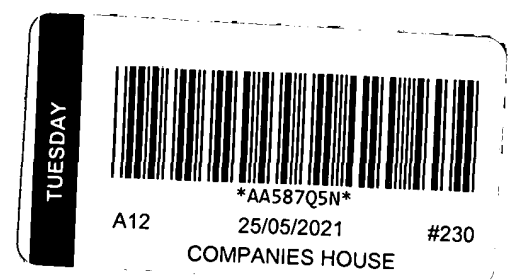


Company Registration No. 04444980 (England and Wales)

MILACRON UK LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019



MILACRON UK LIMITED

COMPANY INFORMATION

Director	A S Kitzmiller
Secretary	DTM Legal LLP
Company number	04444980
Registered office	C/O DTM Legal LLP Archway House Station Road Chester CH1 3DR
Auditor	RSM UK Audit LLP Chartered Accountants St Philips Point Temple Row Birmingham West Midlands B2 5AF

MILACRON UK LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The director presents his annual report and financial statements for the year ended 31 December 2019.

Principal activities

The principal activity of the company during the year was the sale and servicing of capital and ancillary equipment to the plastics industry.

During the year the company sold its Unifoy division containing the Blow Molding Business.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B A Chalmers

(Resigned 18 December 2019)

A S Kitzmiller

(Appointed 21 November 2019)

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Post reporting date events

Following the year end date, in March 2020 the World Health Organisation declared the global coronavirus outbreak to be a pandemic and the United Kingdom implemented lockdown measures which is considered to be a non-adjusting post balance sheet event. Reduced customer demand and interruptions to normal working practices are expected in the short to medium term, however based on the most recent business forecast, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing the financial statements.

Auditor


In accordance with the company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the company will be put forward at a General Meeting.

Statement of disclosure to auditor

So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the director has taken all the necessary steps that they ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



A S Kitzmiller

Director

.....

MILACRON UK LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 MILACRON UK LIMITED

Opinion

We have audited the financial statements of Milacron UK Limited (the 'company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, 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 FRS 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 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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.

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 this regard.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILACRON UK LIMITED (CONTINUED)

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 director's report.

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; or
- the director was not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the director's report.

Responsibilities of director

As explained more fully in the director's responsibilities statement set out on page 2, the director is 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 director is 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 director either intends 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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.

RSM UK Audit LLP

Philip Coleman FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
West Midlands, B2 5AF

21st May 2021

MILACRON UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Continuing operations £	Discontinued operations £	31 December 2019 £	Continuing operations £	Discontinued operations £	31 December 2018 £
Turnover	3	1,228,367	240,077	1,468,444	1,249,962	1,001,597	2,251,559
Cost of sales		(803,258)	(166,154)	(969,412)	(802,578)	(717,578)	(1,520,156)
Gross profit		425,109	73,923	499,032	447,384	284,019	731,403
Administrative expenses		(197,521)	(333,198)	(530,719)	(294,091)	(930,383)	(1,224,474)
Operating loss	6	227,588	(259,275)	(31,687)	153,293	(646,364)	(493,071)
Interest receivable from group undertakings	7	-	-	-	2,356	-	2,356
Other interest receivable and similar income	7	-	3,641	3,641	-	5,290	5,290
Other interest payable and similar expenses	8	-	(32,000)	(32,000)	-	(40,000)	(40,000)
Other gains and losses	9	15,023	(28,641)	(13,618)	(28,048)	22,780	(5,268)
Loss before taxation		242,611	(316,275)	(73,664)	127,601	(658,294)	(530,693)
Taxation	10	-	-	-	-	-	-
Loss for the financial year	17	242,611	(316,275)	(73,664)	127,601	(658,294)	(530,693)
Other comprehensive income net of taxation							
Actuarial gain on defined benefit pension schemes				436,000			620,000
Total comprehensive income for the year				362,336			89,307

MILACRON UK LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12		-		-
Current assets					
Debtors falling due after more than one year	13	-		675,656	
Debtors falling due within one year	13	537,812		452,183	
Cash at bank and in hand		875,422		1,683,800	
		<u>1,413,234</u>		<u>2,811,639</u>	
Creditors: amounts falling due within one year	14	<u>(773,080)</u>		<u>(1,410,821)</u>	
Net current assets			640,154		1,400,818
Defined benefit pension surplus/ (deficit)	15		<u>243,000</u>		<u>(880,000)</u>
Net assets			<u>883,154</u>		<u>520,818</u>
Capital and reserves					
Called up share capital	16		2,625,001		2,625,001
Profit and loss reserves	17		<u>(1,741,847)</u>		<u>(2,104,183)</u>
Total equity			<u>883,154</u>		<u>520,818</u>

The financial statements were approved by the board of directors and authorised for issue on 20 MAY 2021 and are signed on its behalf by:



A S Kitzmiller
Director

MILACRON UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2018	2,625,001	(2,193,490)	431,511
Year ended 31 December 2018:			
Loss for the year	-	(530,693)	(530,693)
Other comprehensive income net of taxation:			
Actuarial loss on defined benefit plans	-	620,000	620,000
Total comprehensive income for the year	-	89,307	89,307
Balance at 31 December 2018	2,625,001	(2,104,183)	520,818
Year ended 31 December 2019:			
Loss for the year	-	(73,664)	(73,664)
Other comprehensive income net of taxation:			
Actuarial gain on defined benefit plans	-	436,000	436,000
Total comprehensive income for the year	-	362,336	362,336
Balance at 31 December 2019	2,625,001	(1,741,847)	883,154

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Milacron UK Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 100 New Bridge Street, London, EC4V 6JA.

The company's principal activities and nature of its operations are disclosed in the Director's Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosure framework

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

Consolidated financial statements

The financial statements of the company are consolidated in the financial statements of Hillenbrand, Inc. These consolidated financial statements are available from its registered office, 1 Batesville Blvd, Batesville, Indiana, 47006.

Going concern

Following the year end date, in March 2020 the World Health Organisation declared the global coronavirus outbreak to be a pandemic and the United Kingdom implemented lockdown measures which is considered to be a non-adjusting post balance sheet event.

As a result of Covid-19 reduced customer demand and interruptions to normal working practices are expected in the short to medium term. However based on the company's most recent business forecasts which have been prepared in order to take account for the extent and diversity of the company's revenues, expected margins and available liquidity, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing the financial statements. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

Turnover

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Turnover from the sale of services is recognised over the period for which the service is provided.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33-50% on cost
-----------------------	----------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade debtors, amounts owed by group undertakings and other debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost less any amounts settled and impairment losses.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, and loans from fellow group companies, are initially recognised at transaction price.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

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

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

Retirement benefits

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

2 Judgements 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.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019 £	2018 £
Turnover analysed by class of business		
Sales of goods	1,468,444	2,251,559
Rendering of services	-	-
	<u>1,468,444</u>	<u>2,251,559</u>
	2019 £	2018 £
Other revenue		
Interest income	3,641	7,646
	<u>3,641</u>	<u>7,646</u>
	2019 £	2018 £
Turnover analysed by geographical market		
United Kingdom	1,353,697	1,828,814
Rest of Europe	107,209	307,720
Rest of the World	7,538	115,025
	<u>1,468,444</u>	<u>2,251,559</u>

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Sales	-	1
Administrative	-	1
Management	-	1
Engineers	2	3
	<u>2</u>	<u>6</u>

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	115,106	386,671
Social security costs	17,340	45,166
Pension costs	99,719	192,519
	<u>232,165</u>	<u>624,356</u>

5 Directors remuneration

A S Kitzmiller is 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 to the company.

6 Operating loss

	2019 £	2018 £
Operating loss for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	27,250	27,250
Operating lease charges	18,080	61,332
	<u>45,330</u>	<u>88,582</u>

7 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	3,641	5,290
Interest receivable from group companies	-	2,356
	<u>3,641</u>	<u>7,646</u>

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

8 Interest payable and similar expenses

	2019 £	2018 £
Other finance costs:		
Net interest on the net defined benefit liability	32,000	40,000
Disclosed on the income statement as follows:		
Other interest payable and similar expenses	32,000	40,000

9 Other gains and losses

	2019 £	2018 £
Foreign exchange (losses)/gains on intercompany balances	(13,618)	(5,268)

10 Taxation

The total tax charge for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2019 £	2018 £
Loss before taxation	(73,664)	(530,693)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(13,996)	(100,832)
Movement in deferred tax not recognised	13,996	100,832
Taxation charge for the year	-	-

There is an unrecognised deferred tax asset of £109,000 (2018: £97,000) in respect of trading losses carried forward. In the opinion of the director the asset should not be recognised due to recent trading performance and profitability. The unrecognised deferred tax asset in relation to the defined benefit pension scheme amounted to £nil (2018: £149,600). This has not been recognised due to uncertainty regarding the availability of future taxable profits.

11 Discontinued operations

On 1 July 2019 the owners of Milacron UK Limited sold its Uniloy division containing the Blow Molding Business for consideration of £53,258.

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

12 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2019 and 31 December 2019	60,976
Depreciation and impairment	
At 1 January 2019 and 31 December 2019	60,976
Carrying amount	
At 31 December 2019	-
At 31 December 2018	-

13 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	270,575	356,983
Amounts owed by group undertakings	255,630	81,079
Other debtors	11,607	-
Prepayments and accrued income	-	14,121
	537,812	452,183
Amounts falling due after more than one year:		
Amounts owed by group undertakings	-	675,656
Total debtors	537,812	1,127,839

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	13,788	12,610
Amounts owed to group undertakings	647,775	1,151,854
Taxation and social security	51,981	86,999
Accruals and deferred income	59,536	159,358
	773,080	1,410,821

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

15 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge to profit and loss in respect of defined contribution schemes was £42,719 (2018 : £50,519).

Defined benefit schemes

The company operated a defined benefit pension scheme, the Milacron UK Pension Plan, a multi-employer scheme, open to employees of Uniloy Milacron, one of the company's trading divisions. The pension cost is assessed in accordance with the advice of a qualified actuary using the 'Projected Unit Credit method'.

The most recent comprehensive actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at 6 April 2018.

The defined benefit pension scheme is a multi-employer scheme of which Cimcool Europe UK, a branch of Cimcool Europe B.V. a fellow subsidiary, is also an employer. The assets and liabilities disclosed are those of Milacron UK Limited's current and former employees only.

In July 2019 the Company made additional contributions to the pension scheme in order for the scheme to become fully funded.

	2019	2018
<i>Key assumptions</i>	%	%
Discount rate	2.0	2.8
Expected rate of increase of pensions in payment	3.0	3.0
Expected rate of salary increases	-	4.9
Inflation	3.2	3.4
<hr/>		
<i>Mortality assumptions</i>	2019	2018
Assumed life expectations on retirement at age 65:	Years	Years
Retiring today		
- Males	20.1	20.9
- Females	22.3	22.8
<hr/>		
Retiring in 20 years		
- Males	21.4	22.0
- Females	23.7	24.0
<hr/>		
	2019	2018
<i>Amounts recognised in the income statement</i>	£	£
Current service cost	57,000	121,000
Net interest on defined benefit liability/(asset)	32,000	40,000
Past service costs	-	21,000
<hr/>		
Total costs	89,000	182,000
<hr/>		

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

15 Retirement benefit schemes (Continued)

	2019 £	2018 £
<i>Amounts taken to other comprehensive income</i>		
Actual return on scheme assets	(546,000)	166,000
Less: calculated interest element	59,000	48,000
Return on scheme assets excluding interest income	(487,000)	214,000
Actuarial changes related to obligations	(148,000)	(848,000)
Effect of asset ceiling	199,000	14,000
Total (income)/costs	(436,000)	(620,000)

The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:

	2019 £	2018 £
Present value of defined benefit obligations	2,999,000	3,019,000
Fair value of plan assets	(3,242,000)	(1,940,000)
Effect of asset ceiling	-	(199,000)
(Surplus)/deficit in scheme	(243,000)	880,000

The asset ceiling restricts the deficit recognised in Milacron UK Limited to the total deficit in the multi-employer scheme. Interest on the effect of the asset ceiling amounted to £Nil (2018: £5,000).

	2019 £
<i>Movements in the present value of defined benefit obligations</i>	
Liabilities at 1 January 2019	3,019,000
Current service cost	57,000
Benefits paid	(23,000)
Contributions from scheme members	3,000
Actuarial gains and losses	(148,000)
Interest cost	91,000
Other	(243,000)
At 31 December 2019	2,756,000

The defined benefit obligations arise from plans which are wholly or partly funded.

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

15 Retirement benefit schemes (Continued)

	2019 £
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 January 2019	1,940,000
Interest income	59,000
Return on plan assets (excluding amounts included in net interest)	487,000
Benefits paid	(23,000)
Contributions by the employer	776,000
Contributions by scheme members	3,000
	<u>3,242,000</u>
At 31 December 2019	<u>3,242,000</u>

	2019 £	2018 £
<i>The analysis of the scheme assets at the reporting date were as follows:</i>		
Equity instruments	1,750,000	989,400
Property	357,000	213,400
Corporate bonds	486,000	271,600
Gilts	616,000	426,800
Cash	33,000	38,800
	<u>3,242,000</u>	<u>1,940,000</u>

16 Share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid		
2,625,001 Ordinary of £1 each	2,625,001	2,625,001
	<u>2,625,001</u>	<u>2,625,001</u>

The Company has one class of ordinary shares which have full voting, dividend and capital distribution rights.

17 Profit and loss reserves

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

MILACRON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

18 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	1,459	5,437
Between one and five years	-	1,459
	<u>1,459</u>	<u>6,896</u>

19 Events after the reporting date

In light of the information available as at the reporting date, the COVID-19 outbreak is considered a non-adjusting event. The Company has considered the impact of this pandemic on the business and this is set out within the Directors' Report.

20 Ultimate 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.