

# Matortho Holdings Limited

Financial Statements

For the period ended 31 December 2021

For Filing with Registrar

Company Registration No. 13141104 (England and Wales)

# Matortho Holdings Limited

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# Matortho Holdings Limited

## Balance Sheet

As at 31 December 2021

	Notes	2021 £	£
<b>Fixed assets</b>			
Tangible assets	5		2,214
Investments	6		1,676,427
			<u>1,678,641</u>
<b>Current assets</b>			
Debtors	8	4,602,426	
Cash at bank and in hand		5,850	
		<u>4,608,276</u>	
<b>Creditors: amounts falling due within one year</b>	9	(33,392)	
		<u></u>	
<b>Net current assets</b>			4,574,884
			<u></u>
<b>Total assets less current liabilities</b>			6,253,525
			<u></u>
<b>Creditors: amounts falling due after more than one year</b>	10		(7,004,763)
			<u></u>
<b>Net liabilities</b>			(751,238)
			<u></u>
<b>Capital and reserves</b>			
Called up share capital	11		340
Profit and loss reserves			(751,578)
			<u></u>
<b>Total equity</b>			(751,238)
			<u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 9 December 2022 and are signed on its behalf by:

M C Welch  
**Director**

**Company Registration No. 13141104**

# Matortho Holdings Limited

## Notes to the Financial Statements

For the period ended 31 December 2021

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### 1 Accounting policies

#### Company information

Matortho Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 19-20 Randalls Road, Leatherhead, United Kingdom, KT22 7BA.

#### 1.1 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 as applicable to companies subject to the small companies regime.

The accounting period is from incorporation (18 January 2021) to 31 December 2021. 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.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Matortho Holdings Limited is a wholly owned subsidiary of Matortho Group Holdings Limited and the results of Matortho Holdings Limited are included in the consolidated financial statements of Matortho Group Holdings Limited which are available from 19/20 Mole Business Park, Randalls Road, Leatherhead, KT22 7BA.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have reasonable expectation that the company has adequate resources to continue its operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company had a net current asset position of £4,574,884 at the balance sheet date. However, the directors recognise that the company had an overall net liabilities position at 30 April 2022 of £751,238 arising from loan notes issued in order to facilitate the restructuring of the group.

The company continues to have the support of its parent undertaking which has committed to enabling the company to repay its liabilities as they fall due for a period of at least 12 months from the approval of these financial statements.

#### 1.3 Tangible fixed assets

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

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

Office equipments	33% straight line or 50% straight line
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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.

# Matortho Holdings Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 December 2021

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### 1 Accounting policies

(Continued)

#### 1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.5 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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.

# Matortho Holdings Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 December 2021

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the 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.

### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# Matortho Holdings Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 December 2021

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### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

#### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### ***Consideration of carrying value of investments***

The company assesses the carrying value of investments annually for any indicators of impairments to ensure that the carrying amount of investments is appropriate.

### 3 Administrative expenses - exceptional items

	<b>2021</b>
	<b>£</b>
Business combination costs	300,000
	<u><u>          </u></u>

### 4 Employees

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

	<b>2021</b>
	<b>Number</b>
Total	2
	<u><u>          </u></u>

# Matortho Holdings Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 December 2021

### 5 Tangible fixed assets

	<b>Plant and machinery £</b>
<b>Cost</b>	
At 18 January 2021	-
Additions	2,632
	<hr/>
At 31 December 2021	2,632
	<hr/>
<b>Depreciation and impairment</b>	
At 18 January 2021	-
Depreciation charged in the period	418
	<hr/>
At 31 December 2021	418
	<hr/>
<b>Carrying amount</b>	
At 31 December 2021	2,214
	<hr/> <hr/>

### 6 Fixed asset investments

	<b>2021 £</b>
Shares in group undertakings and participating interests	1,676,427
	<hr/> <hr/>

#### Movements in fixed asset investments

	<b>Shares in subsidiaries £</b>
<b>Cost or valuation</b>	
At 18 January 2021	-
Additions	1,676,427
	<hr/>
At 31 December 2021	1,676,427
	<hr/>
<b>Carrying amount</b>	
At 31 December 2021	1,676,427
	<hr/> <hr/>



# Matortho Holdings Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 December 2021

### 7 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Class of % Held	
		shares held	Direct Indirect
MatOrtho Limited	19/20 Mole Business Park, Randalls Road, Leatherhead, Surrey, United Kingdom, KT22	Ordinary 100	-
MatOrtho Europe Limited	78 Avenue de Port 86C, 1000 Bruxelles, Belgium	Ordinary 0	100
MatOrth PTY Limited	3.16/4 Columbia Court, Norwest, NSW, 2153, Australia	Ordinary 0	100
MatOrtho Ireland Limited	Saint Mary's Place, D07 P4AX, Dublin, Ireland	Ordinary 0	100

### 8 Debtors

	2021 £
<b>Amounts falling due within one year:</b>	
Amounts owed by group undertakings	4,602,426

### 9 Creditors: amounts falling due within one year

	2021 £
Amounts owed to group undertakings	16,660
Taxation and social security	16,732
	33,392

### 10 Creditors: amounts falling due after more than one year

	2021 £
Other creditors	7,004,763

The other creditors comprise of loan notes. The loan notes are secured by way of fixed and floating charges over assets of the company and its subsidiaries and attract interest at 8% per annum. The loan notes are repayable at the earlier of the company ceasing to be a wholly owned subsidiary of MatOrtho Group Holdings Limited, any asset sale, any listing or the maturity date of 14 June 2026.

# Matortho Holdings Limited

## Notes to the Financial Statements (Continued)

For the period ended 31 December 2021

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### 11 Called up share capital

	2021 Number	2021 £
<b>Ordinary share capital Issued and fully paid</b>		
Ordinary shares of £1 each	340	340
	<u>          </u>	<u>          </u>

On incorporation, the company issued 1 Ordinary share of £1 at par. The company issued a further 339 Ordinary shares of £1 each at par during the year.

### 12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Jeremy Read and the auditor was Moore Kingston Smith LLP.

### 13 Events after the reporting date

On 27 September 2022, the company raised £3.8m in loan notes from existing investors to enable the continued development of operations of MatOrtho Limited, a wholly owned subsidiary.

### 14 Parent company

The company's immediate and ultimate parent undertaking is MatOrtho Group Holdings Limited, a company registered in England and Wales. Its registered office is Unit 19-20 Mole Business Park, Randalls Road, Leatherhead, United Kingdom, KT22 7BA. Consolidated accounts for MatOrtho Group Holdings Limited and its subsidiaries are publicly available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

