

Registered number: 09200454

GUIDANCE AUTOMATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020



GUIDANCE AUTOMATION LIMITED
REGISTERED NUMBER: 09200454

BALANCE SHEET
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	88,506	150,372
		<u>88,506</u>	<u>150,372</u>
Current assets			
Stocks	6	284,602	202,140
Debtors: amounts falling due within one year	7	454,562	551,445
Cash at bank and in hand		886,173	728,992
		<u>1,625,337</u>	<u>1,482,577</u>
Creditors: amounts falling due within one year	8	(621,748)	(751,207)
Net current assets		<u>1,003,589</u>	<u>731,370</u>
Total assets less current liabilities		<u>1,092,095</u>	<u>881,742</u>
Provisions for liabilities			
Other provisions	9	(38,000)	(36,413)
		<u>(38,000)</u>	<u>(36,413)</u>
Net assets		<u><u>1,054,095</u></u>	<u><u>845,329</u></u>
Capital and reserves			
Called up share capital		1	1
Capital contribution		2,485,764	2,485,764
Profit and loss account		(1,431,670)	(1,640,436)
		<u>1,054,095</u>	<u>845,329</u>

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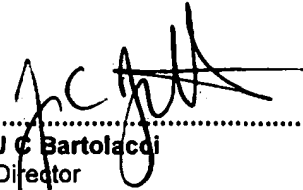
BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2020

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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


.....
J C Bartolacci
Director

Date: 15/06/21

The notes on pages 3 to 12 form part of these financial statements.

GUIDANCE AUTOMATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. General information

The entity is a private company limited by shares, incorporated in England and Wales, registration number 09200454. The registered office is Unit 2, Meridian South, Leicester, LE19 1WY.

Principal activity

The principal activity of the Company was that of production of guidance systems for autonomous mobile robots.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

After reviewing the Company's forecasts and projections, taking into account the effects of the global pandemic and lockdown measures, the directors have a reasonable expectation that the Company has adequate resources and support to continue in operational existence for the foreseeable future. The Group has confirmed its intention to support Guidance Automation Limited for a period of 12 months from the signing of the financial statements. Post year end, the Company has been profitable despite the impact of Covid-19. The Company therefore continues to adopt the going concern basis in preparing its financial information.

The following principal accounting policies have been applied:

2.2 Going concern

The Company will have the support of fellow group companies for the foreseeable future, for the period of at least 12 months from the signing of the Balance Sheet. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the financial support was withdrawn.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is British Pound Sterling (£).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

GUIDANCE AUTOMATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. Accounting policies (continued)**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

~~If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.~~

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. Accounting policies (continued)

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.8 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. Accounting policies (continued)

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- Straight line over the life of the lease
Plant and machinery	- 33% Straight line
Computer equipment	- 33% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at transaction price, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. Accounting policies (continued)

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction price, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation at the reporting date, it is probable that the entity will be required to transfer economic benefits in settlement, and the amount of the obligation can be estimated reliably.

Provisions are charged as an expense to the Profit and Loss Account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

GUIDANCE AUTOMATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. Accounting policies (continued)**2.18 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 23 (2019 - 30).

4. Exceptional items

	2020 £	2019 £
Management charge associated with group restructure	-	250,293
	<u>-</u>	<u>250,293</u>

GUIDANCE AUTOMATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

5. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
At 1 October 2019	184,584	108,455	75,600	368,639
Additions	-	-	3,618	3,618
At 30 September 2020	<u>184,584</u>	<u>108,455</u>	<u>79,218</u>	<u>372,257</u>
Depreciation				
At 1 October 2019	148,140	13,308	56,819	218,267
Charge for the year	19,870	32,345	13,269	65,484
At 30 September 2020	<u>168,010</u>	<u>45,653</u>	<u>70,088</u>	<u>283,751</u>
Net book value				
At 30 September 2020	<u>16,574</u>	<u>62,802</u>	<u>9,130</u>	<u>88,506</u>
At 30 September 2019	<u>36,444</u>	<u>95,147</u>	<u>18,781</u>	<u>150,372</u>

6. Stocks

	2020 £	2019 £
Raw materials	138,964	148,400
Work in progress	13,378	3,688
Finished goods	132,260	50,052
	<u>284,602</u>	<u>202,140</u>

GUIDANCE AUTOMATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

7. Debtors

	2020 £	2019 £
Trade debtors	388,289	440,870
Amounts owed by group undertakings	-	36,275
Other debtors	25,444	36,983
Prepayments and accrued income	40,829	37,317
	<u>454,562</u>	<u>551,445</u>

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	84,313	56,293
Amounts owed to group undertakings	371,524	493,737
Other taxation and social security	24,548	25,539
Other creditors	8,152	7,804
Accruals and deferred income	133,211	167,834
	<u>621,748</u>	<u>751,207</u>

9. Provisions

	Provisions £
At 1 October 2019	36,413
Charged to profit or loss	1,587
At 30 September 2020	<u><u>38,000</u></u>

10. Guarantees and other financial commitments

At the balance sheet date, the total amount of commitments, guarantees and contingencies was £161,458 (2019 - £223,958).

GUIDANCE AUTOMATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

11. Related party transactions

The wholly owned subsidiaries of the other members of the group are exempt from the requirements of Financial Reporting Standard 102, section 1AC.35 to disclose transactions.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102, section 1AC.35.

All transactions are considered to be at arms length.

12. Post balance sheet events

The outbreak of Covid-19 has been noted as a post balance sheet event. Please refer to the basis of preparation of financial statements accounting policy at 2.1 for further information.

There have been no other significant events affecting the Company since the year end.

13. Controlling party

Schawk Wace Group a Company incorporated in England and Wales is the immediate parent undertaking.

Matthews International Corporation is the ultimate parent undertaking and ultimate controlling party of the Company. Matthews International Corporation, a Company incorporated in the United States of America, is the parent undertaking of the largest and smallest group of Companies for which group financial statements were drawn up and of which the Company is a member. Copies of Matthews International Corporation's financial statements can be obtained by writing to Two NorthShore Center, Pittsburgh, Pennsylvania 15212-5851.

14. Auditors' information

The auditors' report on the financial statements for the year ended 30 September 2020 was unqualified.

The audit report was signed on 15 JUNE 2021 by Shiran Wynter ACA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.