

Artech Reduction Technologies Limited

(Registration No. 04696842)

Report and Financial Statements

31 December 2016

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COMPANIES HOUSE

Director

R Guice

Auditors

Ernst & Young LLP
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Manchester
M2 3EY

Bankers

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Solicitors

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Registered No. 04696842

Strategic report

The directors present their strategic report and the financial statements of Artech Reduction Technologies Limited (the 'Company') for the year ended 31 December 2016.

Principal activity and review of the business

The principal activity of the company during the year was sales and assembly of industrial shredding equipment to inter-companies of Stericycle International Holdings. This company will continue as such for the foreseeable future.

Key Performance Indicators

The company has made progress on its strategy during the year. The monitoring process is in part through key performance indicators ('KPIs'), some of which are shown below:

	2016	2015	Change %	Analysis
Turnover	£3,370,367	£3,132,566	+8%	2016 turnover had an emphasis on fleet renewal, via Artech's chassis swap program. In 2015, emphasis was placed on project based truck upgrades.
Gross profit	£684,169	£643,591	+6%	The increase in chassis swap revenue combined with the decrease in console revenue created a sales mix that yielded a slightly lower gross profit level. The increase in sales (8%) did not generate a corresponding (8%) increase in gross profit but rather only a 6% increase in gross profit.
Profit on ordinary activities before taxation	£401,418	£559,306	-28%	Profit on ordinary activities has been negatively impacted by a reduction in interest receivable in 2016 (£53,119) from 2015 (£155,990) as well as a reduction in foreign translation in 2016 (£192,612) versus in 2015 (£268,775).

The company continued to grow from the prior year with turnover of £3,370,367 (2015: £3,132,566) which is an increase of 8% over 2015. Further, gross profit improved to £684,169 (2015: £643,591) which is an increase of 6% over 2015. The company's profit on ordinary activities before taxation this year is £401,418 compared to £559,306 in the prior year. The directors are pleased with the company's performance and are confident about continued growth.

During 2016, Artech Reduction Technologies Limited has continued to remain as a subsidiary of Shred-it Limited.

Internally, the focus on operating efficiency remains firmly on our logistics operations and plant operations. A culture of continuous improvement within the business is focused on enhancing internal customer satisfaction.

Strategic report (continued)

Principal risks and uncertainties

Principal risks included the increased costs for parts and labour required for the assembly of industrial shredding equipment and the integration of new activities. Management continuously monitors the costs and look for the most cost efficient options and suppliers. In terms of integrating new activities we have robust project management controls and members of staff leading projects.

Foreign currency risk

The Company is exposed to foreign exchange risks primarily arising from commercial transactions denominated in foreign currencies. The company has no operations outside of the UK but it has amounts payable and receivable from other group companies denominated in currencies other than sterling. As a result the value of the payables and receivables can be affected significantly by movements in exchange rates in general and in the Canadian Dollar and Euro rates in particular. No foreign currency contracts were used during the year.

Interest rate risk

The company does not have any external debt. The loan from the parent undertaking has a fixed interest rate. Fixed interest is received on amounts due from fellow group companies.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimizing such losses. This risk is somewhat mitigated as the company has a low concentration of sales with any one customer. In agreeing annual budgets, the company sets targets for debtors' days and doubtful debts expense against which performance is monitored. Details of the Company's debtors are shown in note 10. Counterparty risk with respect to rights is monitored by the Board regularly.

Liquidity risk and cash flow risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation from its operations and applying cash collection targets throughout the Company. The company funding strategy is not to rely on external financing, but to rely on group funding as necessary.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability. The Company manages this risk through monthly reporting and analysis of commitments and cash flow projections.

Strategic report (continued)

Employees

The Company recognises that its employees are a key asset within the business. Losing key employees and being unable to recruit replacements with the right experience and skills could adversely impact the Company's performance. To manage this, the Company has training programmes to develop employees and has implemented several reward schemes that are linked to the Company's results and designed to retain key individuals.

Approved by the Board on 4 December 2017 and signed on its behalf by:



Robert Guice
Director

Director's report

The director presents his report and financial statements of Artech Reduction Technologies Limited (the 'Company') for the year ended 31 December 2016.

Results and dividends

The profit for the year after taxation amounted to £345,826 (2015 – profit of £594,902). The director does not recommend a final dividend (2015 – £nil).

Future Developments

Looking forward the UK business, as a key part of the Stericycle Inc. business group, has the platform needed to drive future growth and explore new opportunities.

Going concern

The Company's business activities together with the factors affecting its future performance are described in the Strategic Report above. The nature of the long term relationships with internal customers and external suppliers gives underlying business stability and supports a positive cash flow.

The Company through access to the financial resources of its ultimate parent undertaking, Stericycle Inc., has the finance necessary to further develop its business through the foreseeable future and to refinance existing obligations including liabilities as they become due.

After making appropriate enquiries including receiving confirmation of continuing support from Stericycle Inc., the directors have the expectation that the company has adequate resources to continue in operating and to meet its liabilities as and when they fall due. Accordingly, they continue to adopt the going concern basis in the preparation of the financial statements.

Director

The director who served the company during the year was as follows:

R Guice

Employment Policy

Employment policies are based on a commitment to equal opportunities from selection and recruitment, through training, development, appraisal and promotion.

The company aims to promote an environment free from discrimination, harassment and victimisation. All decisions relating to employment are objective and based on individual merit. The company looks to use all employees' talents and abilities to the full.

Employee involvement in the company's success and profitability is encouraged through appropriate incentive schemes. Regular meetings and the company's intranet encourages employees to involve themselves in the company's activities are fully informs them on matters which concern them as employees.

It is company policy to give full and fair consideration to suitable applications for employment by disabled persons and so far as particular disabilities permit, give continued employment to an existing employee who becomes disabled.

Director's report (continued)

Disclosure of information to the auditors

So far as the director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of company's auditor, the director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Pursuant to section 487 of the Companies Act 2006, Ernst & Young LLP will be deemed to be re-appointed as auditors.

Information Included in the Strategic Report

Information on financial risk management has not been included in the Director's Report as it has been included in the Strategic Report instead, under S414C(11) of the Companies Act 2006.

On behalf of the Board



Robert Guice
Director
4 December 2017

Statement of director's responsibilities

The director is responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

to the members of Artech Reduction Technologies Limited

We have audited the financial statements of Artech Reduction Technologies Limited for the year ended 31 December 2016 which comprise the Statement of comprehensive income, Statement of changes in equity, Statement of financial position and the related notes on pages 12 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, including FRS 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland).

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 director and auditor

As explained more fully in the Director's Responsibilities Statement set out on page 7, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Independent auditor's report

to the members of Artech Reduction Technologies Limited

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Director's Report.

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

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

Ernst + Young LLP

Catherine Reid (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

Date 4 December 2017

Statement of comprehensive income

for the year ended 31 December 2016

	Notes	2016 £	2015 £
Turnover	2	3,370,367	3,132,566
Cost of sales		(2,686,198)	(2,488,975)
Gross profit		684,169	643,591
Administrative expenses		(528,482)	(509,050)
Operating profit		155,687	134,541
Interest receivable and similar charges	6	53,119	155,990
Net profit on foreign currency translation		192,612	268,775
Profit on ordinary activities before taxation		401,418	559,306
(Tax)/Recovery on Ordinary Activities	7	(55,592)	35,596
Profit for the financial year		345,826	594,902

All amounts relate to continuing activities.

There was no other comprehensive income or expense other than the profit for the financial year attributable to the shareholders of the company of £345,826 in the year ended 31 December 2016 (2015 – profit of £594,902).

Statement of changes in equity

for the year ended 31 December 2016

	Called up share capital	Profit and loss account	Total
	£	£	£
At 1 January 2015	2,805,501	1,288,504	4,094,005
Profit for the year	-	594,902	594,902
Share capital issued	-	-	-
At 31 December 2015	2,805,501	1,883,406	4,688,907
Profit for the year	-	345,826	345,826
Share capital issued	-	-	-
At 31 December 2016	2,805,501	2,229,232	5,034,733

The notes on pages 12 to 20 form part of these financial statements.

Statement of financial position

at 31 December 2016

		2016	2015
	Notes	£	Restated £
Fixed assets			
Investments	8	-	6,037
Current assets			
Stocks	9	502,508	643,749
Debtors	10	32,585,508	26,565,695
Creditors: amounts falling due within one year	11	(444,301)	(638,143)
Net current assets		32,643,715	26,571,301
Total assets less current liabilities		32,643,715	26,577,338
Creditors: amounts falling due after more than one year	12	(27,608,982)	(21,888,432)
Net Assets		5,034,733	4,688,906
Capital and reserves			
Called up share capital	13	2,805,501	2,805,501
Profit and loss account	14	2,229,232	1,883,405
Shareholders' funds		5,034,733	4,688,906

These financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Robert Guice

Director

4 December 2017

Notes to the financial statements

at 31 December 2016

1. Accounting policies

Basis of preparation

Artech Reduction Technologies Limited is a private limited company incorporated in England and Wales. The Registered Office is 177 Cross Street, Sale, Manchester, M33 7JQ.

The financial statements have been prepared under historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard Applicable in the United Kingdom and the Republic of Ireland, and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The presentational and functional currency is the British Pound Sterling (£).

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

Going concern

On the basis of his assessment of the company's financial position the director has a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Statement of cash flows

The company is a wholly owned subsidiary of Stericycle Inc., and is included within the consolidated financial statements which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 102 paragraph 1.12(b).

Notes to the financial statements

at 31 December 2016

1. Accounting policies (continued)

Revenue Recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Specifically, revenue from the rendering of services is recognised when the service has been completed.

Investments

Investments are recorded at cost less any provision for impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Taxation

UK Corporation Tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- Where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability/(asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised; and
- Unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken to the statement of comprehensive income.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in profit or loss. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Notes to the financial statements

at 31 December 2016

1. Accounting policies (continued)

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

No significant judgements were noted during the year.

Notes to the financial statements

at 31 December 2016

2. Turnover

An analysis of turnover by geographical market is given below:

	2016 £	2015 £
United Kingdom	2,013,887	1,730,654
Germany	1,220,882	887,773
France	125,653	272,165
Other	9,945	241,974
	<u>3,370,367</u>	<u>3,132,566</u>

An analysis of turnover is given below:

	2016 £	2015 £
Sale of goods	3,063,988	2,848,105
Rendering of services	306,379	284,461
	<u>3,370,367</u>	<u>3,132,566</u>

3. Operating profit

This is stated after charging:

	2016 £	2015 £
Auditors' remuneration - audit	15,000	15,000
Operating lease rentals – land and buildings	20,892	24,121
Operating lease rentals – plant and machinery	16,014	24,346
Foreign exchange differences	<u>(192,612)</u>	<u>(268,775)</u>

4. Director's remuneration

The director did not receive any remuneration from the company during the year. The director of the company is remunerated by a parent company within the Stericycle International Holdings group of companies and the details of his remuneration is disclosed within the financial statements of Stericycle International Holdings. The element of remuneration that is attributable to this company cannot be reliably estimated.

Notes to the financial statements

at 31 December 2016

5. Staff costs

	2016	2015
	£	£
Wages and salaries	273,879	244,187
Benefits	34,099	31,777
	<u>307,978</u>	<u>275,964</u>

The average monthly number of employees (including the director) during the year was made up as follows:

	2016 No.	2015 No.
Administrative	2	2
Technical	5	5
	<u>7</u>	<u>7</u>

6. Interest receivable and similar charges

	2016	2015
	£	£
Interest payable to group undertakings	-	98,794
Interest receivable by group undertakings	<u>(53,119)</u>	<u>(254,784)</u>
	<u>(53,119)</u>	<u>(155,990)</u>

Notes to the financial statements

at 31 December 2016

7. Tax

(a) Tax charge on profit on ordinary activities

	2016 £	2015 £
Current tax:		
UK corporation tax on the profit for the year	47,461	113,258
Adjustments in respect of prior years	(27,419)	(7,238)
Current tax on profit on ordinary activities	<u>20,042</u>	<u>106,020</u>
Deferred tax:		
Utilization of losses previously not benefitted	28,469	7,149
Adjustments in respect of prior years	7,081	(4,037)
Effect of future rate reductions	-	7,237
Release of valuation allowance	-	(151,964)
Tax expense/(recovery) on profit on ordinary activities	<u>55,592</u>	<u>(35,595)</u>

(b) Factors affecting current tax expense for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19.25% (2014 – 20.25%). The differences are explained below:

	2016 £	2015 £
Profit/(loss) on ordinary activities before tax	401,418	559,306
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2014 – 20.25%)	77,273	113,260
Effects of:		
Expenses not deductible for tax purposes	(968)	-
Adjustments in respect of prior years	(20,713)	3,109
Release of valuation allowance	-	(151,964)
Total tax expense (recovery) for the year	<u>55,592</u>	<u>(35,595)</u>

(c) Deferred tax

Deferred tax is as follows:

	2016 £	2015 £
Losses carried forward	<u>106,066</u>	<u>141,615</u>

Management expects sufficient future taxable profits will be available against which to offset the losses carried forward.

Notes to the financial statements

at 31 December 2016

8. Investments

	£
Cost:	
At 1 January 2016	6,037
Additions	-
At 31 December 2016	6,037
Amounts written off:	
Sale of Shares	6,037
Net book value:	
At 31 December 2016	-
At 1 January 2016	6,037

On April 21, 2016, Artech Reductions sold its shares in Shred-it Belgium S.A. to Metalchem/DRS BVDA. The purchaser is a related party in the Intra-Group of Stericycle. As consideration for the shares, Artech received an Intra-Group Short Term from the purchaser for the principal amount of €35. The note is payable within 6 months from the effective date.

9. Stocks

	2016 £	2015 £
Finished goods	50,320	49,117
Parts and supplies	452,188	594,632
	<u>502,508</u>	<u>643,749</u>

10. Debtors

	2016 £	2015 Restated £
Amounts owed by group undertakings	31,053,532	25,452,091
VAT recoverable	1,424,549	962,487
Deferred tax asset	106,066	141,615
Prepayments	1,361	9,502
	<u>32,585,508</u>	<u>26,565,695</u>

A reclassification adjustment has been made to the prior period comparative figures to recognise the deferred tax asset within debtors. This was previously recognised within trade creditors in the year ended 31 December 2015.

Notes to the financial statements

at 31 December 2016

11. Creditors: amounts falling due within one year

	2016	2015
	£	Restated £
Trade creditors	444,301	638,143
	<u>444,301</u>	<u>638,143</u>

A reclassification adjustment has been made to the prior period comparative figures to remove a deferred tax asset previously netted off within trade creditors. This is now separately disclosed within debtors.

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

	2016	2015
	£	£
Amounts owed to group undertakings	<u>27,608,982</u>	<u>21,888,432</u>

13. Called up share capital

	No.	2016 £	No.	2015 £
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	2,805,501	<u>2,805,501</u>	2,805,501	<u>2,805,501</u>

14. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses less dividends.

15. Related party transactions

The Company has taken advantage of the exemption under FRS 102 from disclosing transactions with key management personnel remuneration and other wholly owned entities, which are part of the group of which Stericycle Inc., is the ultimate parent undertaking.

There were no transactions in the year with non-wholly owned entities, which are part of the group of which Stericycle Inc., is the ultimate parent undertaking.

16. Other financial commitments

At 31 December 2016 the company had annual commitments under non-cancellable operating leases as set out below:

	2016	2015
	£	£
Operating leases which expire:		
Within one year	21,000	21,250
In two to five years	84,000	85,000
Over five years	<u>19,250</u>	<u>21,250</u>
	<u>124,250</u>	<u>127,500</u>

Notes to the financial statements

at 31 December 2016

17. Financial instruments

The company does not engage in any interest rate swaps to manage interest rate risk volatility and forward foreign currency contracts to hedge currency exposure on company's future commitments. Financial assets that are debt instruments measured at amortised cost and financial liabilities measured at amortised cost have been disclosed throughout the notes to the financial statements.

18. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Shred-it Limited.

Stericycle Inc., a US incorporated company, is the ultimate parent undertaking and controlling party.

The largest and smallest group for which group financial statements have been drawn up is that headed by Stericycle Inc. Copies of these financial statements may be obtained from 28161 North Keith Drive, Lake Forest, IL 60045, USA.