

Company Registration No. 2939693

Matcon Group Limited

Annual Report and Financial Statements

For the year ended 31 December 2014

WEDNESDAY



A4H0Y33V

A54

30/09/2015

#40

COMPANIES HOUSE

Matcon Group Limited

Annual Report and Financial Statements for the year ended 31 December 2014

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report	5
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9

Matcon Group Limited

Annual Report and Financial Statements for the year ended 31 December 2014

Officers and professional advisers

Directors

D Cooper
A Nutter
E Gillyon
N D Brinker

Registered Office

Unit 410 Bramley Drive
Vale Park
Evesham
Worcestershire
WR11 1JH

Bankers

Barclays Bank plc
1 Churchill Place
Canary Wharf
London
E14 5HP

Solicitors

Baker & McKenzie LLP
100 New Bridge Street
London
EC4V 6JA

Auditor

Deloitte LLP
Chartered Accountants
Leeds, United Kingdom

Matcon Group Limited

Strategic report

Principal activities and review of the business

The company is the holding company of the Matcon group of companies. The company does not trade and accordingly it has no direct KPIs. The main risk it faces is the potential diminution in the carrying value of its investments.

The principal activity of the company is that of a holding company and those of the group continued to be that of the design, engineering, manufacture and supply of powder handling systems incorporating our own unique range of Intermediate Bulk Container (BC) technology. These systems are delivered to a wide range of industries with major applications in food, pharmaceuticals, plastics, chemicals, metal powders and a host of other industries, around the globe.

There have not been any significant changes in the group's principal activities in the year under review. The Directors are not aware, at the date of this annual report, of any likely major changes in the group's activities in the next year.

Key performance indicators

A detailed review of the performance of the principal trading subsidiary, Matcon Limited, is provided in that company's financial statements, which reflects the underlying trading of the group. In line with the exemption allowed under section 401 of the Companies Act 2006, the group does not prepare consolidated financial statements as it is included in the consolidated financial statements of its ultimate parent company.

The company did not trade in the year and accordingly the result for the year is £nil. The company did not trade in the prior year but recognised a retained profit of £1,060 due to a corporation tax credit.

The balance sheet on page 9 of the financial statements shows that the group's financial position at the year end is consistent with the prior year, with net assets remaining at £2,557,542.

Principal risks and uncertainties

As a holding company the company has few direct risks. The principal risk is the potential diminution in the carrying value of its investments. Accordingly, the principal risks of its subsidiaries, which indirectly impact upon the carrying value of the company's investments, are presented:

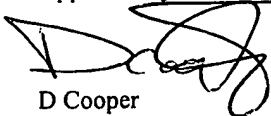
Order levels: As a supplier of powder handling systems within larger capital projects, the group can be affected by levels of confidence and capital spend trends within its key target markets. To mitigate this risk the directors have continued a policy of broadening our market offering in terms of product range, industry, customer and geographical spread. The directors consider that the worldwide marketplace for our products and solutions is more than sufficient for the safe and continued development of the group.

Foreign exchange risk: The group operations in the global marketplace and is exposed to foreign exchange risks through both sales and purchases made in foreign currencies principally the Euro and US Dollar. There is a degree of natural hedging provided where we make both purchases and sales in the same currencies. The group operate as part of a global group who have a central treasury function who monitor exchange risk exposure across the group.

Credit risk: The group's customer base largely comprises established, reputable companies, many of whom are regarded as "blue chip". Thorough credit checks are carried out before accepting orders from new companies. Payment terms always involve stage payments which are taken as the job progresses. The group sometimes has high concentrations of debtors from a small number of customers but given the customer profile this is not considered to be a significant risk.

Cash flow and interest rate risk: The group has agreed facility levels with its bank that are considered adequate for current trading levels. The bank balance fluctuates depending on the timing of receipts from major projects. There is some exposure to a risk of increasing interest rates but the directors do not consider this to be significant to the overall results and have not entered into any formal hedging strategies.

Approved by the Board of Directors and signed on its behalf by



D Cooper
Director

28 September 2015

Matcon Group Limited

Directors' report

The Directors present their annual report and the audited financial statements for the year ended 31 December 2014.

Principal Activities

The principal activity of the company is that of an investment holding company.

Results and Dividends

The company has not traded in the year. Prior year trading related solely to a tax credit in relation to previous periods. Accordingly the result for the year is £nil (2013: retained profit of £1,060). The directors do not recommend the payment of any dividends (2013: £nil).

Directors

The directors, who served throughout the year and to the date of this report except as noted, were as follows:

C Lee (resigned 1 October 2014)
P Ruck (resigned 14 June 2014)
A Nutter
E Gillyon
N D Brinker (appointed 14 June 2014)
D Cooper (appointed 1 October 2014)

Going concern

After making enquiries, the Board of Directors has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future even after considering the uncertainties that exist in the current economic environment. The Directors have considered the availability of financing, the fact the wider group is profitable, generates positive cashflows and the forecast trading of the business. Additionally sales orders levels at the company's subsidiaries are expected to remain strong going forward. Thus the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP accepted appointment as auditor during the year and have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



D Cooper
Director

28 September 2015

Matcon Group Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

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

Independent auditor's report to the members of Matcon Group Limited

We have audited the financial statements of Matcon Group Limited for the year ended 31 December 2014 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Matcon Group Limited (continued)

Matters on which we are required to report by exception

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

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



Matthew Hughes BSc (Hons), ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds, United Kingdom

28 September 2015

Matcon Group Limited

Profit and loss account

For the year ended 31 December 2014

	Notes	2014 £	2013 £
Operating profit		-	-
Tax on result on ordinary activities	4	-	1,060
Result / profit for the financial year	8	-	1,060

The company's results in the current and prior year were derived from continuing operations.

There are no recognised gains or losses other than the result/profit as shown in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses has been prepared.

The notes on pages 9 to 12 form an integral part of these financial statements.

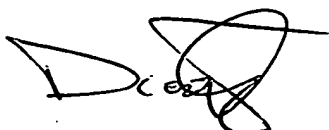
Matcon Group Limited

Balance sheet As at 31 December 2014

	Notes	2014 £	2013 £
Fixed assets			
Investments	5	2,339,183	2,339,183
Current assets			
Debtors	6	218,359	218,359
Net current assets		218,359	218,359
Total assets less current liabilities		2,557,542	2,557,542
Net assets		2,557,542	2,557,542
Capital and reserves			
Called-up share capital	7	1,000,000	1,000,000
Capital redemption reserve	8	1,000,000	1,000,000
Profit and loss account	8	557,542	557,542
Total equity shareholder's funds	9	2,557,542	2,557,542

The financial statements of Matcon Group Limited, registered number 2939693 were approved by the Board of Directors and authorised for issue on 28 September 2015.

Signed on behalf of the Board of Directors



D Cooper
Director

Matcon Group Limited

Notes to the Financial statements Year ended 31 December 2014

1. Accounting policies

The financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice. The particular accounting policies adopted are described below.

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with United Kingdom Generally Accepted Accounting Practice.

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the IDEX Corporation group, as discussed in more detail in note 11, and is included in those consolidated financial statements.

Going concern

After making enquiries, the Board of Directors has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future even after considering the uncertainties that exist in the current economic environment. The Directors have considered the availability of financing, the fact the wider group is profitable, generates positive cashflows and the forecast trading of the business. Additionally sales orders levels at the company's subsidiaries are expected to remain strong going forward. Thus the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Exemption from preparing consolidated financial statements

The company has taken advantage of the exemption allowed under Section 401 of The Companies Act 2006 from preparing consolidated financial statements as it is included in consolidated financial statements for a larger group. See note 11 for more details.

Fixed asset investments

Fixed asset investments are stated as historical cost less provision for any diminution in value.

Financial instruments

Financial instruments are classified and accounted for, according to the contractual arrangement, as financial assets, financial liabilities or equity instruments.

Taxation

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of 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. Timing differences are differences between the company's taxable results and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Ordinary share capital

Ordinary share capital is accounted for at cost.

2. Auditor's remuneration

Auditor's remuneration of £2,000 (2013: £2,000) was settled by a fellow subsidiary undertaking in both the current and prior year.

Matcon Group Limited

Notes to the Financial statements Year ended 31 December 2014

3. Information regarding directors and employees

The company has no employees (2013: £nil). Accordingly it has no staff costs (2013: £nil). The directors received no remuneration from the company during the current and prior year. The directors are remunerated by fellow Group companies and it is not practicable to apportion their costs between companies (2013: same).

4. Tax on result on ordinary activities

	2014 £	2013 £
United Kingdom corporation tax at 21.5 % (2013: 23.25%) based on the result for the year	-	-
Current tax		
Adjustments in respect of previous years	-	(1,060)
	<u>-</u>	<u>(1,060)</u>
	<u>-</u>	<u>(1,060)</u>

Factors affecting tax position for the year

Tax on result on ordinary activities is the same as (2013: lower) than the average standard rate of corporation tax in the UK of 21.5% (2013: 23.25%).

The differences are reconciled below:

	2014 £	2013 £
Result on ordinary activities before taxation	-	-
Corporation tax at average standard rate of 21.5% (2013: 23.25%)	-	-
Adjustments in respect of prior periods	-	(1,060)
	<u>-</u>	<u>(1,060)</u>
Total current tax	<u>-</u>	<u>(1,060)</u>

Matcon Group Limited

Notes to the Financial statements Year ended 31 December 2014

5. Investments held as fixed assets

	2014 £	2013 £
Shares in group undertakings and participating interests	<u>2,339,183</u>	<u>2,339,183</u>

Shares in group undertakings and participating interests are stated at cost. There is nil (2013: £nil) provision for diminution in value.

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of Subsidiary Undertaking	Holding	Rights and shares held proportion of voting	Principal activity
Matcon Limited (England & Wales)	Ordinary	100%	Design, engineering and supply of power handling systems
Matcon (R&D) Limited (England & Wales)	Ordinary	100%	Management of patents and royalties, research and development
Matcon Pacific Pty (Australia)	Ordinary	100%	Design, engineering and supply of powder handling systems
Matcon Japan KK (Japan)	Ordinary	100%	Sale of powder handling systems

All holdings are direct shareholdings.

6. Debtors

	2014 £	2013 £
Amounts owed by group undertakings	<u>218,359</u>	<u>218,359</u>

Matcon Group Limited

Notes to the Financial statements Year ended 31 December 2014

7. Called-up share capital

Authorised, allotted, called up and fully paid shares;

	2014 No.	2014 £	2013 No.	2013 £
Ordinary shares of £1 each	1,000,000	1,000,000	1,000,000	1,000,000

8. Reserves

	Capital redemption reserve £	Profit and loss account £	Total £
At 1 January 2014	1,000,000	557,542	1,557,542
Result for the year	-	-	-
At 31 December 2014	1,000,000	557,542	1,557,542

9. Reconciliation of movement in shareholder's funds

	2014 £	2013 £
Shareholder's funds as 1 January 2014	2,557,542	2,556,482
Net movement in Shareholder's funds	-	1,060
Shareholder's funds at 31 December	2,557,542	2,557,542

10. Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other wholly owned subsidiaries of the IDEX Corporation Group.

11. Ultimate parent company

The company's immediate parent undertaking is Idex Investment UK Limited, a company registered in England and Wales.

IDEX Corporation is the ultimate controlling party, and is the smallest and largest group that prepares consolidated group financial statements which include the results of Matcon Group Limited, copies of which may be obtained from 1925 West Field Court, Suite 200, Lake Forest, Illinois 60045, USA.