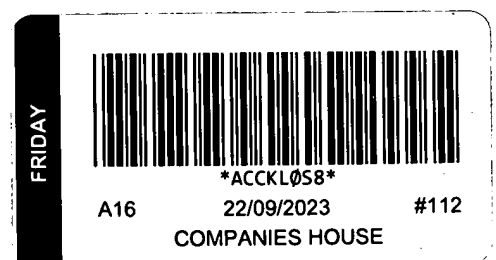


Company Registration No. 03212468 (England and Wales)

**MANROLAND GOSS WEB SYSTEMS UK
SOLUTIONS LTD**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022**

PAGES FOR FILING WITH REGISTRAR



MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

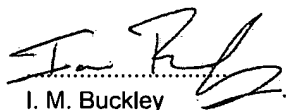
MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2022**

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	5		56		62
Current assets					
Stocks		87		70	
Debtors	6	1,767		1,117	
Cash at bank and in hand		163		358	
		2,017		1,545	
Creditors: amounts falling due within one year	7	(900)		(623)	
Net current assets			1,117		922
Total assets less current liabilities			1,173		984
Capital and reserves					
Called up share capital	11		487		487
Share premium account			82,036		82,036
Other reserves			12,196		12,196
Profit and loss reserves			(93,546)		(93,735)
Total equity			1,173		984

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 19/09/2023 and are signed on its behalf by:


I. M. Buckley
Director

MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium account	Other reserves	Profit and loss reserves	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2021	487	82,036	12,196	(94,304)	415
Year ended 31 December 2021:					
Profit for the year	-	-	-	569	569
Balance at 31 December 2021	487	82,036	12,196	(93,735)	984
Year ended 31 December 2022:					
Profit for the year	-	-	-	189	189
Balance at 31 December 2022	487	82,036	12,196	(93,546)	1,173

MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Manroland Goss Web Systems UK Solutions Ltd is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Beech House, The Oaks Business Park, Longridge Road, Preston, Lancashire, PR2 5BQ.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The directors have prepared cash flow forecasts for the period through to 31 December 2024 and trading forecasts to 31 December 2024 to assess whether they have reasonable grounds for concluding that it is appropriate to prepare the financial statements on a going concern basis.

The forecasts show that the business is expected to be cash generative in the twelve months following the approval of the financial statements and will be able to meet obligations as they fall due. Notwithstanding, in view of the level of work performed for other group companies and the net asset position being dependent upon recovery of intercompany balances at the year end, the directors have obtained a letter of support from a fellow group company, Manroland Goss Web Systems GmbH, confirming that it intends to support the company for a period of at least 12 months from the date the financial statements are approved.

On the basis of the support received from the parent, the Board has concluded that it is appropriate to prepare the financial statements on the going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for the sale of goods and services to customers in the ordinary course of business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

Turnover is recognised in relation to separately identifiable components of a single transaction when necessary to reflect the substance of the arrangement and in relation to two or more linked transactions when necessary to understand the commercial effect.

The Company derives its turnover from two main sources: the sale and installation of printing units manufactured by a third party; and the provision of service and parts for existing press equipment. Each of these income streams follows different revenue recognition criteria as the installation and sale can be sold as discrete elements. The value of apportioned revenue is calculated based on the percentage of total contract costs, which is an estimation of the revenue stream's fair value.

Equipment sales and aftermarket support

- Revenue is recognised as the risk and rewards of ownership for discrete elements pass to the customer.

Installation

- Revenue is recognised on a percentage of completion basis.

MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows: -

Leasehold property	Over the life of the lease
Plant and equipment	10-40% on cost

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in profit or loss.

Recognised impairment losses are reversed if, and only if, the reason for the impairment loss have ceased to apply. Reversal of impairment losses are recognised in profit or loss. On reversal of an impairment loss the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average cost basis method and for finished goods and work in progress, includes direct labour costs and overheads appropriate to the stage of manufacture.

At each reporting date, the Company assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Financial assets

Trade, group and other debtors

Trade, group and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade, group and other debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade or group debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument. A provision for impairment of trade or group debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract.

Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate.

Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

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

Trade, group and other creditors

Trade, group and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expenses that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Retirement benefits

The Company operates a defined contribution pension scheme. The amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease. Rent free periods or other incentives given to the lessee are accounted for as a reduction to the rental costs and recognised on a straight-line basis over the lease term.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Government grants received in respect of the Coronavirus job retention scheme are released in the profit and loss account in the period to which they relate and are recorded within operating income.

2 Administrative expenses - exceptional

During the prior year, an amount of £295k relating to a previously recognised intercompany charge that was owing to Goss International Trading (Shanghai) Co. Ltd, was reversed and recognised in the statement of comprehensive income.

MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	33	33

4 Directors' remuneration

	2022 £'000	2021 £'000
Remuneration paid to directors	107	110

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

5 Tangible fixed assets

	Land and buildings £'000	Plant and machinery etc £'000	Total £'000
Cost			
At 1 January 2022	82	283	365
Additions	-	23	23
Disposals	-	(12)	(12)
At 31 December 2022	82	294	376
Depreciation and impairment			
At 1 January 2022	61	242	303
Depreciation charged in the year	8	21	29
Eliminated in respect of disposals	-	(12)	(12)
At 31 December 2022	69	251	320
Carrying amount			
At 31 December 2022	13	43	56
At 31 December 2021	21	41	62

MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Debtors

	2022	2021
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	55	138
Amounts owed by group undertakings	1,327	253
Other debtors	126	63
Prepayments and accrued income	259	663
	<u>1,767</u>	<u>1,117</u>

Amounts owed by group undertakings are unsecured and repayable on demand.

7 Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Trade creditors	144	76
Amounts owed to group undertakings	22	14
Taxation and social security	47	53
Accruals and deferred income	687	480
	<u>900</u>	<u>623</u>

Amounts owed to group undertakings are unsecured and repayable on demand.

8 Deferred taxation

Deferred taxation has not been recognised as the Directors have concluded on the basis of reasonable assumptions and the intentions of management that it is not probable that the asset will crystallise. The amount of the unrecognised deferred tax asset in relation to losses carried forward is approximately £19.6m (2021: £18.1m) and accelerated capital allowances of £1.9m (2021: £1.6m).

9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£'000	£'000
Within one year	56	57
Between one and five years	18	73
	<u>74</u>	<u>130</u>

MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Retirement benefit schemes

	2022	2021
	£'000	£'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	49	48

The company operates a defined contribution pension scheme for all qualifying employees in the United Kingdom. The assets of the scheme are held separately from those of the company in an independently administered fund.

11 Called up share capital

	2022	2021	2022	2021
	Number	Number	£'000	£'000
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	325,000	325,000	325	325
'A Ordinary' shares of £1 each	162,499	162,499	162	162
	<u>487,499</u>	<u>487,499</u>	<u>487</u>	<u>487</u>

The Ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company. The 'A Ordinary' shares do not carry rights to fixed income or voting rights.

12 Reserves

Reserves of the Company represent the following:

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Other reserve

Capital contribution made by the parent at the time, Goss International Corporation, on 12 December 2012 and forgiveness of further intercompany debt that had arisen due to the cancellation of loan notes.

Retained earnings

Cumulative profits and losses net of distribution to owners.

13 Financial commitments, guarantees and contingent liabilities

The company's bankers have provided a guarantee in favour of HM Revenue & Customs of £40,000. In the event of this guarantee being exercised, the company is obligated to pay over to the bank any amounts paid to HM Revenue & Customs on their behalf.

MANROLAND GOSS WEB SYSTEMS UK SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Entities related by common ownership	4,335	3,426	167	172

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2022	2021
	£'000	£'000
Entities related by common ownership	22	14

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2022	2021
	£'000	£'000
Entities related by common ownership	1,327	253

15 Ultimate controlling party

At 31 December 2022, the Directors regarded Goss Holding UK Limited, which is registered and incorporated in England and Wales, as its immediate parent company.

The parent undertaking of the smallest group for which consolidated accounts are prepared is Manroland Goss Web Systems GmbH. Consolidated accounts are available from the registered office as follows, Alois-Senefelder-Allee 1, 86153 Augsburg, Germany.

There is no single ultimate controlling party.

16 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The auditor was RSM UK Audit LLP.