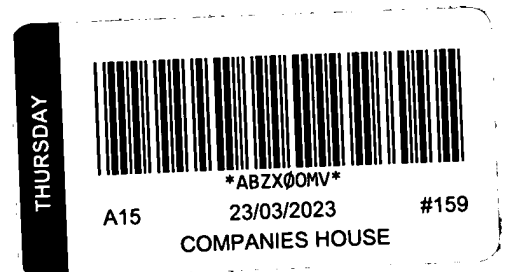


Matthey Finance Limited

Annual Report and Accounts

For the year ended 31 March 2022

Registered number: 00301279



Matthey Finance Limited

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Matthey Finance Limited

Strategic report

Principal activities

The company is a holding company for Johnson Matthey Brasil Ltda. The directors do not expect the principal activities of the company to change in the foreseeable future.

Performance during and position at the end of the year

The company's profit for the year ended 31 March 2022 is £112,000 (2021: £26,000). During the year ended 31 March 2022, the company received no dividends from subsidiaries (2021: £nil). The income statement is set out on page 7. The net assets of the company at 31 March 2022 were £199,699,000 (2021: £199,587,000). Due to the principal activity of the company being a holding company the directors do not use financial key performance indicators when assessing the performance of the company during the year.

Principal risks and uncertainties

The company's principal financial assets are intercompany loans owed by the ultimate parent company. The company therefore has credit risk attributable to the amounts receivable from ultimate parent company. Counterparties are assessed against the appropriate credit ratings, trading experience and market position. Credit limits are then defined and exposures monitored against these limits. The directors consider the credit risk to be low as it is managed through the overall groups liquidity position in both short and long term.

Section 172 statement

The directors consider that they have acted, in good faith, in a way that is most likely to promote the long-term success of the company for the benefit of its members as a whole. In doing so, the board considers the interest of a range of stakeholders impacted by the business, as well as its duties as set out in law. This statement details how the directors have discharged their duties under section 172 of the Companies Act 2006 during the year under review.

For each matter which comes before the board, stakeholders who may be affected are identified and their interest considered as part of the board's decision process. The board is mindful of the group's governance framework and ensures compliance with this as well as upholding the values and ethical standards set by the group. The board utilises some of the wider group policies and practices to ensure effective stakeholder engagement, and to ensure that the directors' obligations to its shareholder and to its stakeholders are met. Details of the group's stakeholder engagement can be found on pages 92 to 93 of Johnson Matthey Plc, the company's ultimate shareholder, 2022 Annual Report and Accounts which are available to view online at www.matthey.com/AR22.


The company has no employees. The staff that support the company are mostly employed by the ultimate shareholder, Johnson Matthey Plc.

The board recognises the importance of fostering good business relationships with suppliers, and the board continues to work with management to ensure the company treats suppliers fairly and in line with Group Procurement Policies.

The ultimate shareholder is Johnson Matthey Plc and there is ongoing communication and engagement with the Johnson Matthey Plc board and its relevant committees.

On behalf of the board

K Hayzen-Smith
Director

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16 March 2023

Matthey Finance Limited

Directors' report

The directors of Matthey Finance Limited (the "company") present their report and audited accounts for the year ended 31 March 2022.

Results and dividends

The company's profit for the year ended 31 March 2022 is £112,000 (2021: £26,000). The income statement is set out on page 7. The directors do not recommend the payment of a final ordinary dividend for the year ended 31 March 2022 (2021: £nil). The directors expect the business to continue as a holding company for the foreseeable future. The company does not have any employees.

Going concern

The company has net current assets of £199,699,000 as at 31 March 2022. This relates to amounts due from the ultimate parent company, these amounts have been assessed for recoverability and deemed to be recoverable. Consequently, the directors have prepared the accounts on a going concern basis.

Financial risk management

The company's activities expose it to certain financial risks including credit risk, liquidity risk and cash flow risk.

Credit risk

The company's principal financial assets are intercompany loans owed by the ultimate parent company. The company's credit risk is primarily attributable to the amounts receivable from ultimate parent company. Counterparties are assessed against the appropriate credit ratings, trading experience and market position. Credit limits are then defined and exposures monitored against these limits.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments the company uses short-term loans from group companies.

Cash flow risk

There is minimal cash flow risk to the company given the nature of its activities.

Directors

The directors of the company who were in office during the year and up to the date of signing the accounts were K Hayzen-Smith, N Cooper, and J C E Tasker.

Directors' indemnity

Under a Deed Poll dated 31 January 2017, the ultimate parent company granted indemnities in favour of each director of its subsidiaries in respect of any liability that he or she may incur to a third party in relation to the affairs of any group member. Such indemnities were in force during the year ended 31 March 2022 for the benefit of all persons who were directors of the subsidiaries at any time during the year ended 31 March 2022 and remain in force for the benefit of all persons who are directors of the subsidiaries at the date when this report was approved.

Disclosure of information to auditors

So far as each person currently serving as a director of the company at the date this report is approved is aware, there is no relevant audit information of which the company's auditors are unaware and each director hereby confirms that he or she has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

In accordance with sections 485 and 487 of the Companies Act 2006, PricewaterhouseCoopers LLP are re-appointed as auditors of the company.

Matthey Finance Limited

Directors' report

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Strategic report, Director's report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have prepared the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial accounts;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 also 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 accounts comply with the Companies Act 2006.

Directors' confirmations


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.

On behalf of the board

K Hayzen-Smith
Director

16 March 2023

DocuSigned by:

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Independent auditor's report to the members of Matthey Finance Limited

Report on the audit of the financial statements

Opinion

In our opinion, Matthey Finance Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 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, including FRS 101 "Reduced Disclosure Framework", 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 Accounts (the "Annual Report"), which comprise: balance sheet as at 31 March 2022; income statement and statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Independent auditor's report to the members of Matthey Finance Limited

Strategic report and Directors' report

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 31 March 2022 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.

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 strategic report, the directors' report and accounts, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK Tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Reviewed board minutes to identify any instances of non-compliance with laws and regulations
- Tested manual journal entries posted to identify any instances of management override of controls
- Enquired with the finance and legal teams to understand if there were any instances of non-compliance during the year

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

Independent auditor's report to the members of Matthey Finance Limited

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 obtained 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.



Paul Wheeler (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
16 March 2023

Matthey Finance Limited

Income statement

For the year ended 31 March 2022

	Notes	2022 £'000	2021 £'000
Administrative expenses		(4)	(3)
Operating loss		(4)	(3)
Finance income	2	142	35
Profit before taxation		138	32
Income tax expense	5	(26)	(6)
Profit for the financial year		112	26

There were no other comprehensive income or expenses during the year.

The accompanying notes set out on pages 11 to 14 are an integral part of the accounts.

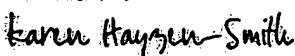
Matthey Finance Limited

Balance sheet

As at 31 March 2022

	Notes	2022 £'000	2021 £'000
Assets			
Non-current assets			
Investments	6	-	-
Total non-current assets		-	-
Current assets			
Amounts receivable from ultimate parent company	7	199,709	199,594
Total current assets		199,709	199,594
Total assets		199,709	199,594
Liabilities			
Current liabilities			
Amounts payable to ultimate parent company	8	(10)	(7)
Total liabilities		(10)	(7)
Net assets		199,699	199,587
Equity			
Share capital	9	200,097	200,097
Share premium		7,675	7,675
Accumulated losses		(8,073)	(8,185)
Total equity		199,699	199,587

The accounts on pages 7 to 14 were approved by the board on 16 March 2023 and signed on its behalf by:

DocuSigned by:

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K Hayzen-Smith
 Director

Company registration number: 00301279

The accompanying notes set out on pages 11 to 14 are an integral part of the accounts.

Matthey Finance Limited**Statement of changes in equity****For the year ended 31 March 2022**

	Share capital £'000	Share premium £'000	Accumulated losses £'000	Total equity £'000
At 1st April 2020	200,097	7,675	(8,211)	199,561
Profit for the financial year	-	-	26	26
At 31st March 2021	200,097	7,675	(8,185)	199,587
Profit for the financial year	-	-	112	112
At 31st March 2022	200,097	7,675	(8,073)	199,699

The accompanying notes set out on pages 11 to 14 are an integral part of the accounts.

Matthey Finance Limited

Accounting policies

For the year ended 31 March 2022

Matthey Finance Limited is a private company limited by shares incorporated, domiciled and registered in England in the United Kingdom. The address of its registered office is 5th Floor, 25 Farringdon Street, London, EC4A 4AB.

Basis of preparation

The accounts are prepared on a going concern basis in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The accounts are prepared under the historical cost convention measured at fair value through profit and loss, and in accordance with the Companies Act 2006. The accounting policies set out below have, unless otherwise stated, been applied consistently.

The company has net current assets of £199,699,000 as at 31 March 2022. This relates to amounts due from other Group undertakings, these amounts have been assessed for recoverability and deemed to be recoverable. Consequently, the directors have prepared the accounts on a going concern basis.

The following exemptions from the requirements of IFRS have been applied in the preparation of these accounts, in accordance with FRS 101:

- the requirements of paragraphs 10(d), 38A, 38B, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1, Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Functional and presentation currency

Items included in the accounts of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The accounts are presented in 'Pounds Sterling' (£), which is also the company's functional currency.

Exemption from preparing consolidated accounts

The accounts contain information about Matthey Finance Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated accounts as it and its subsidiary undertakings are included by full consolidation in the consolidated accounts of its parent, Johnson Matthey Plc.

Finance income

Finance income is recognised in the income statement in the year incurred.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less any provisions for impairment. If a distribution is received then the investment is assessed for an indication of impairment.

Taxation

Current tax is recognised in the income statement and is the amount of income tax expected to be paid in respect of taxable profits using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Matthey Finance Limited

Notes to the accounts

For the year ended 31 March 2022

1. Critical accounting estimates and judgements

The Company makes an estimate of the recoverable value of the loan due from the ultimate parent entity. When assessing impairment of the loan, the directors consider factors including the credit rating of the Group, liquidity forecasts for the Group, the aging profile of the Group's debt and historical experience of loan write-offs. The directors take the judgement that based on the fact that Johnson Matthey Plc has sufficient money facilities and net assets to repay the loan, no credit loss should be booked.

2. Finance income

	2022 £'000	2021 £'000
Interest receivable from ultimate parent company	142	35
Total finance income	142	35

3. Audit fee

Audit fees payable to the company's auditors for the audit of the company's annual accounts were £3,600 (2021: £3,500).

4. Directors remuneration

The directors are remunerated by the ultimate parent company. No remuneration was paid to the directors in respect of services to this company (2021: £nil). During the year none of the directors (2021: none) exercised share options in the ultimate parent company and three of the directors (2021: two) received shares under the ultimate parent company long term incentive plan.

Matthey Finance Limited

Notes to the accounts

For the year ended 31 March 2022

5. Income tax expense

	2022 £'000	2021 £'000
Income tax expense		
UK corporation tax on profits for the year	26	6
Tax expense	26	6

No provision for deferred tax is required.

The tax charge for the year can be reconciled to the profit per the income statement as follows:

	2022 £'000	2021 £'000
Profit before tax	138	32
Tax expense at UK corporation tax rate of 19% (2021 19%)	26	6
Tax expense	26	6

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Matthey Finance Limited

Notes to the accounts

For the year ended 31 March 2022

6. Investments

The company holds an investment in Johnson Matthey Brasil Ltda at a carrying value of nil (2021: nil). The gross value of the investment is £10,346,000 which has been fully impaired.

At 31 March 2022 the subsidiaries were:
(unless otherwise stated the subsidiaries are 100% owned)

Entity	Registered Address
<i>Owned directly</i>	
Johnson Matthey Brasil Ltda	Avenida Macuco, 726, 12th Floor, Edificio International Office, CEP04523-001, Brazil

7. Amounts receivable from ultimate parent company

	2022	2021
	£'000	£'000
Amounts receivable from ultimate parent company	199,709	199,594
	<u>199,709</u>	<u>199,594</u>

Amounts receivable from ultimate parent company are repayable on demand, and interest is accrued daily at one-month SONIA less 0.125% subject to a minimum of zero percent.

8. Amounts payable to ultimate parent company

	2022	2021
	£'000	£'000
Current		
Amounts payable to ultimate parent company	10	7
	<u>10</u>	<u>7</u>

Amounts payable to ultimate parent company are not subject to contractual arrangement, and therefore no interest is charged.

9. Share capital

	Number	£'000
Issued and fully paid ordinary shares of £1 each		
At 31 March 2021 and 31 March 2022	200,097,095	200,097
	<u>200,097,095</u>	<u>200,097</u>

10. Related party transactions

There were no related party transactions during the year other than between the company and other Johnson Matthey group companies.

Matthey Finance Limited

Notes to the accounts

For the year ended 31 March 2022

11. Ultimate parent company

The company's immediate parent company is Matthey Holdings Limited. Its ultimate parent company and the smallest and largest group to consolidate these accounts is Johnson Matthey Plc. The consolidated accounts of Johnson Matthey Plc are available to the public and may be obtained from 5th Floor, 25 Farringdon Street, London EC4A 4AB or www.matthey.com.