maintain or adjust its working capital at an acceptable level and meet strategic investment needs, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or sell assets.

The Group does not seek to maintain any debt to capital ratio, but will consider investment opportunities on their merits and fund them in the most effective manner.

22. Deferred tax

	Group Deferred tax asset £'000	Group Deferred tax liability £'000	Company Deferred tax asset £'000	Company Deferred tax liability £'000
At 1 October 2012	362	(1,742)	63	-
Credited to the income statement (note 8)	481	(190)	47	-
Arising on acquisition of subsidiary	-	(633)	-	-
Charged directly to equity	54	6	53	-
At 30 September 2013	**897**	**(2,559)**	**163**	**-**
Credited to the income statement (note 8)	(218)	276	44	-
Effect of deferred tax rate change	(24)	28	(22)	-
Reclassified as held for sale	(64)	(28)	-	-
Charged directly to equity	23	3	24	-
At 30 September 2014	**614**	**(2,280)**	**209**	**-**

The following table summarises the provided tax asset and liability.

	Group 2014 £'000	Group 2013 £'000	Company 2014 £'000	Company 2013 £'000
Recognised - asset				
Capital allowances in excess of depreciation	**65**	80	**16**	17
Tax relief on unexercised employee share options	**219**	180	**193**	146
Short term timing differences	**93**	147	**-**	-
Losses	**237**	490	**-**	-
Deferred tax asset	**614**	897	**209**	163
Recognised - liability				
Recognition of intangible asset	**(813)**	(1,153)	**-**	-
Depreciation in excess of capital allowances	**(1,467)**	(1,406)	**-**	-
Deferred tax liability	**(2,280)**	(2,559)	**-**	-

Deferred tax assets and liabilities have been measured on an undiscounted basis at an effective tax rate of 20% and 38% (30 September 2013: 21% and 38%) in the UK and USA, respectively. As at 30 September 2014, the Group has un-provided deferred tax assets of £1,673,000 arising on unrelieved trading losses for which recoverability is not certain (2013: £1,299,000).

23. Share capital

	2014 £'000	2013 £'000
Allotted, called up and fully paid		
113,357,814 shares of 0.25p (2013: 104,001,123 ordinary shares of 0.25p)	**283**	260

During the year ended 30 September 2014 the second and third revenue milestones in relation to the contingent consideration for the purchase of Sensing Systems Inc. were achieved and subsequently a total of 9,356,691 shares at a value of £2,605,000 were issued during the year.

During the year ended 30 September 2013 31,055,172 shares were issued at a value of £9,006,000 in respect of an open offer and placing on 22 July 2013. In addition 3,334 shares were issued relating to share option exercises.

At 30 September 2014 options were outstanding over 12,984,992 ordinary shares of 0.25p each (2013: 13,509,992) including those held by directors as follows:

Number of shares over which options granted	Exercise price	Exercise period
4,500,000	0.25p	September 2015 to September 2022
1,200,000	12.53p	June 2006 to June 2015
200,000	19.75p	September 2011 to September 2019
1,500,000	23.42p	March 2011 to March 2019
560,000	23.66p	March 2006 to March 2016
3,332,798	24.59p	September 2014 to July 2022
400,000	29.50p	September 2006 to September 2016
77,194	31.18p	September 2015 to September 2023
750,000	33.12p	March 2015 to March 2022
65,000	55.94p	August 2009 to August 2017
400,000	56.30p	March 2008 to March 2018

Details of directors' interests in share options are shown in the Report on Directors' Remuneration.

The market price of the ordinary shares at 30 September 2014 was 28.25p (2013: 31.50p) and the range during the year was 26.00p to 31.00p (2013: 24.25p to 39.38p). Shares to be issued are detailed in the Statement of Changes in Equity.

24. Share based payments

The Group operates a number of share based remuneration schemes for employees introduced in 2001. Under these schemes the board can grant options over shares in the Company to employees of the Group. Options are granted with a fixed exercise price equal to the market price of the shares under option at the date of grant. The contractual life of an option is 10 years. Awards under the share based remuneration schemes are generally reserved for employees at senior management level and above.

Options granted under the share based remuneration schemes generally become exercisable on the second anniversary of the date of grant. Exercise of an option is subject to continued employment. Options were valued using the Monte-Carlo option-pricing model. No performance conditions were included in the fair value calculations, except for market-related conditions.

A reconciliation of option movements over the year to 30 September 2014 is shown below:

	2014		2013	
	Number '000	Weighted average exercise price (pence)	Number '000	Weighted average exercise price (pence)
Outstanding at 1 October	**13,510**	**16.90**	12,716	15.83
Granted	**-**	**-**	827	32.94
Exercised	**-**	**-**	3	6.50
Forfeited	**525**	**24.14**	30	6.50
Outstanding at 30 September	**12,985**	**16.61**	13,510	16.90
Exercisable at 30 September	**7,658**	**24.46**	4,525	24.31

The weighted average share price at the date of exercise for options exercised during the year ended 30 September 2013 was 32.75 pence.

Share options outstanding at the year end

Range of exercise prices (pence)	2014 Weighted average exercise price (pence)	2014 Number of shares ('000)	2014 Weighted average contractual remaining life (years)	2013 Weighted average exercise price (pence)	2013 Number of shares ('000)	2013 Weighted average contractual remaining life (years)
0.25	0.25	4,500	8	0.25	4,500	9
12.53	12.53	1,200	1	12.53	1,200	2
19.75 - 23.42	22.99	1,700	4	23.03	1,900	5
23.66	23.66	560	1	23.66	560	2
24.59	24.59	3,333	8	24.59	3,658	9
29.50	29.50	400	2	29.50	400	3
31.18	31.18	77	9	31.18	77	10
33.12	33.12	750	8	33.12	750	9
55.94 - 56.30	56.25	465	3	56.25	465	4

The total charge for the year relating to employee share based payment plans was £189,000 (2013: £389,000), all of which related to equity-settled share based payment transactions. After tax, the total charge was £147,000 (2013: £298,000).

In line with IFRS 2, options which were granted before 7 November 2002 and that had vested at 1 October 2006 have been ignored for the purposes of estimating the charge for share based payments.

There were no options granted in the year ended 30 September 2014. The assumptions used in the calculation of the fair value of the options granted during the year ended 30 September 2013 were as follows:

	2013
Expected volatility (%) (1)	46.6-51.5
Expected life (years) (2)	5
Risk free rate (%) (3)	0.88-1.69
Exercise price (pence) (4)	31.18-33.12
Vesting period (years)	2-3
Option life (years)	10

Notes
(1) The expected volatility is based on historical volatility over the last 5 years.
(2) The expected life is the expected period to exercise.
(3) The risk free rate of return is the yield on zero-coupon UK government bonds of a term consistent with the assumed option life.
(4) In the year ended 30 September 2013 there was more than one option grant.

The weighted average grant date fair value of options granted in the year ended 30 September 2013 was 11.89p.

Notes to the Consolidated Financial Statements
continued

25. Movement in reserves

The movement in reserves are disclosed fully within the Consolidated and Company Statement of Changes in Equity on page 70. The description of the nature and purpose of each reserve within owner's equity is as follows:

Reserve	Description and purpose
Share capital	Amount subscribed for share capital at nominal value.
Shares to be issued	Shares to be issued to Bartle Bogle Hegarty in exchange for services received.
Share premium account	Amount subscribed for share capital in excess of nominal value.
Foreign currency translation	Gains/losses arising on retranslation of the net assets of overseas operations into sterling.
Retained earnings	Cumulative net gains and losses recognised in the consolidated income statement.
Merger reserve	Excess of the fair value of the shares issued for the acquisition made in the year to 30 September 2007 and for the acquisition made in the year to 30 September 2011 over the aggregate of the nominal value of shares issued by the Company to the former shareholders of the acquired company, which qualify for merger relief under Section 612(2) of the Companies Act 2006.

26. Assets and liabilities classified as held for sale

During the year the Board announced its intention to dispose of House of Moves Inc. A share purchase agreement was signed on 26 September 2014 and the sale was completed on 15 October 2014.

The following major classes of assets and liabilities relating to House of Moves Inc. have been classified as held for sale in the consolidated statement of financial position at 30 September 2014.

	House of Moves £'000
Intellectual property	1
Property, plant and equipment	541
Deferred tax asset	92
Trade and other receivables	37
Cash and cash equivalents	49
Assets held for sale	**720**
Trade and other payables	45
Liabilities held for sale	**45**

An impairment loss of £616,000 on the measurement of the disposal group to fair value has been recognised and is included within administrative expenses of discontinued operations.

27. Business combinations in prior periods

On 22 July 2013 the Group purchased 100% of the share capital of Mayrise Limited, a company registered in England and Wales, whose principal activity is the provision of computer software, hardware and maintenance contracts, for a total consideration of £7,087,000. The purchase has been accounted for as an acquisition.

All intangible assets have been recognised at their respective provisional fair values. The total goodwill arising on acquisition was £2,014,000 which is subject to an annual impairment review.

The fair value of the business assets acquired was as follows:

	Book value £'000	Fair valuation £'000	**Fair value £'000**
Intellectual property	-	630	**630**
Customer relationships	-	2,386	**2,386**
Property, plant and equipment	78	-	**78**
Accounts receivable	184	-	**184**
Accrued income	38	-	**38**
Other debtors	7	-	**7**
Cash	4,084	-	**4,084**
Accounts payable	(1,097)	-	**(1,097)**
Other creditors	(255)	-	**(255)**
Corporation tax provision	(349)	-	**(349)**
Deferred tax liability	-	(633)	**(633)**
Net business assets acquired	2,690	2,383	**5,073**
Consideration:			
Cash			**7,087**
Goodwill arising			**2,014**

The cash consideration paid, net of cash acquired of £4,084,000 was £3,003,000.

The intangible assets acquired as part of the business combination significantly relate to intellectual property and existing customer relationships.

The main factors leading to the recognition of goodwill are the presence of certain intangible assets, such as the assembled workforce of the acquired entity, that do not qualify for separate recognition and synergistic cost savings that result in the Group being prepared to pay a premium.

On 21 February 2011 the Group purchased 100% of the share capital of Sensing Systems Inc, a company registered in the US, whose principal activity is the provision of software products and services for aerial platforms, for a total consideration with a fair value of up to £3,913,000. This includes contingent consideration of up to £1,952,000 subject to certain performance conditions. The purchase has been accounted for as an acquisition.

All intangible assets were recognised at their respective fair values. The residual excess over the net assets acquired, including intangible assets, is recognised as goodwill in the financial statements.

The total goodwill arising on acquisition was £3,137,000 which is subject to an annual impairment review.

The contingent consideration is denominated in US dollars and is dependent upon certain revenue milestones being achieved in the period commencing from the date of acquisition and ending on 21 February 2015. During the year ended 30 September 2014 these revenue milestones were met and 9,356,691 shares were issued during the year as payment of the remaining balance of the contingent consideration.

Notes to the Consolidated Financial Statements
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28. Reconciliation of net cash flow to movements in net funds

	Group 2014 £'000	Group 2013 £'000	**Company 2014 £'000**	Company 2013 £'000
(Decrease)/increase in cash in the year	**(175)**	3,468	**(1,602)**	1,697
Currency movements	**-**	(6)	**-**	-
Inception of new finance leases	**-**	-	**-**	-
Payment of capital element of hire purchase arrangements	**111**	137	**-**	-
Movement in net funds in the year	**(64)**	3,599	**(1,602)**	1,697
Net funds at 1 October	**7,641**	4,042	**716**	(981)
Net funds at 30 September	**7,577**	7,641	**(886)**	716

29. Analysis of changes in net funds

	At 1 October 2013 £'000	Cash flows £'000	Exchange movements £'000	Other movements £'000	**At 30 September 2014 £'000**
Cash at bank and short term deposits	7,803	(175)	-	(49)	**7,579**
Finance lease due within one year	(111)	111	-	(51)	**(51)**
Finance lease due after one year	(51)	-	-	51	**-**
	7,641	(64)	-	(49)	**7,528**

Included within other movements above is cash at bank and short term deposits classified as held for sale at 30 September 2014.

30. Capital commitments

At 30 September 2014 the Group had no capital commitments contracted but not provided for (2013: £nil).

31. Contingent liabilities

There are no material contingent liabilities requiring disclosure at 30 September 2014 (2013: None).

32. Pensions

The Company operates a defined contribution pension scheme for the benefit of the UK employees. The assets of the scheme are administered by trustees in a fund independent from those of the Group. The amount charged under this scheme to the income statement during the year was £365,000 (2013: £328,000).

Pension contributions are also paid for the benefit of US employees under the 401k savings plan scheme, a US government savings scheme. The amount charged under this scheme to the income statement during the year was £97,000 (2013: £93,000).

33. Government grants

During the year £227,000 (2013: £132,000) of Government grants were recognised in the income statement. These grants significantly relate to funding for research projects.

There are no unfulfilled conditions or other contingencies attached to the government grants recognised in the current or prior periods.

34. Commitments under operating leases

At 30 September 2014 the Group had the following gross minimum lease payments under non - cancellable operating leases:

	Land and Buildings 2014 £'000	2013 £'000
Not later than one year	762	712
Later than one year and not later than five years	799	1,270
Later than five years	-	29
	1,561	2,011

At 30 September 2014 the total future minimum sublease payments expected to be received under non - cancellable subleases was £78,000 (2013: £12,000).

35. Dividend

Equity - ordinary	2014 £'000	2013 £'000
Final 2013 paid in 2014 (0.40 pence per share)	429	-
Final 2012 paid in 2013 (0.35 pence per share)	-	255

The directors are proposing a final dividend in respect of the financial year ended 30 September 2014 of 0.50 pence per share (2013: 0.40 pence per share) which will absorb an estimated £567,000 of shareholders' funds. This dividend will be paid on 11 March 2015 to shareholders who are on the register of members at close of business on 19 December 2014 subject to approval at the AGM. This dividend has not been accrued in these financial statements.

36. Related party transactions

The key management personnel are deemed to be the directors. During the year short term employee benefits of £876,000 (2013: £695,000) were paid to the directors. In addition share based payments of £160,000 (2013: £216,000) were charged to the income statement in respect of share options held by the directors.

The Company has outstanding balances and transactions with its subsidiaries as set out below:

	Outstanding balances		Transactions in year	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Vicon Motion Systems Limited	(1,703)	(459)	(1,244)	3,117
Vicon Motion Systems, Inc	916	651	265	171
2d3 Limited	3,062	1,826	1,236	75
Yotta Limited	10,293	9,170	1,123	4,335
Mayrise Limited	488	-	488	-
OMG Life Limited	-	1,962	(1,962)	978
2d3, Inc.	5,024	2,419	2,605	458
2d3 Sensing	391	138	253	(7)
OMG, Inc.	(3)	(3)	-	-
	18,468	15,704	2,764	9,127

The transactions in the year include head office recharges to subsidiaries of £2,335,000 (2013: £2,252,000). Other transactions arise from treasury cash management between the Company and its subsidiaries.

The amount receivable from OMG Life Limited is stated net of a provision of £2,007,000 (2013: £nil) and the amount recognised as an expense in the year in respect of doubtful debts from related parties was £1,257,000 (2013: £nil) as the provision of £750,000 against the amount receivable from 2d3 Limited was reversed.

During the year Sacker Gooding Limited, owned by the Chairman's son, invoiced OMG Life Limited £13,000 (2013: £43,000) for marketing consultancy services. At the year end the balance outstanding was £nil (2013: £nil). These transactions were considered to be made at arm's length.

Also during the year, Mole+Mole, owned by the Chairman's daughter in law, invoiced OMG Life Limited £nil (2013: £29,000) for creative consultancy services. At the year end the balance outstanding was £nil (2013: £nil). These transactions were considered to be made at arm's length.

Dividends received by directors of the company during the year were as follows:

	2014 £'000	2013 £'000
Anthony Simonds-Gooding	4	2
Jonathon Reeve	-	-
Adrian Carey	1	-
Julian Morris	38	33
Nick Bolton	1	1
David Deacon	-	-
Catherine Robertson	5	4

37. Events after the reporting date

On 26 September 2014, the Group signed a Share Purchase Agreement relating to the sale of the CGU House of Moves Inc., classified as a disposal group as at 30 September 2014. After the year end, the transaction completed on 15 October 2014 for a total consideration of $1,300,000 and in addition, under the Share Purchase Agreement, the Group retained the trade receivables and a proportion of cash, adjusted for working capital. The Group estimate to break even on this transaction. Any profit or loss on the sale will be recognised through the income statement in the year ending 30 September 2015.

Notice of Annual General Meeting

This document is important and requires your immediate attention. If you are in any doubt as to what action to take you are recommended to consult your stockbroker, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your ordinary shares in OMG plc, you should pass this document, together with the accompanying form of proxy, to the person through whom the sale or transfer was made for the transmission to the purchaser or transferee.

OMG plc
Notice of annual general meeting
Notice of the annual general meeting which has been convened for 24th February 2015 at 2pm at OMG plc, 14 Minns Business Park, West Way, Oxford, OX2 0JB is set out below.

To be valid, forms of proxy must be completed and returned in accordance with the instructions printed thereon so as to be received by the Company's registrars, Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF as soon as possible and in any event not later than 48 hours (excluding days that are not a working day) before the time appointed for holding the meeting.

Notice is hereby given that the 2015 annual general meeting of OMG plc (the "Company") will be held at 14 Minns Business Park, West Way, Oxford OX2 0JB on 24th February 2015 at 2pm for the following purposes:

Ordinary business
1. To receive and adopt the financial statements of the Company for the financial year ended 30th September 2014 and the reports of the directors and auditors on those financial statements.

2. To reappoint BDO LLP as auditors of the Company and to authorise the directors to determine the auditors' remuneration.

3. To declare a final dividend of 0.50 pence per share on each of the Company's ordinary shares for the financial year ended 30th September 2014.

4. To re-elect Nicholas Bolton who retires by rotation in accordance with the Company's articles of association and offers himself for re-appointment by general meeting, as a director of the Company.

5. To re-elect David Deacon, who retires by rotation in accordance with the Company's articles of association and offers himself for re-appointment by general meeting, as a director of the Company.

Special business
As special business to consider and, if thought fit, pass resolution 6 as an ordinary resolution and resolutions 7 and 8 as special resolutions.

6. That the directors be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £141,697.

This authority shall apply in substitution for all previous authorities (but without prejudice to the validity of any allotment pursuant to such previous authority) and shall unless previously revoked, varied or renewed by the Company in general meeting, expire on 23 February 2020, save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or rights granted to subscribe for or convert any security into shares after such expiry and the directors may allot shares or grant such rights in pursuance of any such offer or agreement as if the power and authority conferred by this resolution had not expired.

7. Special Resolution. That, subject to the passing of resolution 6 above, the directors be and are hereby generally and unconditionally given power for the purposes of section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 6 above, or where the allotment constitutes an allotment by virtue of section 560(2)(b) of the Act, in each case as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

(a) the allotment of equity securities in connection with an offer of equity securities in connection with or pursuant to a rights issue, open offer or other pro-rata issue made to:
i) the holders of shares in the Company in proportion (as nearly as may be practicable) to the respective numbers of shares held by them; and
ii) holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the directors of the Company otherwise consider necessary, and so that the directors of the Company may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

(b) the grant of options to subscribe for shares in the Company, and the allotment of such shares pursuant to the exercise of options granted, under the terms of any share option scheme adopted or operated by the Company; and

(c) the allotment of equity securities, other than pursuant to sub-paragraphs (a) and (b) above of this resolution, up to an aggregate nominal amount of £28,339.

This power shall (unless previously renewed, varied or revoked by the Company in general meeting) expire on 23rd February 2020, save that the Company may before the expiry of this power make any offer or enter into any agreement which would or might require equity securities to be allotted, or treasury shares sold, after such expiry and the directors may allot equity securities or sell treasury shares in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

8. Special Resolution. That the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (as defined in section 693(4) of the Act) of ordinary shares of 0.25 pence each in the capital of the Company ("Ordinary Shares") in such manner and on such terms as the directors of the Company may from time to time determine, and where such shares are held as treasury shares, the Company may use them for the purposes set out in sections 727 or 729 of the Act, including for the purpose of its employee share schemes, provided that:

(a) the maximum number of Ordinary Shares authorised to be purchased is 11,335,781;

(b) the minimum purchase price which may be paid for any Ordinary Share is 0.25 pence (exclusive of expenses);

(c) the maximum purchase price which may be paid for any Ordinary Share is the higher of (in each case exclusive of expenses):
i) an amount equal to 105% of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made; and

ii) an amount equal to the higher of the price of the last independent trade and the highest current independent bid as derived from the London Stock Exchange's trading system known as SEAQ; and this authority shall take effect on the date of passing of this resolution and shall (unless previously revoked, renewed or varied) expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 15 months after the date of passing of this resolution, save in relation to purchases of Ordinary Shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry.

By order of the Board

Catherine Robertson
Company Secretary

8th December 2014
Registered office: 14 Minns Business Park, West Way, Oxford, OX2 0JB

The notes on voting procedures, together with explanatory notes on the resolutions to be put to the meeting, which follow, form part of this notice.

Notes:

1. Only holders of Ordinary Shares are entitled to attend and vote at this meeting. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting and at any adjournment of it. Such a member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A member may only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. A proxy need not be a member of the Company. Completion and return of a form of proxy will not preclude a member from attending and voting in person at the meeting or any adjournment of the meeting.

2. A form of proxy is provided with this notice and instructions for use are shown on the form. To be effective, the completed form of proxy must be deposited at the office of the Company's registrars, Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF, by not later than 48 hours (excluding days that are not a working day) before the start of the meeting (or any adjournment of the meeting) together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power of authority.

3. A vote withheld option is provided on the form of proxy to enable you to instruct your proxy not to vote on any particular resolution, however, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.

4. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company at close of business on 20th February 2015 shall be entitled to attend and vote at this annual general meeting in respect of such number of shares registered in their name at that time. Changes to entries on the register of members after close of business on 20th February 2015 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

5. Copies of the service agreements of the executive directors and the letters of appointment of the non-executive directors will be available for inspection during normal business hours from the date of dispatch of this notice until the date of the meeting (Saturdays, Sundays and public holidays excepted) at the registered office of the Company and will also be made available for inspection at the place of the annual general meeting for a period of 15 minutes prior to and during the continuance of the meeting.

6. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

7. Except as provided above, members who wish to communicate with the Company in relation to the meeting should do so by calling our shareholder helpline on 0871 664 0300 (calls cost 10p per minute plus network extras) or, if calling from overseas, on +44 208 639 3399. Lines are open 8.30am – 5.30pm Monday to Friday. No other methods of communication will be accepted.

Explanatory notes

Report and Accounts (Resolution 1)
The directors of the Company must present the accounts to the meeting.

Reappointment and remuneration of auditors (Resolution 2)
Resolution 2 proposes the reappointment of BDO LLP as auditors of the Company and authorises the directors to set their remuneration.

Declaration of a dividend (Resolution 3)
A final dividend can only be paid after the shareholders at a general meeting have approved it. A final dividend of 0.50 pence per Ordinary Share is recommended by the directors for payment to shareholders who are on the register of members at the close of business on 19th December 2014. If approved, the date of payment of the final dividend will be 11th March 2015.

Re-election of directors (Resolutions 4, and 5)
The Company's articles of association require that all directors retire at least every three years and that all newly appointed directors retire at the first annual general meeting following their appointment.

At this meeting, Nicholas Bolton and David Deacon will retire and stand for re-election as directors. Having considered the performance of and contribution made by each of the directors standing for re-election the board remains satisfied that the performance of each of the relevant directors continues to be effective and to demonstrate commitment to the role and, as such, recommends their re-election.

Directors' authority to allot securities (Resolution 6)
Your directors may only allot shares or grant rights over shares if authorised to do so by shareholders. The authority granted at the last annual general meeting will expire on the passing of this resolution or, if it is not passed, on 23rd February 2019. The authority in resolution 6 will allow the directors to allot new shares in the Company or to grant rights to subscribe for or convert any security into shares in the Company up to a nominal value of £141,697.

As at 8th December 2014, the Company did not hold any shares in treasury. If the resolution is passed, the authority will expire on 23rd February 2020 unless previously revoked, varied or renewed.

Disapplication of pre-emption rights (Resolution 7)
If the directors wish to allot any of the unissued shares or grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme) company law requires that these shares are first offered to existing shareholders in proportion to their existing holdings. There may be occasions, however, when the directors will need the flexibility to finance business opportunities by the issue of equity securities without a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights.

Resolution 7 asks the shareholders to do this and, apart from rights issues or any other pre-emptive offer concerning equity securities and the grant of share options, the authority will be limited to allotment of equity securities for cash up to a maximum number of 11,335,781 ordinary shares (which includes the sale on a non pre-emptive basis of any shares held in treasury). Shareholders will note that this resolution also relates to treasury shares and will be proposed as a special resolution.

This resolution seeks a disapplication of the pre-emption rights on a rights issue so as to allow the directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas shareholders.

If given, the authority will expire on 23rd February 2020.

Authority to purchase own shares (Resolution 8)
In certain circumstances, it may be advantageous for the Company to purchase its own shares and resolution 8 seeks the authority from shareholders to continue to do so. The directors will continue to exercise this power only when, in the light of market conditions prevailing at the time, they believe that the effect of such purchases will be to increase earnings per share and is in the best interests of shareholders generally. Other investment opportunities, appropriate gearing levels and the overall position of the Company will be taken into account when exercising this authority.

Any shares purchased in this way will be cancelled and the number of shares in issue will be reduced accordingly, save that the Company may hold in treasury any of its own shares that it purchases pursuant to the Act and the authority conferred by this resolution. This gives the Company the ability to re-issue treasury shares quickly and cost-effectively and provides the Company with greater flexibility in the management of its capital base. It also gives the Company the opportunity to satisfy employee share scheme awards with treasury shares.

Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of the shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the treasury shares.

The resolution specifies the maximum number of Ordinary Shares that may be acquired and the maximum and minimum prices at which they may be bought.

Resolution 8 will be proposed as a special resolution to provide the Company with the necessary authority. If given, this authority will expire at the conclusion of the next annual general meeting of the Company in 2016 or, if earlier, the date which is 15 months after the date of passing of the resolution.

The directors intend to seek renewal of this power at subsequent annual general meetings.

Form of Proxy

Form of Proxy

Notes for completion of the proxy form

1. As a member of the Company you are entitled to appoint another person as your proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You must follow the appointment procedures set out in these notes.

2. Completion and return of this proxy form or appointment of a proxy electronically using the CREST electronic proxy appointment service will not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box on page 113, the chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf at the meeting, you will need to appoint someone other than the chairman and give them the relevant instructions directly.

4. If you appoint a proxy to vote on your behalf at this annual general meeting, your voting rights will revert to you at the conclusion of the annual general meeting or any adjournment of the annual general meeting.

5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. To appoint more than one proxy, please insert the name of each proxy to be appointed in the box on page 113 and insert in brackets after each name the number of shares in respect of which each respective proxy is appointed.

6. To direct your proxy how to vote on the resolutions, please indicate how you wish your votes to be cast by placing 'X' in the appropriate column. To abstain from voting on a resolution, select the relevant "Vote withheld" box. Please note that a vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no specific direction as to how you wish your vote to be cast is given, your proxy may vote or abstain, at his or her discretion. On any other business which is put before the meeting (including a motion to adjourn the meeting or to amend a resolution) the proxy will vote (or abstain from voting) at his or her discretion.

7. To be valid, this proxy form must be:

(a) completed and signed;

(b) sent or delivered to Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF ; and

(c) received by Capita Asset Services, no later than 48 hours (excluding days that are not a working day) before the time of the meeting.

8. If a member is a company, this proxy form must be executed under its common seal (or such form of execution as has the same effect) or executed on its behalf by a duly authorised officer of the company or an attorney for the company. A copy of the authorisation of such officer or attorney must be lodged with this proxy form.

9. If this proxy form is executed under a power of attorney or any other authority the original power or authority (or a duly certified copy of such power or authority) must be lodged together with this proxy form.

10. In the case of joint holders, any one holder may sign the form of proxy but all the names of the joint holders should be stated on this proxy form. If more than one of the joint holders purports to appoint a proxy, the appointment submitted by the most senior holder will be accepted to the exclusion of the appointment(s) of the other joint holder(s), seniority being determined by the order in which the names of the joint holders stand in the register of members of the Company in respect of the joint holding (the first-named being the most senior).

11. If you submit more than one valid proxy appointment in respect of the same shares, the appointment received last before the latest time for the receipt of proxies will take precedence.

12. Any alterations made to this form should be initialled.

13. You may not use any fax number or email address or other electronic address provided in this proxy form to communicate with the Company for any purposes other than those expressly stated.

If you have any queries completing this form please contact Capita Asset Services on telephone number 0871 664 0300 (calls cost 10p per minute plus network extras) or, if calling from overseas, on +44 208 639 3399. Lines are open 8.30am – 5.30pm, Monday to Friday.

Please tear here

OMG plc
Form of Proxy

For use at the annual general meeting to be held at 14 Minns Business Park, West Way, Oxford OX2 0JB on 24th February 2015. Before completing this form, please read the explanatory notes opposite.

I/We________________________________

of ________________________________

being [a] member[s] of OMG plc (the **"Company"**), hereby appoint the chairman of the meeting or (see note 3)

as my/our proxy (see note 4) to attend, speak and vote for me/us on my/our behalf at the annual general meeting of the Company to be held at 24th February 2015 and at any adjournment of the meeting.

I/We have indicated with an 'X' in the appropriate spaces how I/we wish my/our votes to be cast and direct the proxy to vote as indicated.

If this form is signed and returned without any indication as to how my/our proxy shall vote, my/our proxy may exercise his or her discretion as to both how he or she votes (including as to any amendments to the resolutions) and whether or not he or she abstains from voting.

I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Resolution. (Place X in appropriate box)		For	Against	Withheld	Discretionary
Ordinary business					
1	To receive and adopt the financial statements for the year ended 30 September 2014				
2	To re-appoint BDO LLP as auditors and authorise the directors to fix their remuneration				
3	To declare a final dividend				
4	To re-elect Nicholas Bolton as a director				
5	To re-elect David Deacon as a director				
Special business					
6	To authorise the directors to allot shares pursuant to section 551 of the Companies Act 2006 (the "**Act**")				
7	To authorise the directors to allot shares pursuant to section 570 of the Act as if section 561 of the Act did not apply				
8	To authorise the Company to make one or more market purchases of ordinary shares in the company.				

Signature(s)... Date............2015

Signature(s)... Date............2015

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