

Brooks Automation Ltd
Annual report and Financial Statements
for the year ended 30 September 2020

Registered number 04109439

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Brooks Automation Ltd

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Brooks Automation Ltd

Directors and advisors

Directors

J Joseph
D Pietrantonio
L G Robertson

Registered office

Gilchrist Road
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Irlam
Manchester
M44 5AY

Independent auditors

PricewaterhouseCoopers LLP
No 1 Spinningfields
1 Hardman Square
Manchester
M3 3EB

Bankers

Barclays Bank plc
Manchester City Office
PO Box 357
Mosley Street
Manchester
M60 2AU

Solicitors

Brabners Chaffe Street LLP
55 King Street
Manchester
M2 4LQ

Brooks Automation Ltd

Strategic report for the year ended 30 September 2020

This strategic report sets out the Company's aims and strategies whilst also highlighting those aspects of the Financial Statements that best reflect the Company's progress and performance during the year.

This report has been prepared by the directors in accordance with the requirements of Section 414 of the Companies Act 2006. The Company's independent auditors are required by law to report on whether the information given in the Strategic Report is consistent with the financial statements. The independent auditors' report is set out on pages 12 and 13.

Review of business and future developments

Revenue for the year totalled £44,733,000 (2019: £51,397,000) which resulted in an operating profit of £3,899,000 (2019: operating loss of £246,000). At the year end the Company had net assets of £1,370,000 (2019: net liabilities of £870,000).

The supply of automated solutions for sample management and sample processing applications in the Life Science and biobanking sectors remains the focus of the Company. Brooks Automation Ltd houses sales, service, design, manufacturing and R&D activities as part of the globally based Brooks Life Science Systems business unit.

The Company has delivered multiple large scale projects during the year to customers in Europe, the US and Asia, predominantly in the pharmaceutical and biobanking sectors.

The overall strategy is to develop leading edge products for Pharmaceutical and Healthcare markets and provide world class service and support globally.

The business continues to invest in new product development which we believe will position the Company for sustainable growth over the next few years.

The business performance has been fair and the outlook remains optimistic. The Board would like to thank our highly skilled and loyal staff who have now been fully integrated into the Brooks organisation, it is through the talent, dedication and co-operation of our staff that we are confident about the future prospects of the Company.

Key performance indicators (KPIs)

Management use a range of performance measures to monitor and manage the business. Our KPIs measure past performance and also provide information to allow us to manage the business into the future. Revenue, operating profit and cash indicate the volume of projects, their profitability and the efficiency with which we have turned operating profits into cash; staff numbers show us how effective we have been in recruiting and retaining our key resource. These indicators are presented in the financial statements.

In addition, the below KPIs are used by management:

	2020	2019
Revenue (decrease)/growth	(13.0%)	7.2%
Operating profit/(loss) margin	8.7%	(0.5%)

Brooks Automation Ltd

Strategic report for the year ended 30 September 2020 (continued)

Key risks and uncertainties

There are risks and uncertainties associated with the Company's business activities and listed below are those that the Company thinks could cause the actual results to differ materially from the expected and historical results.

Consistent delivery of complex projects

We aim to deliver consistently to meet the needs of our customers, this is managed through tight project management.

Managing costs to complete long term projects

We aim to shorten reporting timescales and improve project management with the effective use of KPIs and a focus on managing technical risks.

Attracting, retaining and motivating key staff

We seek to ensure the workplace is demanding and rewarding. We are keen to emphasise development and internal promotion.

COVID-19

The Company is subject to risks common to companies in the markets it serves, including, but not limited to, global economic and financial market conditions, fluctuations in customer demand, development by its competitors of new technological innovations, risk of disruption in its supply chain, and compliance with domestic and foreign regulatory authorities and agencies.

During the COVID-19 pandemic, the Company's facilities have remained operational with only required personnel on site, and the balance of employees working from home. The Company has followed directives issued by UK government authorities, with particular regard to the protection of the health and safety of the Company's employees. The COVID-19 pandemic has not had a substantial impact on our financial results and a portion of this impact has been mitigated by our realignment of resources to satisfy incremental orders related to virus research. Future impacts on the Company's financial results will depend on multiple variables which are not fully determinable, as the full impact of the pandemic on the economy and markets which the Company serves is as yet unknown. The variables are many, but fundamentally include reduced demand from the Company's customers, the degree that the supply chain may be constrained to impact the Company's delivery of product, the potential impact to our operations if there is a significant outbreak among our employees, as well as the amount of incremental demand caused by research and treatments in the areas of COVID-19 or related threats.

Financial risk management

The Company uses various financial instruments. These include cash, issued equity instruments and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations.

The existence of these financial instruments exposes the Company to a number of financial risks, which are described in more detail below.

The main risks arising from the Company's financial instruments are financing risk, interest rate, foreign exchange and cash flow risk. The Directors review and agree policies for managing each of these risks and they are summarised below.

Brooks Automation Ltd

Strategic report for the year ended 30 September 2020 (continued)

Financing risk

The risk that the Company may not be able to settle its obligations as a result of a mis-match of cash inflows and outflows of the business is monitored through regular cashflow forecasting and a regular review of strategic plans. Significant risks are identified, reported and monitored internally. If required, debt finance is provided by the ultimate parent Company, Brooks Automation, Inc.

Interest rate, foreign exchange and cash flow risk

The Company has very few interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances, which earn interest at fixed rate. Foreign exchange is managed internally and speculative trading is not permitted. The Company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

Statement by the Directors in relation to the performance of their statutory duties in accordance with section 172(1) of the Companies Act 2006

The directors of Brooks Automation Limited are always mindful of the strategic priorities and values of the wider Brooks Automation, Inc Group ("Brooks") when setting the strategic direction of the Company, as well as when undertaking the day to day management activities. Brooks has a series of detailed policies and procedures that are applied by all subsidiaries.

At Brooks, our values include: Customer Focus, Achievement, Accountability, Teamwork, Employee Value and Integrity. These values act as guidelines for how we interact with our colleagues, suppliers and customers.

Brooks' Standards of Conduct ("Standards of Conduct") provides important guidelines for our interactions with customers, suppliers and other business partners, and one another. The Core Values are central to the Standards of Conduct and are at the heart of every decision Brooks makes.

We seek transparency in all our dealings and fully subscribe to a high standard of business ethics. We also understand that our reputation and success has been built on our commitment to these values. We expect all Brooks employees as well as our suppliers and customers, in all locations, to maintain high standards of integrity and act in an ethical manner.

The directors meet regularly to discuss latest trading performance. Ad-hoc meetings are also held as required for specific purposes, such as the approval of annual accounts, or the approval of a dividend payment.

The directors behave responsibly towards stakeholders and aim to promote the long-term success of the Company, by considering certain stakeholder groups as noted below, as being fundamental to this objective.

Customers; Our first core value is Customer Focus. We employ a relentless focus on understanding and exceeding customer expectations. We develop long-standing relationships with our customers and are committed to their success.

Suppliers; Guided by our core values of Accountability and Integrity, we are committed to responsible sourcing throughout our supply chain. We manage our manufacturing and distribution operations with a focus on: minimizing adverse impact to the environment; creating a healthy and safe workplace; maintaining fair and reasonable labour practices; and ensuring the integrity of materials supplied to Brooks.

We expect Brooks' suppliers to conduct their operations in a socially and environmentally responsible manner, and we work collaboratively with our suppliers to encourage compliance. Brooks' Supply Chain Social and Environmental Responsibility Policy serves as an extension of our commitment to corporate social responsibility. While Brooks recognizes that there are different legal and cultural environments in which our suppliers operate throughout the world, our policy establishes a framework that we consider important to our business.

Brooks Automation Ltd

Strategic report for the year ended 30 September 2020 (continued)

Our policy addresses legal and regulatory compliance, environmental, health and safety, conflict minerals, labour and human resources, including employment practices, child labour, forced labour and freedom of association, management systems and information access.

We carry out periodic supplier audits and, where issues are identified, it works with the supplier to ensure improvements are made. These audits include interviews with workers and the management, inspections of production sites and document reviews. Audit findings or nonconformances are prioritized based on risk. Should a critical issue be identified, we would require a timely response from the supplier, and if a supplier failed to adequately remediate the issue, the relationships would be re-evaluated and, if necessary, terminated. We continuously evaluates its monitoring program to ensure all actions are consistent with industry norms, and it believes all efforts to date have been effective in preventing slavery and human trafficking from infecting its supply chain.

Our Human Rights Policy also recognizes the role suppliers and contractors play in our commitment to social responsibility and respect for human rights.

Environment;

As a global company, we understand the broad impact of our operations and our potential to affect the world. We are committed to evaluating ways to reduce our environmental footprint while continuing to expand our business. Our executive management team is responsible for overseeing Brooks' sustainability efforts and ensuring we operate in a safe, ethical and environmentally responsible manner. In 2019, we established our Sustainability Committee, which is a subcommittee of our CSR Steering Committee. The Sustainability Committee, which drives our environmental sustainability initiatives, is led by our facilities and real estate team, with support from operations and engineering.

Brooks is committed to operating in full compliance with all applicable environmental regulations in the jurisdictions where our products are produced and sold. This commitment is reflected in our corporate policies, business processes and operational procedures. We have the appropriate infrastructure in place to manage environmental compliance, including full coordination among our engineering, product marketing and supply chain teams. Every product group has a product safety representative and electrical engineers who are accountable for ensuring that we maintain compliance and pursue excellence. Our Environmental Compliance Steering Committee is focused on understanding the regulatory landscape and ensuring that our organization is able to respond to changing requirements. The committee focuses on identifying and preparing for changes that could occur within as little as six months and as far out as 18 months. Working with our engineering, quality assurance and sales teams, we stay current on what customers are looking for from an environmental compliance perspective so we can take action.

Brooks is dedicated to the safe manufacture and use of naturally derived and engineered products. We are committed to operating in a responsible manner that protects the health and safety of our employees, customers, the public and our environment. We work actively with government officials, industrial partners and customers to promote safety and to protect the environment. Continuous improvement is a key component of our health, safety and environment management system. We strive to establish and maintain a best practices Safety, Health and Environment culture throughout Brooks; our goal is zero injury to people and no damage to the environment.

Employees; Our customer-focused culture encourages employees to embrace innovation and challenge the status quo with novel thinking and collaborative work relationships. Our success is grounded in our core values noted above. We are committed to offering our employees challenging work, development opportunities and competitive compensation and benefits. We seek to attract innovative thinkers who are ready to make an impact in our high-performing organization, and can benefit from our varied programs to achieve an appropriate work/life balance.

We strive to offer a workplace where employees take pride in their work, support each other and work together toward common goals. We believe when our employees feel connected to Brooks and our core values, we all achieve success. On a semi-annual basis, these achievements are recognized at the company's global all-hands meeting with the presentation of Core Value and Key Strategy awards to individuals and teams whose collective results embody our performance- and team-based culture.

Brooks Automation Ltd

Strategic report for the year ended 30 September 2020 (continued)

We strive to offer market-based, competitive compensation and benefits in order to attract and retain great talent across our businesses. We focus on providing benefits that support our employees' health and wellness, educational endeavours and financial stability, including offering financial wellness programs, student loan repayment assistance, retirement plan counselling and a flexible leave program for salaried employees.

To help us drive impact, we strive to attract talent that knows our industry and markets, or has a strong inclination for learning and new challenges. We reward our employees' efforts by supporting their development into strong leaders that advance our organization forward. We are committed to providing our people with the right training and opportunities to aid in their long-term career success at Brooks.

Training at Brooks utilizes both formal and informal methods. Our learning culture is built on: formal curriculums, communities of practice, peer-to-peer learning, experiential development, support tools and ongoing assessment. We listen to our employees to better understand their training and development needs, and ensure our offerings cater to both technical learning and leadership development. We offer a generous tuition reimbursement program that encourages employees to pursue undergraduate and graduate degrees in fields associated with their current or aspirational positions. Through the Brooks Learning Management System, our intranet and other online resources, our employees have access to on-demand training, in addition to career development and planning tools. This enables our employees to meet Brooks' standard training requirements and personalize their learning and career goals.

Our commitment to ethics is reflected in our core value of Integrity and supported by our global Standards of Conduct. The Brooks Standards of Conduct outline behaviours by which all employees, regardless of position in the company, are expected to observe and maintain. They cover a range of issues and standards toward one another, governments, shareholders, business partners, competitors and the marketplace, and concerning conflicts of interest. We also integrate distinct policies and procedures on topics such as human rights, health and safety, workplace harassment, discrimination, freedom of association/collective bargaining, corruption, bribery, accounting practices, insider trading and trade secrets.

All Brooks employees participate in annual ethics training, which is focused on understanding the Standards of Conduct and operating in accordance with those standards. Brooks managers are responsible for ensuring their employees understand and abide by the Standards, and for fostering an environment in which employees feel comfortable living up to these Standards each and every day.

Our UK Modern Day Slavery Act Statement and European Privacy Policy can be found on our corporate website, www.brooks.com

Stakeholder engagement statement

In line with our core values, the Company encourages regular communications with key stakeholders to develop long-standing business relationships

Customers

Our first core value is Customer Focus and we work closely with our customers in understanding their needs and exceeding their expectations.

Suppliers

We communicate with our suppliers regularly and work collaboratively with our suppliers to encourage compliance with the Brooks' Supply Chain Social and Environmental Responsibility Policy. Periodic supplier audits are performed, which include interviews with workers and management, inspections of production sites and document reviews.

Brooks Automation Ltd

Strategic report for the year ended 30 September 2020 (continued)

Environment

As a global company, we understand the broad impact of our operations and our potential to affect the world. We are committed to evaluating ways to reduce our environmental footprint while continuing to expand our business. In 2019, we established our Sustainability Committee, which is a subcommittee of our CSR Steering Committee. We also have an Environmental Compliance Steering Committee which is focused on understanding the regulatory landscape and ensuring that our organization is able to respond to changing requirements. The committee focuses on identifying and preparing for changes that could occur within as little as six months and as far out as 18 months. Working with our engineering, quality assurance and sales teams, we stay current on what customers are looking for from an environmental compliance perspective so we can take action.

Employee engagement statement

The Company regularly communicates with employees on a range of issues throughout the year. We keep our employees well informed on financial and non-financial matters through:

- Distribution of presentations relating to our strategy, actual results and future plans,
- The Brooks intranet that provides up to date information on company objectives, performance and activities,
- On-demand training and career development through the Brooks Learning System,
- A semi-annual global all-hands meeting,
- Employee surveys to gauge employee opinions and views,
- Regular appraisals.

Brooks Automation Ltd

Strategic report for the year ended 30 September 2020 (continued)

Streamlined Energy and Carbon Reporting

	2020
Energy consumption used to calculate emissions	KWh
Gas	693,075 KWh
Electricity	488,948 KWh
LPG (If applicable)	5,383 KWh
Diesel (company cars/vans)	No Data
Petrol (company cars/vans)	No Data
Emissions from combustion of gas (scope 1):	Tonnes
Reported as tonnes CO2e	127.5
Gas	
Emissions from combustion of fuel for transport purposes (Scope 1)	Tonnes
Reported as tonnes CO2e	No Data
Diesel	
LPG	384 kg = 5,383 kwh = 0.579 Tonnes Co2e
Diesel (company cars and vans)	
Petrol (company cars and vans)	
Emissions from purchased electricity (Scope 2)	Tonnes
Reported as tonnes CO2e	113,92 Tonnes Co2e
Total gross CO2 emissions	
Reported as tonnes CO2e	241.9 Tonnes
Intensity ratio: Total gross CO2 emissions per £100,000 revenue	0.541

On behalf of the Board


David Pietrantoni (June 4, 2021 07:38 EDT)
Director

David Pietrantoni
4 June 2021

Brooks Automation Ltd

Directors' report for the year ended 30 September 2020

The directors present their report and the audited financial statements of the Company for the year ended 30 September 2020.

Principal activities

The principal activities of the Company during the year were to provide automated products, consumables and services for drug discovery, delivery and quality control applications within pharmaceutical, biotech, biobanking and academic institutes.

Results and dividends

The Company did not declare a dividend in the year (2019: £nil). The profit for the financial year, after tax, is £1,770,000 (2019: loss of £2,041,000) which has been transferred to reserves.

A review of the results for the year is set out in the Strategic report.

Further information regarding the future development of the Company is included in the Strategic report.

Going concern

At the year end the Company had net assets of £1,370,000 (2019: net liabilities of £870,000). These financial statements have been prepared on the going concern basis. The Company is primarily funded through intercompany borrowings. The directors have received assurances from group undertakings that payment of group liabilities will not be required for the foreseeable future and that these companies will continue to provide the necessary financial support to enable the Company to meet its ongoing liabilities as they fall due. On this basis the directors have prepared the financial statements on the going concern basis.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

J Joseph
D Pietrantoni
L G Robertson
D Wesley-Yates (appointed 3 December 2020)

Political contributions

The Company has made no donations during the year for charitable or political purposes (2019: £nil).

Research and development

During the year the Company incurred research and development costs of £2,927,000 (2019: £3,713,000). These costs are charged to the income statement in the year of expenditure.

Disabled employees

The Company operates a policy of giving disabled people full and fair consideration for all job vacancies for which they present themselves as suitable applicants having due regard for their particular aptitudes and abilities. Whenever feasible the Company endeavours to retain any member of staff who develops a disability during their employment.

Training and career development opportunities are made available to all employees.

Employee participation

A policy is maintained for providing information to employees aimed at achieving a common awareness of the financial and economic factors affecting the Company and its operations and is accomplished through regular "All Hands" meetings. Employee involvement is actively encouraged at all levels.

Financial risk management

The financial risk management policies of the Company are discussed in the Strategic Report on pages 3 to 9.

Brooks Automation Ltd

Directors' report for the year ended 30 September 2020 (continued)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

Statement of disclosure of information to auditors


In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps 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 company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office as independent auditors.

On behalf of the Board


David Pietrantoni (Jun 4, 2021 07:38 EDT)
Director.....
David Pietrantoni
4 June 2021

Independent auditors' report to the members of Brooks Automation Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Brooks Automation Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and Financial Statements (the "Annual Report"), which comprise: the Statement of financial position as at 30 September 2020; the Income statement, the Statement of changes in equity for the year then ended; the Accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report for the year ended 30 September 2020, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Brooks Automation Ltd

Independent auditors' report to the members of Brooks Automation Ltd (continued)

Strategic Report and Directors' report for the year ended 30 September 2020

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 30 September 2020 for the year ended 30 September 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report for the year ended 30 September 2020.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 11, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

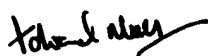
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Edward Moss (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

4 June 2021

Brooks Automation Ltd

Income statement

	Note	Year ended 30 September	
		2020 £'000	2019 £'000
Revenue	1	44,733	51,397
Cost of sales		(33,483)	(36,555)
Gross profit		11,250	14,842
Distribution costs		(5,595)	(5,350)
Administrative expenses		(8,023)	(9,780)
Other operating (expense) / income		(733)	42
Dividend received		7,000	-
Operating profit/(loss)	2	3,899	(246)
Interest payable and similar expenses	3	(2,302)	(2,284)
Profit/(loss) before taxation		1,597	(2,530)
Tax on profit/(loss)	6	173	489
Profit/(loss) for the financial year		1,770	(2,041)

There are no items of other comprehensive income in either year, therefore no separate statement of total comprehensive income is presented.

The results for 2020 and 2019 relate to continuing operations.

The accounting policies and notes on pages 17 to 34 form part of these financial statements.

Brooks Automation Ltd

Statement of financial position

	Note	As at 30 September	
		2020 £'000	2019 £'000
Fixed assets			
Intangible assets	7	6,022	7,339
Property, plant and equipment	8	1,659	2,404
Investments	9	52,158	52,158
Deferred tax asset	10	338	311
		60,177	62,212
Current assets			
Inventories	11	13,408	13,857
Trade and other receivables	12	18,769	14,314
Cash and cash equivalents		8,350	2,761
		40,527	30,932
Creditors – amounts falling due within one year	13	(21,349)	(17,327)
Net current assets		19,178	13,605
Total assets less current liabilities		79,355	75,817
Creditors – amounts falling due after more than one year	14	(76,734)	(75,221)
Provisions for liabilities	15	(1,251)	(1,466)
Net assets/(liabilities)		1,370	(870)
Equity			
Called up share capital	16	-	-
Capital contribution reserve		2,559	2,089
Accumulated losses		(1,189)	(2,959)
Total shareholders' funds/(deficit)		1,370	(870)

The accounting policies and notes on pages 17 to 34 are an integral part of these financial statements.

The financial statements and notes on pages 14 to 34 were approved by the board of directors and authorised for issue on 4 June 2021 and were signed on its behalf by:


David Pietrantonio (Jun 4, 2021 07:38 EDT)

David Pietrantonio
Director
Brooks Automation Ltd
Registered number 04109439

Brooks Automation Ltd

Statement of changes in equity

For the year ended 30 September 2020

	Called up share capital £'000	Capital contribution reserve £'000	Accumulated losses £'000	Total shareholders' funds/(deficit) £'000
Balance as at 1 October 2018	-	1,716	(918)	798
Loss for the financial year	-	-	(2,041)	(2,041)
Total comprehensive expense for the year	-	-	(2,041)	(2,041)
Share based payments charge	-	373	-	373
Total transactions with owners recognised in equity	-	373	-	373
Balance as at 30 September 2019	-	2,089	(2,959)	(870)
Balance as at 1 October 2019	-	2,089	(2,959)	(870)
Profit for the financial year	-	-	1,770	1,770
Total comprehensive income for the year	-	-	1,770	1,770
Share based payments charge	-	470	-	470
Total transactions with owners recognised in equity	-	470	-	470
Balance as at 30 September 2020	-	2,559	(1,189)	1,370

Brooks Automation Ltd

Accounting policies

1. General Information

Brooks Automation Ltd (“the Company”) provides automated products and services for drug discovery, delivery and quality control applications within pharmaceutical, biotech, biobanking and academic institutes.

The Company is a private limited company limited by shares and is incorporated in the UK and registered in England. The address of its registered office is set out on page 2.

2. Statement of compliance

The financial statements of Brooks Automation Ltd have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (“FRS 102”) and the Companies Act 2006.

3. Summary of significant accounting policies

a. Basis of preparation of financial statements

These financial statements are prepared on a going concern basis under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the accounting policies.

These accounting policies have been applied consistently.

b. Going concern

These financial statements have been prepared on the going concern basis. The Company is primarily funded through intercompany borrowings. The directors have received assurances from group undertakings that payment of group liabilities will not be required for the foreseeable future and that these companies will continue to provide the necessary financial support to enable the Company to meet its ongoing liabilities as they fall due. On this basis the directors have prepared the financial statements on the going concern basis.

c. Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the Company’s shareholders. A qualifying entity is defined as a member of a Group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. Brooks Automation Ltd can take exemptions in its standalone financial statements. As a qualifying entity, the Company has taken advantage of the following exemptions:

i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;

ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;

iii) from the financial instrument disclosures required under FRS 102 paragraphs 11.39 – 11.48A and paragraphs 12.26 – 12.29 as the information is prepared in the consolidated financial statements disclosures of Brooks Automation, Inc.;

iv) the exemption allowed by section 33 of FRS 102 “Related Party Disclosures”, not to disclose transactions or balances with entities which form part of either of the Brooks Automation, Inc. Group; and

v) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

Brooks Automation Ltd

Accounting policies (continued)

d. Consolidated financial statements

The financial statements contain information about Brooks Automation Ltd as an individual Company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption conferred by section 401 of the Companies Act 2006. The ultimate holding Company is Brooks Automation, Inc., a Company incorporated in the United States of America and whose consolidated financial statements are publicly available at www.brooks.com.

e. Foreign currency

The Company's functional and presentation currency is the Pound Sterling (£).

Transactions in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities in the balance sheet are translated into the functional currency at the rates of exchange ruling at the end of the period. Resulting exchange gains and losses are taken to the income statement.

f. Revenue

Revenue is derived from the design and installation of equipment and systems and the provision of design services, either under fixed price or reimbursable contracts. For any design and installation contracts which include an amount for initial support and maintenance, this revenue is recognised in accordance with normal maintenance contracts. Revenue is recognised as a proportion of the total contract value on a percentage of completion basis. Revenue is also derived from maintenance contracts and is recognised on a straight line basis over the period of maintenance. All Revenue is stated net of value added tax.

Revenue on long term contracts represents the estimated contract revenues on work during the period. Contract revenues and profits are computed on the percentage of completion method, primarily by reference to labour, profits being determined after making reserves against all anticipated costs including possible warranty claims.

Revenue on short term contracts is recognised on completion of the contract once the product has been despatched to the customer.

Long-term contract balances included in inventory comprise costs incurred on long-term contracts, net of amounts transferred to cost of sales, after deducting foreseeable losses and related payments on account. Costs include all direct material and labour costs incurred in bringing a contract to its state of completion at the period end, including an appropriate proportion of indirect expenses. Provisions for estimated losses on contracts are made in the period in which such losses are foreseen. Long-term contract balances do not include attributable profit.

The excess of payments received over amounts recorded as revenue is classified under current liabilities, as payments on account. The amount by which recorded revenue is in excess of payments on account, is classified under trade and other receivables as amounts recoverable on contracts.

g. Employee benefits

i. Defined contribution pension plans

The Company operates a defined contribution plan for its employees. The contributions are recognised as an expense when they are due. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

ii. Share based payment

Certain employees of the Company are offered restrictive stock units ("RSUs") in the Company's ultimate parent Company, Brooks Automation, Inc. When RSUs are awarded to employees, the fair value of the units at the date of grant is charged to the income statement spread equally over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of RSUs that eventually vest. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Brooks Automation Ltd

Accounting policies (continued)

h. Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i. Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

i. Property, plant and equipment

Property, plant and equipment are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the assets to its working condition for its intended use.

Depreciation is provided on tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Leasehold buildings	over the period of the lease
Plant and machinery	10 – 33% per annum straight line
Fixtures, fittings and equipment	20 – 33% per annum straight line

The Directors review the residual values of assets on an annual basis. The carrying values of property, plant and equipment are reviewed for impairment if events or changes indicate the carrying value may not be recoverable.

j. Borrowing costs

Borrowing costs are recognised in the income statement in the period in which they are incurred.

k. Leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the income statement in equal annual amounts over the periods of the leases.

Brooks Automation Ltd

Accounting policies (continued)

l. Inventories

Inventories are valued at the lower of cost or net realisable. Cost is calculated as the cost of materials, direct labour and appropriate production overheads. Net realisable value is based on estimated selling price less additional costs to completion and disposal. Provision is made for obsolete and slow-moving items.

Inventories are recognised as an expense in the period in which the related revenue is recognised.

m. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probably that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions for warranty costs are based upon estimates of liabilities expected to arise and are accrued throughout the life of each relevant contract. Warranty costs incurred are then charged against the provision.

n. Research and development

Research and development costs are written off to the income statement as they are incurred.

o. Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i. Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

Basic financial liabilities, including trade and other payables, and bank loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The Company does not hold or issue derivative financial instruments.

Brooks Automation Ltd

Accounting policies (continued)

p. Related party transactions

As the Company is a wholly owned subsidiary of Brooks Automation, Inc., the Company has taken advantage of the exemption allowed by section 33 of FRS 102 “Related Party Disclosures”, and has therefore not disclosed transactions or balances with entities which form part of either of these groups.

q. Intangible assets

i. Patents

Patents are stated at cost less accumulated amortisation. Patents are amortised over their useful lives on a straight-line basis.

ii. Goodwill

Goodwill is amortised over its expected useful life which is estimated to be ten years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. No reversals of impairment are recognised.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a. Critical judgements in applying the entity’s accounting policies

i. Revenue recognition

Although most of the Company’s sales agreements contain standard terms and conditions, certain agreements contain multiple elements or non-standard terms and conditions. Judgement is exercised in interpreting the commercial terms and determining when all revenue recognition criteria have been met to ensure revenue is recognised in the appropriate accounting period.

Revenue is recognised for certain arrangements based on a percentage completion method and profit estimates are developed for long-term contracts based on total revenue expected to be generated from the project and total costs anticipated to be incurred. Significant judgement is required in estimating such total costs and measuring the progress of the project completion, as well as whether a loss is expected to be incurred on the contract.

If the judgement applied proves incorrect, revenue in particular periods may be adversely affected and that could have a material impact on the financial condition and results of operations.

ii. Share based payments

The share-based payments expense is measured at fair value on the grant date and the expense is recognised over the service periods of the awards expected to vest. The fair value of restricted stock units (“RSUs”) is determined based on the number of shares granted and the closing price of the parent Company share price on the date of grant.

The expense for share based payments is recognised on a straight-line basis, net of estimated forfeiture, over the service period. Estimates of forfeitures and the number of awards expected to vest require the use of significant judgement. Many factors are considered in developing forfeiture estimates, including award types, employee classes and historical experience. If the judgement applied proves incorrect, profits in particular periods may be adversely affected and that could have a material impact on the financial condition and results of operations.

Brooks Automation Ltd

Accounting policies (continued)

b. Critical accounting estimates and assumptions

i. *Revenue recognition*

The calculation of total profit to be generated from a project and total costs expected to be incurred as set out above involves the use of certain assumptions and estimates based upon a number of factors. These include the degree of required product customisation and the customer's existing environment based on installation work, as well historical experience, project plans and an assessment of the risks and uncertainties inherent in the contract related to implementation delays or performance issues that may or may not be in the Company's control. Losses on contracts are estimated by comparing the total estimated contract revenue to the total estimated contract costs and recognising a loss in the period in which it becomes probable and can be reliably estimated. Profit estimates for long-term contracts are reviewed during each reporting period and revised based upon changes in circumstances.

If the estimates prove incorrect, revenue in particular periods may be adversely affected and that could have a material impact on the financial condition and results of operations.

ii. *Warranty provisions*

A provision is recorded for the estimated costs of product warranties at the time revenue is recognised. Warranty obligations are affected by product failure rates, material usage or service delivery costs incurred in correcting a product failure. Warranty obligations are adjusted based on actual product failure rates, material usage or service delivery costs, which may result in revisions to the estimated warranty liabilities and additional benefits or charges to the operating profit.

iii. *Share-based payments*

As noted above, the calculation of the share-based payments expense involves the use of judgements and estimates. Many factors are considered in developing forfeiture estimates, including award types, employee classes and historical experience. The likelihood of achieving the performance goals for awards that vest upon the satisfaction of those goals, is assessed. Current estimates may differ from actual results and future changes in estimates and which would result in additional benefits or charges to the income statement.

iv. *Impairment of goodwill and investment balances*

The Company considers whether intangible assets, goodwill and fixed asset investments are impaired. Where an indication of impairment is identified the estimation of the recoverable value requires estimation of the recoverable value of the cash generating units ("CGUs"). This requires estimation of the future cash flows from the CGUs and also selection of an appropriate discount rate in order to calculate the net present value of those cash flows.

Brooks Automation Ltd

Notes to the financial statements

1 Revenue

The Company's revenue was all derived from its principal activities. An analysis by geographical market is given below:

Geographical analysis of revenue by destination	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
United Kingdom	6,400	9,582
Other European countries	23,106	24,261
United States	11,312	12,436
Rest of the world	3,915	5,118
	44,733	51,397

2 Operating profit / (loss)

	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
Operating profit / (loss) is after charging / (crediting):		
Depreciation and amortisation	2,267	2,232
(Reversal of impairment) / Impairment of inventory	(160)	139
Inventory recognised as an expense	15,273	19,736
Operating lease charges	198	368
Audit fees payable to the Company's auditors	145	220
Foreign exchange losses/(gains)	761	(42)
Share based remuneration	470	373
Research and development costs	2,927	3,713

Of the above audit fees £36,250 (2019: £43,000) relates to non-audit services, being corporate tax compliance.

Brooks Automation Ltd

Notes to the financial statements (continued)

3 Interest payable and similar expenses

Breakdown of interest expense	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
Intercompany interest payable	2,302	2,284
	2,302	2,284

4 Employees and directors

Employees

The average monthly number of persons (including directors) employed by the Company during the year ended 30 September 2020 was:

By Activity	Year ended 30 September 2020 Number	Year ended 30 September 2019 Number
Production	163	183
Sales & Administration	64	62
	227	245

	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
Staff costs during the year		
Wages and salaries	10,151	11,131
Social security costs	1,611	1,595
Other pension costs (see note 18)	741	1,046
Share based remuneration (see note 5)	470	373
	12,973	14,145

Directors

The emoluments of the directors are paid by the parent Company, Brooks Automation, Inc., which makes no recharge to the Company. They are directors of both the parent Company and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments in respect of directors. The total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of the parent Company, Brooks Automation, Inc.

Brooks Automation Ltd

Notes to the financial statements (continued)

5 Share based payments

Certain employees of the Company are offered restrictive stock units ("RSUs") in the Company's ultimate parent Company, Brooks Automation, Inc. The only vesting conditions are that the individual remains an employee of the group over the vesting period and in some cases performance related conditions are attached also.

	Year ended 30 September 2020 Number	Year ended 30 September 2019 Number
Outstanding at the beginning of the year	136,733	154,116
Granted during the year	10,532	22,597
Vested during the year	(32,574)	(31,422)
Lapsed during the year	(22,696)	(8,558)
At end of the year	91,995	136,733

The fair value of the restrictive stock units is not affected by the volatility of the underlying share price. The weighted average fair value at the measurement date for options granted in the year was \$40.01. The average share price of the options exercised during the year was \$46.69. The remaining contractual lives of the options remaining range from 0 to 3 years.

The share based remuneration expense is £470,000 (2019: £373,000).

6 Tax on profit/(loss)

	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
a) Analysis of credit for year		
Current taxation		
UK Corporation tax for the current year	-	-
Adjustment in respect of previous periods	(146)	(451)
Total current tax credit	(146)	(451)
Deferred taxation		
Origination and reversal of timing differences	99	(158)
Adjustment in respect of previous periods	(163)	120
Effects of changes in tax rates	37	-
Total deferred tax credit (note 10)	(27)	(38)
Tax on profit / (loss)	(173)	(489)

Brooks Automation Ltd

Notes to the financial statements (continued)

6 Tax on profit/(loss) (continued)

b) Reconciliation of tax credit

The tax credit for the year is lower (2019: lower) than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
Profit/(loss) before tax	1,597	(2,530)
Current tax		
Profit/(loss) before tax multiplied by standard rate in the UK of 19% (2019: 19%)	303	(481)
Effects of:		
Expenses not deductible for tax purposes	356	498
Effect of share scheme deductions	205	(174)
Re-measurement of deferred tax – change in UK rates	37	(1)
Adjustments in respect of previous periods	(309)	(331)
Exempt dividend income	(1,330)	-
Deferred tax not recognised	565	-
Tax credit for the year	(173)	(489)

Tax rate changes

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

Brooks Automation Ltd

Notes to the financial statements (continued)

7 Intangible assets

	Software under development	Patents	Goodwill	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 October 2019	515	252	9,769	10,536
Disposals	(515)	-	-	(515)
At 30 September 2020	-	252	9,769	10,021
Accumulated amortisation				
At 1 October 2019	197	69	2,931	3,197
Charge for the year	69	22	977	1,068
Released on disposal	(266)	-	-	(266)
At 30 September 2020	-	91	3,908	3,999
Net book value				
At 30 September 2020	-	161	5,861	6,022
At 30 September 2019	318	183	6,838	7,339

FluidX Limited

The Company owns the entire share capital of FluidX Limited (2019: 100%), a Company registered in England and Wales, with a registered office of Gilchrist Road, Northbank Industrial Park, Irlam, Manchester, M44 5AY. During the year the Company received no dividends (2019: £nil). The principal activity is the sale and distribution of liquid handling products and instruments.

Goodwill is allocated to the FluidX CGU, and an impairment test has been performed following the transfer of the trade and assets into the Company. The recoverable amount has been determined using value in use calculations. These value in use calculations use post-tax cash flow projections based upon budgets for the year ended 30 September 2020 and forecasts for the following two years. Subsequent cash flows are extrapolated using an estimated growth rate of 2.5%.

The rate used to discount the projected cash flows, being a post-tax risk adjusted discount rate, is 12.0%. Having completed the impairment review, no impairments have been identified. The value in use calculations described above, together with sensitivity analysis using reasonable assumptions, indicate reasonable headroom and therefore do not give rise to impairment concerns.

Brooks Automation Ltd

Notes to the financial statements (continued)

8 Property, plant and equipment

	Leasehold Buildings	Plant and machinery	Fixtures, fittings and equipment	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 October 2019	678	4,018	141	33	4,870
Additions	-	230	13	232	475
Transfer between categories	-	161	-	(161)	-
Disposals	-	(287)	(60)	-	(347)
At 30 September 2020	678	4,122	94	104	4,998
Accumulated depreciation					
At 1 October 2019	363	2,002	101	-	2,466
Charge for the year	111	1,076	12	-	1,199
Released on disposal	-	(266)	(60)	-	(326)
At 30 September 2020	474	2,812	53	-	3,339
Net book value					
At 30 September 2020	204	1,310	41	104	1,659
At 30 September 2019	315	2,016	40	33	2,404

Brooks Automation Ltd

Notes to the financial statements (continued)

9 Investments

Cost	Subsidiary undertakings £'000
At 1 October 2019	52,158
At 30 September 2020	52,158

4titude Limited

The Company acquired the entire share capital of 4titude Limited on 5 October 2017, a Company registered in England and Wales, with a registered office of The North Barn, Surrey Hills Business Park, Damphurst Lane, Wotton, Surrey, RH5 6QT. During the year the Company received no dividends. 4titude Limited specialises in the design, manufacture and marketing of consumables and bench top instrumentation for the life sciences industry.

Indirect group investments

The Company has indirect investments, via FluidX Limited, of the following subsidiary undertakings:

Subsidiary undertaking	Principal activity	Holding	%
Biofex Limited ¹	Dormant	Ordinary shares	100
Cedrex A/S ²	Manufacture and research and development of Instruments	Ordinary shares	100

¹ Gilchrist Road, Northbank Industrial Park, Irlam, Manchester, M44 5AY

² Notgangen 3, DK-2690, Karlslunde, Denmark

Brooks Automation Ltd

Notes to the financial statements (continued)

10 Deferred tax asset

Deferred tax asset

	£'000
At 1 October 2019	311
Credited to income statement	27
At 30 September 2020	338

The above amounts at 30 September 2020 are disclosed as non-current assets.

The deferred tax asset comprises:

	30 September 2020 £'000	30 September 2019 £'000
Accelerated capital allowances	66	(107)
Other timing differences	272	418
Deferred tax asset	338	311

The deferred tax asset above has been recognised in the financial statements based on the budgeted future taxable profits.

There was no unprovided deferred tax as at 30 September 2020 or 2019.

11 Inventories

	30 September 2020 £'000	30 September 2019 £'000
Raw materials and consumables	6,379	6,665
Finished goods inventory	6,260	4,801
Work in progress – long term contracts	769	2,391
	13,408	13,857

There is no significant difference between the replacement cost and the values shown for all stock categories. Inventories are stated after provisions for impairment of £1,627,000 (2019: £1,787,000)

Brooks Automation Ltd

Notes to the financial statements (continued)

12 Trade and other receivables

	30 September 2020 £'000	30 September 2019 £'000
Trade receivables	8,242	4,722
Amounts recoverable on contracts	4,528	4,836
Amounts owed by Group undertakings	4,425	3,610
Corporation tax	139	-
Other debtors	889	666
Prepayments and accrued income	546	480
	18,769	14,314

Interest is not charged or accrued in respect of amounts receivable from Company or subsidiary undertakings and the amounts are subject to the normal trading terms and conditions of the Company which are 30 days end of month.

Trade receivables are stated after provisions for impairment of £22,000 (2019: £31,000).

The directors consider the carrying value of trade and other receivables to approximate their fair value due to their short-term nature.

Brooks Automation Ltd

Notes to the financial statements (continued)

13 Creditors: amounts falling due within one year

	30 September 2020 £'000	30 September 2019 £'000
Payments received on account	5,004	4,547
Trade payables	3,882	2,790
Amounts owed to Group undertakings	8,538	6,192
Other taxation and social security	403	784
Other creditors	2,025	1,184
Corporation tax payable	-	67
Accruals and deferred income	1,497	1,763
	21,349	17,327

The balance due to Group undertakings is subject to the normal trading terms and conditions of the Company which are 30 days end of month. No security is provided over non-trading amounts owed to Group undertakings.

The directors consider the carrying value of trade and other payables to approximate their fair value due to their short-term nature.

14 Creditors: amounts falling due after more than one year

	30 September 2020 £'000	30 September 2019 £'000
Amounts falling due after more than five years		
Amounts owed to Group undertakings	76,734	75,221

Interest of 2.75% is charged in respect of £58,025,000 (2019: £56,512,000) of the amounts owed to Group undertakings. The balance is due to be repaid after November 2032 and is a non-instalment debt.

Interest of 4.00% is charged in respect of £18,709,000 (2019: £18,709,000) of the amounts owed to Group undertakings. The balance is due to be repaid after September 2026 and is a non-instalment debt.

Brooks Automation Ltd

Notes to the financial statements (continued)

15 Provisions for liabilities

	Other provision £'000	Warranty provision £'000	Total provision £'000
At 1 October 2019	50	1,416	1,466
Decrease in the year	-	(215)	(215)
At 30 September 2020	50	1,201	1,251

A provision is held in the UK for warranty costs based on managements' best estimate of future expected warranty costs. Customers receive a guaranteed warranty for a given period on the purchase of equipment. The provision is calculated by applying experience of claims made against the warranty over a given period. The other provision relates to leasehold dilapidation costs.

16 Called up share capital

	30 September 2020 £	30 September 2019 £
Issued, allotted, called up and fully paid		
1 (2019: 1) Ordinary share of £1 each	1	1

17 Operating lease commitments

There were no capital commitments contracted for at the beginning or end of the year.

At 30 September 2020 the Company had the following future minimum lease payments under non-cancellable operating leases for each of the following years:

	30 September 2020 £'000	30 September 2019 £'000
Payments due:		
Not later than one year	245	124
Later than one year and not later than five years	932	24
Later than five years	3,249	-
	4,426	148

18 Post-employment benefits

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge represents contributions payable by the Company to the fund and amounted to £741,000 (2019: £1,046,000). Amounts totalling £102,000 (2019: £155,000) have been accrued but not paid to the scheme at the year end and these are included within other creditors in the balance sheet.

Brooks Automation Ltd

Notes to the financial statements (continued)

19 Related party transactions

The Company was a wholly owned subsidiary of Brooks Automation, Inc. In accordance with the exemption allowed by section 33 of FRS 102 "Related Party Disclosures", no disclosure is made of transactions or balances with entities which form part of either of these groups.

20 Ultimate parent company and controlling party

The Company is a subsidiary of Brooks Automation, Inc. Brooks Automation, Inc. is the largest and smallest Company of undertakings to consolidate these financial statements at 30 September 2020. The consolidated financial statements of Brooks Automation, Inc. can be obtained from 15 Elizabeth Drive, Chelmsford, MA USA 01824.

The immediate parent undertaking is Brooks Automation Luxembourg Sarl, which is incorporated in Luxembourg. The ultimate parent undertaking is Brooks Automation, Inc.