
Milacron UK Limited

Directors' Report and Financial Statements

For the year ended 31 December 2021

Milacron UK Limited

Company Information

Directors	A S Kitzmiller (resigned 18 February 2022) T S Haddad Jr (appointed 18 February 2022)
Company secretary	DTM Legal LLP
Registered number	04444980
Registered office	C/O DTM Legal LLP Archway House Station Road Chester CH1 3DR
Independent auditors	Hurst Accountants Limited Chartered Accountants & Statutory Auditors Lancashire Gate 21 Tiviot Dale Stockport Cheshire SK1 1TD

Milacron UK Limited

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Directors' Report
For the year ended 31 December 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

Director

The director who served during the year was:

A S Kitzmiller (resigned 18 February 2022)

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Hurst Accountants Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Milacron UK Limited

Directors' Report (continued)
For the year ended 31 December 2021

This report was approved by the board and signed on its behalf.

.....
T S Haddad Jr
Director

Date: 28 September 2022

Independent Auditors' Report to the Members of Milacron UK Limited

Opinion

We have audited the financial statements of Milacron UK Limited (the 'Company') for the year ended 31 December 2021, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit 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.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

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.

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.

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

Independent Auditors' Report to the Members of Milacron UK Limited (continued)

Opinion 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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.

Independent Auditors' Report to the Members of Milacron UK Limited (continued)

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:

Identifying and assessing potential risks related to irregularities

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector in which the company operates; the control environment and business performance including key drivers for directors' remuneration, bonus levels and performance targets.
- The outcome of enquiries of local management and parent company management, including whether management was aware of any instances of non-compliance with laws and regulations, and whether management had knowledge of any actual, suspected, or alleged fraud.
- Supporting documentation relating to the Company's policies and procedures for:
 - Identifying, evaluating, and complying with laws and regulations
 - Detecting and responding to the risks of fraud
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- The outcome of discussions amongst the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- The legal and regulatory framework in which the Company operates, particularly those laws and regulations which have a direct effect on the financial statements, such as the Companies Act 2006, pensions and tax legislation, or which had a fundamental effect on the operations of the Company, including General Data Protection requirements, and Anti-bribery and Corruption.

Audit response to risks identified

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statements disclosures and testing to supporting documentation to assess compliance with the provisions of those relevant laws and regulations which have a direct effect on the financial statements.
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities.
- Enquiring of management about any actual and potential litigation and claims.
- Performing analytical procedures to identify any unusual or unexpected relationships which may indicate risks of material misstatement due to fraud.

Independent Auditors' Report to the Members of Milacron UK Limited (continued)

We have also considered the risk of fraud through management override of controls by:

- Testing the appropriateness of journal entries and other adjustments. We have used data analytics software to identify accounting transactions which may pose a heightened risk of material misstatement, whether due to fraud or error.
- Challenging assumptions made by management in their significant accounting estimates, and assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of them. 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

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 auditors' 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.

Anthony Woodings (senior statutory auditor)
for and on behalf of

Hurst Accountants Limited

Chartered Accountants

Statutory Auditors

Lancashire Gate

21 Tiviot Dale

Stockport

Cheshire

SK1 1TD

28 September 2022

Milacron UK Limited

Statement of Comprehensive Income
For the year ended 31 December 2021

	Note	2021 £	2020 £
Turnover		1,198,797	<i>1,117,861</i>
Cost of sales		(738,189)	<i>(841,411)</i>
Gross profit		460,608	<i>276,450</i>
Administrative expenses		(280,360)	<i>(417,122)</i>
Operating profit/(loss)		180,248	<i>(140,672)</i>
Interest receivable and similar income	7	80	<i>529</i>
Interest payable and similar expenses	8	-	<i>(246)</i>
Other finance income	16	(1,000)	<i>6,000</i>
Profit/(loss) before tax		179,328	<i>(134,389)</i>
Tax on profit/(loss)	10	(33,172)	<i>-</i>
Profit/(loss) for the financial year		146,156	<i>(134,389)</i>
Other comprehensive income for the year			
Actuarial gains/(losses) on defined benefit pension scheme	16	995,000	<i>(314,000)</i>
Pension surplus not recognised	16	(917,000)	<i>-</i>
Total comprehensive income/(deficit) for the year		224,156	<i>(448,389)</i>

The notes on pages 10 to 22 form part of these financial statements.

Milacron UK Limited
Registered number: 04444980

Statement of Financial Position
As at 31 December 2021

	Note	2021 £	2020 £
Current assets			
Debtors: amounts falling due within one year	11	193,973	277,666
Cash at bank and in hand	12	606,368	522,890
		<u>800,341</u>	<u>800,556</u>
Creditors: amounts falling due within one year	13	(141,420)	(288,791)
Net current assets		658,921	511,765
Net assets excluding pension liability/asset		658,921	511,765
Pension liability/asset	16	-	(77,000)
Net assets		658,921	434,765
Capital and reserves			
Called up share capital	14	2,625,001	2,625,001
Profit and loss account	15	(1,966,080)	(2,190,236)
		<u>658,921</u>	<u>434,765</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2022.

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T S Haddad Jr
Director

The notes on pages 10 to 22 form part of these financial statements.

Milacron UK Limited

Statement of Changes in Equity
For the year ended 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	2,625,001	(1,741,847)	883,154
Comprehensive income for the year			
Loss for the year	-	(134,389)	(134,389)
Actuarial losses on pension scheme	-	(314,000)	(314,000)
Total comprehensive income for the year	-	(448,389)	(448,389)
At 1 January 2021	2,625,001	(2,190,236)	434,765
Comprehensive income for the year			
Profit for the year	-	146,156	146,156
Actuarial gains on pension scheme	-	78,000	78,000
Total comprehensive income for the year	-	224,156	224,156
At 31 December 2021	<u>2,625,001</u>	<u>(1,966,080)</u>	<u>658,921</u>

The notes on pages 10 to 22 form part of these financial statements.

Notes to the Financial Statements
For the year ended 31 December 2021

1. General information

Milacron UK Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Archway House, Station Road, Chester, CH1 3DR.

The company's principal activities and nature of its operations is the sale and servicing of capital and ancillary equipment to the plastics industry.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The company made a profit of £142,357 for the year (2020: loss of £134,389).

Management have prepared cash flow forecasts and are satisfied that the company will continue to be able to pay its debts as they fall due for a period of at least 12 months from the date of signing these financial statements. As a result, management have elected to prepare the accounts on a going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

**Notes to the Financial Statements
For the year ended 31 December 2021**

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue is generated on sales of goods and services within the United Kingdom relating to products manufactured by overseas entities that reside within the group controlled by the company's ultimate parent.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

**Notes to the Financial Statements
For the year ended 31 December 2021**

2. Accounting policies (continued)

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

**Notes to the Financial Statements
For the year ended 31 December 2021**

2. Accounting policies (continued)

2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Other fixed assets	-
	33 - 50 % straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the Financial Statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements
For the year ended 31 December 2021

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Management have concluded that there are no significant accounting estimates or judgements contained within these financial statements.

4. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021 £	2020 £
Exchange differences	3,384	4,944
Other operating lease rentals	<u>1,401</u>	<u>-</u>

5. Employees

The average monthly number of employees during the year was as follows:

	2021 No.	2020 No.
Engineers	<u>2</u>	<u>2</u>

6. Directors' remuneration

A S Kitzmiller was paid by the company's parent group. The amount of time spent undertaking his duties as a Director of Milacron UK Limited is limited and therefore no cost is allocated. A S Kitzmiller resigned from the company after the year end.

7. Interest receivable

	2021 £	2020 £
Other interest receivable	<u>80</u>	<u>529</u>

Milacron UK Limited

Notes to the Financial Statements
For the year ended 31 December 2021

8. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	<u>-</u>	<u>246</u>

9. Other finance costs

	2021 £	2020 £
Interest income on pension scheme assets	83,000	116,000
Net interest on net defined benefit liability	(84,000)	(110,000)
	<u>(1,000)</u>	<u>6,000</u>

10. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	33,172	-
Total current tax	<u>33,172</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>33,172</u>	<u>-</u>

Notes to the Financial Statements
For the year ended 31 December 2021

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as 2020, the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	<u>179,328</u>	<u>(134,389)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	34,072	(25,534)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	999	-
Non-taxable income	(1,899)	-
Unrelieved tax losses carried forward	-	25,534
Total tax charge for the year	<u>33,172</u>	<u>-</u>

Notes to the Financial Statements
For the year ended 31 December 2021

10. Taxation (continued)

Factors that may affect future tax charges

In 2021, the Chancellor announced that the corporation tax rates would be increased to 25% from 1 April 2023. This will increase any taxation due on profits the company is set to make in the future.

11. Debtors

	2021 £	2020 £
Trade debtors	186,975	201,621
Amounts owed by group undertakings	4,202	32,237
Other debtors	2,796	43,808
	<u>193,973</u>	<u>277,666</u>

An amount of £81 (2020: Debit 14,274) was charged to the Statement of comprehensive income in the year in respect of doubtful debts.

12. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>606,368</u>	<u>522,890</u>

13. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	2,806	7,714
Amounts owed to group undertakings	75,471	138,868
Other taxation and social security	32,875	46,359
Accruals and deferred income	30,268	95,850
	<u>141,420</u>	<u>288,791</u>

14. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		

Milacron UK Limited

**Notes to the Financial Statements
For the year ended 31 December 2021**

14. Share capital (continued)

2,625,001 (2020 - 2,625,001) Ordinary shares of £1.00 each	<u>2,625,001</u>	<u>2,625,001</u>
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The Company has one class of ordinary shares which have full voting, dividend and capital distribution rights.

15. Reserves

Profit and loss account

The profit and loss reserve represents cumulative profits and losses net of distributions to owners.

Notes to the Financial Statements
For the year ended 31 December 2021

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £10,247 (2020: £6,955).

The Company operates a defined benefit pension scheme.

The Milacron UK Pension Plan is a multi-employer scheme that was closed to new members a number of years ago. During the prior year, an agreement was signed whereby Milacron UK assumed the liabilities of the entire scheme, rather than just the Uniloy element. The pension cost is assessed in accordance with the advice of a qualified actuary using the "Projected unit credit method."

Significant contributions were made to the scheme in 2019 to ensure the scheme was appropriately funded.

The actuarial report received in respect of the year ended 31 December 2021 suggested that the scheme was in surplus by £917,000. Management consider that this surplus is not recoverable through either reduced future contributions, as the scheme is closed, nor from an actual refund from the scheme itself. As a result, the surplus has been derecognised in full in the financial statements.

Reconciliation of present value of plan liabilities:

	2021 £	2020 £
Reconciliation of present value of plan liabilities		
At the beginning of the year (prior year - including asset ceiling)	6,043,000	2,999,000
Interest cost	84,000	110,000
Actuarial gains/losses	(330,000)	458,000
Benefits paid	(121,000)	(119,000)
Past service cost	-	12,000
Scheme liabilities transferred to principal employer	-	2,583,000
At the end of the year	5,676,000	6,043,000

Reconciliation of present value of plan assets:

	2021 £	2020 £
At the beginning of the year	5,966,000	3,242,000
Interest income	83,000	116,000
Actuarial gains/losses	665,000	97,000
Benefits paid	(121,000)	(119,000)
Scheme assets transferred to principal employer	-	2,630,000
Derecognition of surplus	(917,000)	-
At the end of the year	5,676,000	5,966,000

Notes to the Financial Statements
For the year ended 31 December 2021

16. Pension commitments (continued)

Composition of plan assets:

	2021 £	2020 £
Equity	3,774,000	3,221,000
Property	707,000	597,000
Bonds, gilts and cash	2,111,000	2,148,000
Total plan assets	6,592,000	5,966,000
	2021 £	2020 £
Fair value of plan assets	5,676,000	5,966,000
Present value of plan liabilities	(5,676,000)	(6,043,000)
Net pension scheme liability	-	(77,000)

The amounts recognised in profit or loss are as follows:

	2021 £	2020 £
Interest on obligation	(84,000)	(110,000)
Interest income on plan assets	83,000	116,000
Past service cost	-	(12,000)
Total	(1,000)	(6,000)

The cumulative amount of actuarial gains and losses recognised in the statement of comprehensive income was £78,000 gain (2020 - £314,000 loss).

The Company expects to contribute £15,000 to its defined benefit pension scheme in 2022.

Notes to the Financial Statements
For the year ended 31 December 2021

16. Pension commitments (continued)

Principal actuarial assumptions at the statement of financial position date (expressed as weighted averages):

	2021	2020
	%	%
Discount rate	2.0	1.4
Inflation assumption	3.2	3.1
Mortality rates		
- for a male aged 65 now	20.2	20.2
- for a female aged 65 now	<u>21.5</u>	<u>22.4</u>

17. Controlling party

The immediate parent company is Milacron B.V., a company incorporated in the Netherlands.

The smallest and largest group in which the results are consolidated is that headed by Hillenbrand Inc, a company incorporated in the USA. The consolidated accounts of Hillenbrand Inc are available to the public and may be obtained from its registered office 1 Batesville Blvd, Batesville, Indiana, 47006.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.