

**Matcon Group Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2019**

Registration number 2939693



# **MATCON GROUP LIMITED**

## **Annual Report and Financial Statements for the year ended 31 December 2019**

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# **MATCON GROUP LIMITED**

## **Annual Report and Financial Statements for the year ended 31 December 2019**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **Directors**

S Ball  
B Prybylski

#### **Secretaries**

L Anderson  
B Hanigan

#### **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  
Statutory Auditor  
Leeds, United Kingdom

# **MATCON GROUP LIMITED**

## **STRATEGIC REPORT**

### **For the year ended 31 December 2019**

The directors present their strategic report and directors' report on the affairs of the company, together with the audited financial statements for the year ended 31 December 2019.

#### **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 (IBC) 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. The balance sheet on page 9 of the financial statements shows that the Company has net assets of £2,501,986 (2018: £2,501,986).

#### **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.

## **MATCON GROUP LIMITED**

### **STRATEGIC REPORT**

**For the year ended 31 December 2019**

#### **Principal risks and uncertainties (continued)**

**COVID-19 impact:** The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity. We have taken a number of measures to monitor and prevent the effects of the COVID-19 virus such as safety and health measures for our people (like social distancing and working from home) and securing the supply of materials that are essential to our production process. At this stage, the impact on our business and results is limited. We will continue to follow the various national institutes policies and advice and in parallel will do our utmost to continue our operations in the best and safest way possible without jeopardising the health of our people. Whilst uncertain, we do not believe, however, that the impact of the COVID-19 virus would have a material adverse effect on our financial condition or liquidity

#### **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. In light of the COVID-19 pandemic, 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 subsidiary is expected to remain strong going forward. Thus the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Approved by the Board of Directors on 1 December 2020 and signed on its behalf by



S Ball  
Director

## **MATCON GROUP LIMITED**

### **DIRECTORS' REPORT**

**For the year ended 31 December 2019**

The Directors present their annual report and the audited financial statements for the year ended 31 December 2019.

The company's principal activity, a review of the business, the company's principal risk and uncertainties and consideration of going concern are presented in the Strategic report.

#### **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. The company received a dividend from Matcon Limited of £nil (2018: £5.725m) and the profit and loss account therefore shows a result of £nil (2018: £5.725m profit). The directors paid a dividend of £nil in the year (2018: £5.725m, £5.725 per share).

#### **Directors**

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

S Ball  
B Prybylski

#### **Significant events since the balance sheet date**

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Despite these challenging economic conditions, the directors expect the results and financial position of the company to remain at similar levels going forward.

#### **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.

In accordance with section 385 of the Companies Act 2006, appropriate arrangements have been put in place for Deloitte LLP to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors on 1 December 2020 and signed on behalf of the Board.



S Ball  
Director

## **MATCON GROUP LIMITED**

### **DIRECTORS' RESPONSIBILITY STATEMENT For the year ended 31 December 2019**

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) including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland". 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**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Matcon Group Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



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

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

### **Responsibilities of directors**

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, and for such internal control as the directors 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.

### **Auditor's 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 auditor's 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

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

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

### **Use of our report**

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.



**Matthew Hughes BSc (Hons), ACA (Senior statutory auditor)**  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Leeds, United Kingdom  
1 December 2020

## **MATCON GROUP LIMITED**

### **PROFIT AND LOSS ACCOUNT** **For the year ended 31 December 2019**

	Note	2019 £	2018 £
<b>Operating result</b>		-	-
Dividend received from subsidiary undertaking		-	5,725,000
<b>Result/profit</b>		-	5,725,000
Tax on result/profit	4	-	-
<b>Retained result/profit for the financial year</b>		-	5,725,000

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

There are no sources of comprehensive income other than the result/profit as shown in the profit and loss account. Accordingly, no separate statement of comprehensive income has been prepared.

The notes on pages 11 to 16 form an integral part of these financial statements.

# MATCON GROUP LIMITED

## BALANCE SHEET As at 31 December 2019

	Notes	2019 £	2018 £
<b>Fixed assets</b>			
Investments	5	2,283,627	2,283,627
<b>Current assets</b>			
Debtors	6	218,359	218,359
<b>Net current assets</b>		218,359	218,359
<b>Total assets less current liabilities</b>		2,501,986	2,501,986
<b>Net assets</b>		2,501,986	2,501,986
<b>Capital and reserves</b>			
Called-up share capital	7	1,000,000	1,000,000
Capital redemption reserve		1,000,000	1,000,000
Profit and loss account		501,986	501,986
<b>Total equity shareholder's funds</b>		2,501,986	2,501,986

The financial statements of Matcon Group Limited, registered number 2939693 were approved by the Board of Directors and authorised for issue on 1 December 2020.

Signed on behalf of the Board of Directors



S Ball  
Director

## MATCON GROUP LIMITED

### STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2019

	<b>Called-up share capital</b> £	<b>Capital redemption reserve</b> £	<b>Profit and loss account</b> £	<b>Total</b> £
<b>At 1 January 2018</b>	1,000,000	1,000,000	501,986	2,501,986
Profit for the financial year and total comprehensive income	-	-	5,725,000	5,725,000
Dividend paid (note 7)	-	-	(5,725,000)	(5,725,000)
<b>At 31 December 2018</b>	<u>1,000,000</u>	<u>1,000,000</u>	<u>501,986</u>	<u>2,501,986</u>
Result for the financial year and total comprehensive result	-	-	-	-
<b>At 31 December 2019</b>	<u>1,000,000</u>	<u>1,000,000</u>	<u>501,986</u>	<u>2,501,986</u>

# **Matcon Group Limited**

## **Notes to the Financial statements For the year ended 31 December 2019**

### **1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

#### ***General information and basis of accounting***

Matcon Group Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on the Company Information page. The nature of the company's operations and its principal activities are set out in the Strategic report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Matcon Group Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Matcon Group Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Matcon Group Limited is consolidated in the financial statements of its parent, IDEX Corporation, which may be obtained at 1925 West Field Court, Suite 200, Lake Forest, Illinois 60045, USA. Exemptions have been taken in these separate Company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

#### **Dividend revenue**

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably).

#### **Going concern**

As mentioned in the principal risks and uncertainties section on page 2, the impact of COVID-19 on our business and results is limited. Whilst uncertain, we do not believe, however, that the impact of the COVID-19 virus would have a material adverse effect on our financial condition or liquidity.

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 9 for more details.

#### **Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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

## **Matcon Group Limited**

### **Notes to the Financial statements For the year ended 31 December 2019**

#### **1. Accounting policies (continued)**

##### **Financial instruments (continued)**

###### **(i) Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

###### **ii) Investments**

In the Company balance sheet, investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

###### **iii) Equity instruments**

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

##### **Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

##### **Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

## **Matcon Group Limited**

### **Notes to the Financial statements For the year ended 31 December 2019**

#### **1. Accounting policies (continued)**

##### **Impairment of assets (continued)**

Where indicators exist for a decrease in impairment loss previously recognised for assets other than goodwill, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets of the CGU, except for goodwill, on a pro-rata basis. Impairment of goodwill is never reversed.

##### **Financial assets**

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

##### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider there to be any critical accounting judgements or key sources of estimation uncertainty in applying the company's accounting policies.

#### **2. Auditor's remuneration**

Auditor's remuneration of £2,000 (2018: £2,000) was settled by a fellow subsidiary undertaking in both the current and prior year.



## Matcon Group Limited

### Notes to the Financial statements For the year ended 31 December 2019

#### 3. Information regarding directors and employees

The company has no employees (2018: nil). Accordingly, it has no staff costs (2018: £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 (2018: same).

#### 4. Tax on result/profit

Current tax	2019 £	2018 £
United Kingdom corporation tax at 19.00 % (2018: 19.00%) based on the profit/result for the year	-	-

#### Factors affecting tax position for the year

Tax on result/profit differs from the average standard rate of corporation tax in the UK of 19% (2018: 19%).

The differences are reconciled below:

	2019 £	2018 £
Result/profit before taxation	-	5,725,000
Tax on result/profit at average standard UK corporation tax rate of: 19% (2018: 19%)	-	1,087,750
Effects of:		
Non-taxable income	-	(1,087,750)
Total current tax and total tax for the year	-	-

The company has no deferred tax (provided or unprovided) in the current or prior year.

#### Factors that may affect future tax charges

The Finance Act 2016 included provisions to reduce the rate of UK corporation tax to 19% with effect from 1 April 2017. The Finance Act 2017 included provisions to further reduce the rate of UK corporation tax to 17% with effect from 1 April 2020. The Chancellor of the Exchequer announced on 11 March 2020 that the corporation tax rate will not be reduced from 1 April 2020 as set out in Finance Act 2016 and the rate of corporation tax would remain unchanged at 19%.

# Matcon Group Limited

## Notes to the Financial statements For the year ended 31 December 2019

### 5. Investments

Investments in subsidiary undertakings

	Total £
<b>Cost and net book value</b>	
At 1 January 2019 and at 31 December 2019	<u>2,283,627</u>

Shares in group undertakings and participating interests are stated at cost. There is £nil (2018: £nil) provision for impairment.

#### 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 Registered office: As Matcon Group Limited	Ordinary	100%	Design, engineering and supply of power handling systems
Matcon (R&D) Limited Registered office: As Matcon Group Limited	Ordinary	100%	Management of patents and royalties, research and development
Matcon Pacific Pty Registered office: Unit 4, 181 McCredie Road, Guildford, NSW 2161, Australia	Ordinary	100%	Design, engineering and supply of powder handling systems

All holdings are direct shareholdings.

### 6. Debtors

	2019 £	2018 £
Amounts due within one year:		
Amounts owed by group undertakings	<u>218,359</u>	<u>218,359</u>

Amounts owed by group undertakings are repayable on demand, unsecured and do not attract interest (2018: same).

## Matcon Group Limited

### Notes to the Financial statements For the year ended 31 December 2019

#### 7. Called-up share capital and reserves

Authorised, allotted, called up and fully paid shares;

	2019 No.	2019 £	2018 No.	2018 £
Ordinary shares of £1 each	1,000,000	1,000,000	1,000,000	1,000,000

The capital redemption reserve is a result of a reduction in share capital in 2012 and the reserve is non-distributable.

The profit and loss reserve represent's cumulative profits or losses, net of dividends paid and other adjustments.

A dividend of £nil was paid in the year (2018: £5,725,000 at £5.725 per share).

#### 8. Related party transactions

In accordance with paragraph 1.12 of FRS 102 "Related Party Disclosures" transactions with other group undertakings within, and investee related parties of, the IDEX Corporation group have not been disclosed in these financial statements. There have been no transactions with directors in the current or previous financial year.

#### 9. Ultimate parent company

The company's immediate parent undertaking is Idex UK Investment 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.

#### 10. Post balance sheet event

The COVID-19 pandemic is a material non-adjusting event impacting the Company. Please see the going concern section in the strategic report for details of the considerations and implications on the Company.