

AIR FILTRATION SOLUTIONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Xeinadin Audit Limited
Accountants and Statutory Auditors
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

AIR FILTRATION SOLUTIONS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022**

Directors:	Mr K M Howard Mr R A Wood
Registered office:	72 Roman Way Industrial Estate Longridge Road PRESTON PR2 5BE
Business address:	C/o Mr R Wood 72 Roman Way Industrial Estate Longridge Road PRESTON PR2 5BE
Registered number:	08718359 (England and Wales)
Auditors:	Xeinadin Audit Limited Accountants and Statutory Auditors Dalton House 9 Dalton Square LANCASTER LA1 1WD
Bankers:	HSBC Bank Plc 9th Floor Royal Liver Building Pier Head LIVERPOOL L3 1JH

AIR FILTRATION SOLUTIONS LIMITED (REGISTERED NUMBER: 08718359)

**BALANCE SHEET
31 DECEMBER 2022**

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	4	126,655		147,444	
Tangible assets	5	1,596,616		1,754,941	
Investments	6	250,000		250,000	
		<u>1,973,271</u>		<u>2,152,385</u>	
Current assets					
Stocks		1,718,149		1,404,051	
Debtors	7	1,718,283		1,008,452	
Cash at bank		<u>77,664</u>		<u>209,701</u>	
		3,514,096		2,622,204	
Creditors					
Amounts falling due within one year	8	<u>3,476,551</u>		<u>2,438,282</u>	
Net current assets		<u>37,545</u>		<u>183,922</u>	
Total assets less current liabilities		<u>2,010,816</u>		<u>2,336,307</u>	
Creditors					
Amounts falling due after more than one year	9	(1,480,215)		(1,445,130)	
Provisions for liabilities		<u>-</u>		<u>(91,106)</u>	
Net assets		<u>530,601</u>		<u>800,071</u>	
Capital and reserves					
Called up share capital		1,500,000		500,000	
Retained earnings		<u>(969,399)</u>		<u>300,071</u>	
		<u>530,601</u>		<u>800,071</u>	

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 4 September 2023 and were signed on its behalf by:

Mr R A Wood - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Statutory information

Air Filtration Solutions Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable, for goods provided in the normal course of business, net of discounts, rebates, value added tax and other sales taxes.

Turnover is recognised at a point in time when a performance obligation is satisfied by transferring goods to the customer

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Research and development are being amortised evenly over their estimated useful life of eight years.

Computer software is being amortised evenly over its estimated useful life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 20% on cost
Plant and machinery etc	- Straight line over 8 years, Straight line over 5 years and Straight line over 4 years

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Development costs

Expenditure on research and development is charged to the profit and loss in the year in which it is incurred with the exception of expenditure incurred in respect of projects where the outcome is assessed as being reasonably certain as regards viability and technical feasibility. Such expenditure is capitalised and amortised over the estimated period sale for each product, commencing in the year that sales of the product are first made.

3. Employees and directors

The average number of employees during the year was 62 (2021 - 96) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Intangible fixed assets

	Research and development £	Computer software £	Totals £
Cost			
At 1 January 2022	374,960	-	374,960
Additions	-	32,600	32,600
At 31 December 2022	<u>374,960</u>	<u>32,600</u>	<u>407,560</u>
Amortisation			
At 1 January 2022	227,516	-	227,516
Amortisation for year	46,869	6,520	53,389
At 31 December 2022	<u>274,385</u>	<u>6,520</u>	<u>280,905</u>
Net book value			
At 31 December 2022	<u>100,575</u>	<u>26,080</u>	<u>126,655</u>
At 31 December 2021	<u>147,444</u>	<u>-</u>	<u>147,444</u>

The aggregate amount of research and development expenditure recognised as an expense during the period is £nil (2021 - £nil).

5. Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Totals £
Cost			
At 1 January 2022	20,741	2,431,014	2,451,755
Additions	-	349,425	349,425
Disposals	-	(213,952)	(213,952)
At 31 December 2022	<u>20,741</u>	<u>2,566,487</u>	<u>2,587,228</u>
Depreciation			
At 1 January 2022	20,741	676,073	696,814
Charge for year	-	340,539	340,539
Eliminated on disposal	-	(46,741)	(46,741)
At 31 December 2022	<u>20,741</u>	<u>969,871</u>	<u>990,612</u>
Net book value			
At 31 December 2022	<u>-</u>	<u>1,596,616</u>	<u>1,596,616</u>
At 31 December 2021	<u>-</u>	<u>1,754,941</u>	<u>1,754,941</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Fixed asset investments

	Shares in group undertaking £
Cost	
At 1 January 2022 and 31 December 2022	<u>250,000</u>
Net book value	
At 31 December 2022	<u>250,000</u>
At 31 December 2021	<u>250,000</u>

7. Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	725,956	505,045
Other debtors	<u>992,327</u>	<u>503,407</u>
	<u>1,718,283</u>	<u>1,008,452</u>

Included within trade debtors are amounts owed from International Filtration Solutions Asia PTE Ltd (parent company) in the sum of £112,494 (2021 - £nil).

8. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	154,565	129,815
Hire purchase contracts (see note 10)	223,998	234,553
Trade creditors	2,108,759	1,075,430
Taxation and social security	470,442	470,042
Other creditors	<u>518,787</u>	<u>528,442</u>
	<u>3,476,551</u>	<u>2,438,282</u>

Included within trade creditors are amounts owed to International Filtration Solutions Asia PTE Ltd (parent company) in the sum of £1,785,734 (2021 - £701,869).

9. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans	266,359	390,062
Hire purchase contracts (see note 10)	213,856	386,041
Amounts owed to parent company	<u>1,000,000</u>	<u>669,027</u>
	<u>1,480,215</u>	<u>1,445,130</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Leasing agreements

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	223,998	234,553
Between one and five years	213,856	386,041
	<u>437,854</u>	<u>620,594</u>

Non-cancellable operating leases	
2022	2021
£	£
18,375	-

11. Secured debts

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank overdraft	29,765	-
Bank loans	391,159	519,877
Hire purchase contracts	437,854	620,594
	<u>858,778</u>	<u>1,140,471</u>

The bank loans are secured by a fixed and floating charge over the assets of the company.

The invoice financing is secured by a fixed and floating charge over the assets of the company.

12. Disclosure under Section 444(5B) of the Companies Act 2006

The Auditors' Report was unqualified.

Tim Preece FCCA (Senior Statutory Auditor)
for and on behalf of Xeinaidin Audit Limited

13. Ultimate controlling party

The ultimate controlling party is IAW Global Investments Limited.

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.