

**AMAZON FILTERS LIMITED**  
**GROUP STRATEGIC REPORT,**  
**REPORT OF THE DIRECTORS AND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2021**



**AMAZON FILTERS LIMITED**

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**for the year ended 28 February 2021**

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**AMAZON FILTERS LIMITED**

**COMPANY INFORMATION**  
**for the year ended 28 February 2021**

**DIRECTORS:**

J W Kirby  
K J Pizzey  
N M Pizzey  
P M Barnard  
J D Scesney  
W R Gresty

**REGISTERED OFFICE:**

Albany Park Estate  
Frimley Road  
CAMBERLEY  
Surrey  
GU16 7PG

**REGISTERED NUMBER:**

01318147 (England and Wales)

**AUDITORS:**

HPCA Ltd  
Chartered Accountants  
and Statutory Auditors  
Station House  
Connaught Road  
Brookwood  
Woking  
Surrey  
GU24 0ER

## **AMAZON FILTERS LIMITED**

### **GROUP STRATEGIC REPORT** **for the year ended 28 February 2021**

The directors present their strategic report of the company and the group for the year ended 28 February 2021.

#### **REVIEW OF BUSINESS**

The group has achieved another year of growth with turnover of c£29.9 million in 2020/21. This was split between Sales to the End User, Resale and Oil & Gas sectors. Geographical sales have remained stable with approximately one third in the UK and export sales accounting for the remaining two thirds. Over 60% of export sales are to EU countries.

UK Sales increased 10% despite aggressive competition in a region where the group holds a reasonable market share. Sales to EU countries decreased by 1%. The group continues to put effort into export activity outside of the EU (including ASEAN, USA and South America) and achieved sales growth of 1%.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The group is exposed to risk and uncertainty associated with the spread of COVID-19 and its impact on the world economy. This could affect future levels of sales and profitability. The impact of the economic downturn on our business is mitigated by the fact that we sell to several critical industries including water treatment, pharmaceuticals and food and beverage. This was evidenced by continued sales growth in 2020/21. In addition, the group ended 2020/21 with a significant order backlog which will help protect against any future short-term decline in order volumes. The group has substantial cash reserves and no bank or other debt obligations. We have developed forecasting models which indicate that our business is able to continue as a going concern even if there is a significant decline in sales.

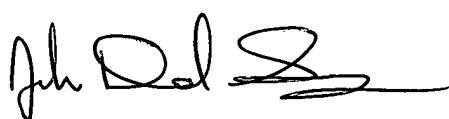
Another risk for the business is the impact of Brexit and the effect on logistics of trade within Europe. The group already trades globally in many countries, so staff are relatively comfortable with the documentation and logistics of import and export customs procedures. We are continuing to automate processes to ensure that export documentation can be generated as efficiently as possible. An office in Germany and manufacturing facility in Poland, helps to mitigate some of the Brexit impact and put us in a stronger position than many of our competitors.

#### **DEVELOPMENT AND PERFORMANCE**

Despite reduced investments in 2020/21, a number of strategic building infrastructure improvements as well as investment in plant and equipment were completed to both increase capacity and new capability. This leaves the group well set to support its plans for future sales growth and in a position to drive cost improvements to existing products.

The group has continued to invest in research and development activities relating to the automotive, beverage and water treatment sectors. It has worked with its customers to create new products and to achieve incremental efficiency gains in existing ones. This is expected to continue in the following years.

#### **ON BEHALF OF THE BOARD:**



J D Scesney - Director

16 June 2021

**AMAZON FILTERS LIMITED**  
**REPORT OF THE DIRECTORS**  
**for the year ended 28 February 2021**

The directors present their report with the financial statements of the company and the group for the year ended 28 February 2021.

**DIVIDENDS**

No interim dividends were declared in the current or prior year. A dividend of £500,000 (2019: £500,000) is due to the holder of the A1 shares in relation to the long term dividend defined in the Articles of Association.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 March 2020 to the date of this report.

J W Kirby  
K J Pizzey  
N M Pizzey  
P M Barnard

Other changes in directors holding office are as follows:

J D Scesney - appointed 20 May 2020  
W R Gresty - appointed 29 June 2020  
M A J Bacon - resigned 29 June 2020

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

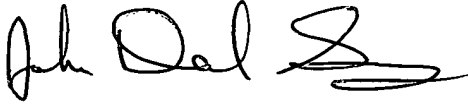
**AMAZON FILTERS LIMITED**

**REPORT OF THE DIRECTORS**  
**for the year ended 28 February 2021**

**AUDITORS**

The auditors, HPCA Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'J D Scesney', with a stylized flourish at the end.

J D Scesney - Director

16 June 2021

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AMAZON FILTERS LIMITED**

### **Opinion**

We have audited the financial statements of Amazon Filters Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 28 February 2021 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 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 group's and of the parent company affairs as at 28 February 2021 and of the group's 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 group 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**

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 group'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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AMAZON FILTERS LIMITED**

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

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **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 a Report of the Auditors 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:

### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, review of the company's 'Register of Legal Requirements', and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**AMAZON FILTERS LIMITED**

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- obtaining an overview of the internal procedures adopted by the client to ensure continued compliance with relevant laws and regulations, including a review of a sample of the reports from internal process audits;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing relevant correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

As the subsidiaries of the parent company are not considered to be significant components of the group, our procedures in relation to the risk of irregularities and non-compliance with laws and regulations applicable to the subsidiary companies was limited to enquiries of and review of the work performed by the local independent accountants and tax advisers.

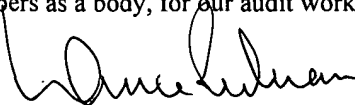
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**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 a Report of the Auditors 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.



Lance Redman (Senior Statutory Auditor)  
for and on behalf of HPCA Ltd  
Chartered Accountants  
and Statutory Auditors  
Station House  
Connaught Road  
Brookwood  
Woking  
Surrey  
GU24 0ER

16 June 2021

**AMAZON FILTERS LIMITED**

**CONSOLIDATED INCOME STATEMENT**  
**for the year ended 28 February 2021**

	Notes	2021 £	2020 £
<b>TURNOVER</b>	3	29,909,976	29,123,769
Cost of sales		<u>(15,573,525)</u>	<u>(15,574,232)</u>
<b>GROSS PROFIT</b>		14,336,451	13,549,537
Administrative expenses		<u>(10,006,551)</u>	<u>(10,694,101)</u>
		4,329,900	2,855,436
Other operating income	4	<u>53,245</u>	<u>521</u>
<b>OPERATING PROFIT</b>	6	4,383,145	2,855,957
Interest receivable and similar income		<u>6,044</u>	<u>25,203</u>
		4,389,189	2,881,160
Interest payable and similar expenses	7	<u>(6,061)</u>	<u>(10,269)</u>
<b>PROFIT BEFORE TAXATION</b>		4,383,128	2,870,891
Tax on profit	8	<u>(527,513)</u>	<u>(309,010)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>3,855,615</u>	<u>2,561,881</u>
Profit attributable to: Owners of the parent		<u>3,855,615</u>	<u>2,561,881</u>

The notes form part of these financial statements

**AMAZON FILTERS LIMITED**

**CONSOLIDATED OTHER COMPREHENSIVE INCOME**  
**for the year ended 28 February 2021**

	Notes	2021 £	2020 £
<b>PROFIT FOR THE YEAR</b>		3,855,615	2,561,881
<b>OTHER COMPREHENSIVE INCOME</b>			
Revaluation on consolidation		(57,599)	7,477
Income tax relating to other comprehensive income		<u>-</u>	<u>-</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>		<u>(57,599)</u>	<u>7,477</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>3,798,016</u>	<u>2,569,358</u>
Total comprehensive income attributable to: Owners of the parent		<u>3,798,016</u>	<u>2,569,358</u>

The notes form part of these financial statements

**AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)**

**CONSOLIDATED BALANCE SHEET**

**28 February 2021**

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Intangible assets	11	111,358	149,065
Tangible assets	12	3,526,889	3,971,490
Investments	13	-	-
		<u>3,638,247</u>	<u>4,120,555</u>
<b>CURRENT ASSETS</b>			
Stock	14	3,462,571	3,646,610
Debtors	15	6,106,046	5,156,979
Cash at bank and in hand		<u>7,948,926</u>	<u>4,065,860</u>
		17,517,543	12,869,449
<b>CREDITORS</b>			
Amounts falling due within one year	16	<u>(3,777,407)</u>	<u>(2,861,197)</u>
<b>NET CURRENT ASSETS</b>		<u>13,740,136</u>	<u>10,008,252</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		17,378,383	14,128,807
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	(37,549)	(96,420)
<b>PROVISION FOR LIABILITIES</b>	19	<u>(281,811)</u>	<u>(271,380)</u>
<b>NET ASSETS</b>		<u>17,059,023</u>	<u>13,761,007</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	20	110,689	110,689
Share premium	21	76,723	76,723
Capital redemption reserve	21	2,500	2,500
Retained earnings	21	<u>16,869,111</u>	<u>13,571,095</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>17,059,023</u>	<u>13,761,007</u>

The financial statements were approved by the Board of Directors and authorised for issue on 16 June 2021 and were signed on its behalf by:



J D Scesney - Director

The notes form part of these financial statements

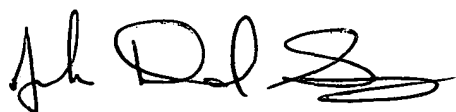
**AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)**

**COMPANY BALANCE SHEET**

**28 February 2021**

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Intangible assets	11	-	-
Tangible assets	12	2,937,641	3,309,750
Investments	13	922,850	661,795
		<u>3,860,491</u>	<u>3,971,545</u>
<b>CURRENT ASSETS</b>			
Stock	14	3,293,871	3,466,448
Debtors	15	5,570,059	4,973,149
Cash at bank and in hand		7,049,509	3,296,095
		15,913,439	11,735,692
<b>CREDITORS</b>			
Amounts falling due within one year	16	(3,626,693)	(2,672,561)
<b>NET CURRENT ASSETS</b>		<u>12,286,746</u>	<u>9,063,131</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		16,147,237	13,034,676
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	(26,574)	(58,384)
<b>PROVISION FOR LIABILITIES</b>	19	(281,811)	(271,380)
<b>NET ASSETS</b>		<u>15,838,852</u>	<u>12,704,912</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	20	110,689	110,689
Share premium	21	76,723	76,723
Capital redemption reserve	21	2,500	2,500
Retained earnings	21	15,648,940	12,515,000
<b>SHAREHOLDERS' FUNDS</b>		<u>15,838,852</u>	<u>12,704,912</u>
Company's profit for the financial year		<u>3,633,940</u>	<u>2,390,595</u>

The financial statements were approved by the Board of Directors and authorised for issue on 16 June 2021 and were signed on its behalf by:



J D Scesney - Director

The notes form part of these financial statements

**AMAZON FILTERS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**for the year ended 28 February 2021**

	Called up Share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
<b>Balance at 1 March 2019</b>	110,000	11,501,737	-	2,500	11,614,237
<b>Changes in equity</b>					
Issue of share capital	689	-	76,723	-	77,412
Dividends	-	(500,000)	-	-	(500,000)
Total comprehensive income	-	2,569,358	-	-	2,569,358
<b>At 29 February 2020</b>	<u>110,689</u>	<u>13,571,095</u>	<u>76,723</u>	<u>2,500</u>	<u>13,761,007</u>
<b>Changes in equity</b>					
Dividends	-	(500,000)	-	-	(500,000)
Total comprehensive income	-	3,798,016	-	-	3,798,016
<b>At 28 February 2021</b>	<u>110,689</u>	<u>16,869,111</u>	<u>76,723</u>	<u>2,500</u>	<u>17,059,023</u>

The notes form part of these financial statements

**AMAZON FILTERS LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**for the year ended 28 February 2021**

	Called up Share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
<b>Balance at 1 March 2019</b>	110,000	10,624,405	-	2,500	10,736,905
<b>Changes in equity</b>					
Issue of share capital	689	-	76,723	-	77,412
Dividends	-	(500,000)	-	-	(500,000)
Total comprehensive income	-	2,390,595	-	-	2,390,595
<b>At 29 February 2020</b>	<u>110,689</u>	<u>12,515,000</u>	<u>76,723</u>	<u>2,500</u>	<u>12,704,912</u>
<b>Changes in equity</b>					
Dividends	-	(500,000)	-	-	(500,000)
Total comprehensive income	-	3,633,940	-	-	3,633,940
<b>At 28 February 2021</b>	<u>110,689</u>	<u>15,648,940</u>	<u>76,723</u>	<u>2,500</u>	<u>15,838,852</u>

The notes form part of these financial statements

**AMAZON FILTERS LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**  
**for the year ended 28 February 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	4,931,856	3,539,780
Interest paid		(8)	(4,554)
Interest element of finance lease payments paid		(6,053)	(5,715)
Tax paid		(304,105)	(495,720)
Taxation refund		147,006	708,658
Net cash from operating activities		<u>4,768,696</u>	<u>3,742,449</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(400,581)	(883,980)
Sale of tangible fixed assets		33,955	40,710
Interest received		6,044	25,203
Net cash from investing activities		<u>(360,582)</u>	<u>(818,067)</u>
<b>Cash flows from financing activities</b>			
Finance lease repayments	3	(25,048)	(33,698)
Share issue		-	77,412
Equity dividends paid		(500,000)	(1,014,833)
Net cash from financing activities		<u>(525,048)</u>	<u>(971,119)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>3,883,066</b>	<b>1,953,263</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>4,065,860</b>	<b>2,112,597</b>
<b>Cash and cash equivalents at end of year</b>	2	<b><u>7,948,926</u></b>	<b><u>4,065,860</u></b>

The notes form part of these financial statements



**AMAZON FILTERS LIMITED**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**for the year ended 28 February 2021**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2021 £	2020 £
Profit before taxation	4,383,128	2,870,891
Depreciation charges	822,902	832,641
Profit on disposal of fixed assets	(18,471)	(2,615)
Foreign exchange difference	(37,886)	645
Adjustments to fixed assets	24,994	23,412
Finance costs	6,061	10,269
Finance income	(6,044)	(25,203)
	<u>5,174,684</u>	<u>3,710,040</u>
Decrease/(increase) in stocks	184,039	(178,548)
Increase in trade and other debtors	(983,636)	(131,916)
Increase in trade and other creditors	<u>556,769</u>	<u>140,204</u>
<b>Cash generated from operations</b>	<u><u>4,931,856</u></u>	<u><u>3,539,780</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

<b>Year ended 28 February 2021</b>	28.2.21 £	1.3.20 £
Cash and cash equivalents	<u>7,948,926</u>	<u>4,065,860</u>
<b>Year ended 29 February 2020</b>	29.2.20 £	1.3.19 £
Cash and cash equivalents	<u>4,065,860</u>	<u>2,112,597</u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.3.20 £	Cash flow £	Other non-cash changes £	At 28.2.21 £
<b>Net cash</b>				
Cash at bank and in hand	<u>4,065,860</u>	<u>3,883,066</u>		<u>7,948,926</u>
	<u>4,065,860</u>	<u>3,883,066</u>		<u>7,948,926</u>
<b>Debt</b>				
Finance leases	<u>(107,097)</u>	<u>25,048</u>	<u>(207)</u>	<u>(82,256)</u>
	<u>(107,097)</u>	<u>25,048</u>	<u>(207)</u>	<u>(82,256)</u>
<b>Total</b>	<u><u>3,958,763</u></u>	<u><u>3,908,114</u></u>	<u><u>(207)</u></u>	<u><u>7,866,670</u></u>

The notes form part of these financial statements

## **AMAZON FILTERS LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** **for the year ended 28 February 2021**

#### **1. STATUTORY INFORMATION**

Amazon Filters 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 General Information page.

#### **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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Basis of consolidation**

The group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings together with the Group's share of the results of associates made up to 28 February 2021.

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

##### **Turnover**

Turnover is measured at fair value of the consideration received or receivable and represents the amount receivable for goods supplied, net of returns, discounts, rebates and value added tax.

Turnover is recognised when the significant risks and rewards of ownership have passed to the buyer, usually upon shipment or delivery of the goods.

##### **Goodwill**

Goodwill, is the amount paid in excess of fair value of assets and liabilities for the acquisition of a business in 2014, being amortised evenly over its estimated useful life of ten years.

##### **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.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Short leasehold	- Over the shorter of 10 years and the remaining lease period
Plant and machinery	- 10 years
Fixtures, fittings and computer equipment	- 3 - 10 years
Motor vehicles	- 3 years

##### **Stocks**

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. A provision is made for obsolete and slow-moving items.

## **AMAZON FILTERS LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **for the year ended 28 February 2021**

#### **2. ACCOUNTING POLICIES - continued**

##### **Financial instruments**

The company uses forward foreign exchange contracts to manage the cash flow exposures of forecast transactions denominated in foreign currencies. The company does not apply hedge accounting in respect of these transactions.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value through the profit and loss.

##### **Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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.

##### **Foreign currencies**

###### **i. Functional and presentation currency**

The group financial statements are presented in pound sterling. The company's functional and presentation currency is the pound sterling.

###### **ii. 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. 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 the profit and loss account.

###### **iii. Translation**

The trading results of group undertakings are translated into sterling at average exchange rates. Assets and liabilities of overseas undertakings are translated at the exchange rates ruling at the year-end. Exchange adjustments arising from the translation of the profits or losses at average rates are recognised in 'Other comprehensive income'.

## **AMAZON FILTERS LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **for the year ended 28 February 2021**

#### **2. ACCOUNTING POLICIES - continued**

##### **Finance and operating leasing commitments**

Assets obtained under finance leases are capitalised in the balance sheet. They are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

##### **Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

##### **Share-based payments**

Certain employees participate in a share option scheme under the terms of an EMI Option Plan. These options are granted with an exercise price equalling the nominal value of the shares. Management is required to use an appropriate pricing model to value the issue of equity to employees or those providing similar services. Any change to the profit and loss account is therefore a function of the chosen pricing model, which is based on a range of assumptions. All issued conditional growth shares have a hurdle price calculated to be in excess of the current aggregate value of the company attributable to all other share classes. The cost to the company in issuing these shares at par is regarded by the directors to be £nil and therefore in their judgement no charge has been made in the profit and loss in the current period nor will be applicable to future periods.

##### **Government grants**

Grants received, including from the UK government from the Coronavirus Job Retention Scheme (CJRS), are accounted for using the accruals model. The income has been recognised as grant income in the period to which the payroll cost relates.

#### **3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2021	2020
	£	£
Sales UK	10,155,375	9,264,533
Sales EU	12,438,164	12,614,552
Sales Rest of the World	7,316,437	7,244,684
	<u>29,909,976</u>	<u>29,123,769</u>

#### **4. OTHER OPERATING INCOME**

	2021	2020
	£	£
Sundry receipts	15,717	521
Government grants	37,528	-
	<u>53,245</u>	<u>521</u>

**AMAZON FILTERS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 28 February 2021**

**5. EMPLOYEES AND DIRECTORS**

	2021	2020
	£	£
Wages and salaries	9,444,152	9,538,803
Social security costs	1,018,332	921,045
Pension costs	399,837	369,195
	<u>10,862,321</u>	<u>10,829,043</u>

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

	2021	2020
Directors	5	4
Other	<u>240</u>	<u>246</u>
	<u>245</u>	<u>250</u>

	2021	2020
	£	£
Directors' remuneration	700,633	602,492
Directors' pension contributions to money purchase schemes	<u>30,480</u>	<u>26,522</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>3</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2021	2020
	£	£
Emoluments etc	185,303	185,439
Pension contributions to money purchase schemes	<u>10,080</u>	<u>10,080</u>

**6. OPERATING PROFIT**

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

	2021	2020
	£	£
Other operating leases	18,256	34,070
Depreciation - owned assets	741,678	754,391
Depreciation - assets on finance leases	43,532	37,015
Profit on disposal of fixed assets	(18,471)	(2,615)
Goodwill amortisation	37,692	41,242
Foreign exchange differences	156,492	(22,931)
Auditors' remuneration	<u>32,000</u>	<u>32,500</u>

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2021	2020
	£	£
Other interest	8	4,554
Finance lease interest expense	<u>6,053</u>	<u>5,715</u>
	<u>6,061</u>	<u>10,269</u>

# AMAZON FILTERS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued for the year ended 28 February 2021

### 8. TAXATION

#### Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	454,540	216,116
Foreign corporation tax	143,959	93,969
(Over)/under provision in previous year	<u>(87,140)</u>	<u>(39,469)</u>
Total current tax	511,359	270,616
Deferred tax	<u>16,154</u>	<u>38,394</u>
Tax on Profit	<u>527,513</u>	<u>309,010</u>

UK corporation tax has been charged at 19% (2020 - 19%).

#### Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020
	£	£
Profit before tax	<u>4,383,128</u>	<u>2,870,891</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	832,794	545,469
Effects of:		
Expenses not deductible for tax purposes	1,214	34,067
Depreciation in excess of capital allowances	32,819	(54,380)
Enhanced tax deduction	(292,342)	(231,988)
Utilisation of prior year loss carryforwards	(9,626)	-
Effect of different tax treatment for overseas subsidiaries	26,789	(3,486)
Consolidation adjustment	6,851	20,403
Under/(over) provision of liability in prior years	(87,140)	(39,469)
Movement in deferred tax asset and provision	<u>16,154</u>	<u>38,394</u>
Total tax charge/(credit)	<u>527,513</u>	<u>309,010</u>

The figure for the enhanced tax deductions included in the 2020 and 2019 tax provisions was lower than the actual claims made which resulted in an overprovision of corporation tax in 2020. The movement in the deferred tax provision in 2021 includes an increase of £40,603 reflecting an increase in the UK corporation tax rate from 1 April 2023.

#### Tax effects relating to effects of other comprehensive income

	2021	
	Gross	Net
	£	£
Revaluation on consolidation	<u>(57,599)</u>	<u>(57,599)</u>
	-	-
	2020	
	Gross	Net
	£	£
Revaluation on consolidation	<u>7,477</u>	<u>7,477</u>
	-	-

**AMAZON FILTERS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 28 February 2021**

**9. PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements. The parent company's profit for the finance year was £3,633,940 (2020: £2,390,595)

**10. DIVIDENDS**

	2021 £	2020 £
A1 'long term dividend'	<u>500,000</u>	<u>500,000</u>
	<u>500,000</u>	<u>500,000</u>

**11. INTANGIBLE FIXED ASSETS**

**Group**

	Goodwill £
<b>COST</b>	
At 1 March 2020	370,964
Additions	-
Disposals	-
Exchange differences	<u>(15)</u>
At 28 February 2021	<u>370,949</u>
<b>AMORTISATION</b>	
At 1 March 2020	221,899
Amortisation for year	37,692
Eliminated on disposal	-
Exchange differences	<u>-</u>
At 28 February 2021	<u>259,591</u>
<b>NET BOOK VALUE</b>	
At 28 February 2021	<u>111,358</u>
At 29 February 2020	<u>149,065</u>

# AMAZON FILTERS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued for the year ended 28 February 2021

### 12. TANGIBLE FIXED ASSETS

#### Group

	Short leasehold £	Plant and machinery £	Fixtures, fittings & computers £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 March 2020	2,381,164	5,787,609	1,163,862	440,958	9,773,593
Additions	153,053	183,221	43,220	21,087	400,581
Disposals	-	(32,346)	-	(52,226)	(84,572)
Adjustments	-	(27,866)	2,874	-	(24,992)
Exchange differences	(152)	(31,537)	(323)	228	(31,784)
At 28 February 2021	<u>2,534,065</u>	<u>5,879,081</u>	<u>1,209,633</u>	<u>410,047</u>	<u>10,032,826</u>
<b>DEPRECIATION</b>					
At 1 March 2020	1,327,552	3,220,231	990,518	263,802	5,802,103
Charge for year	190,099	440,758	61,040	93,313	785,210
Eliminated on disposal	-	(30,193)	-	(38,895)	(69,088)
Adjustments	99	(2,460)	(173)	2,536	2
Exchange differences	(34)	(11,449)	(209)	(598)	(12,290)
At 28 February 2021	<u>1,517,716</u>	<u>3,616,887</u>	<u>1,051,176</u>	<u>320,158</u>	<u>6,505,937</u>
<b>NET BOOK VALUE</b>					
At 28 February 2021	<u>1,016,349</u>	<u>2,262,194</u>	<u>158,457</u>	<u>89,889</u>	<u>3,526,889</u>
At 29 February 2020	<u>1,053,612</u>	<u>2,567,378</u>	<u>173,344</u>	<u>177,156</u>	<u>3,971,490</u>

Fixed assets, included in the above, which are held under finance leases are as follows:

	Fixtures, fittings & computers £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 March 2020	22,000	130,673	152,673
Additions	-	-	-
Disposals	-	-	-
Exchange differences	-	440	440
At 28 February 2021	<u>22,000</u>	<u>131,113</u>	<u>153,113</u>
<b>DEPRECIATION</b>			
At 1 March 2020	1,333	46,600	47,933
Charge for year	4,000	39,532	43,532
Eliminated on disposal	-	-	-
Exchange differences	-	(322)	(322)
At 28 February 2021	<u>5,333</u>	<u>85,810</u>	<u>91,143</u>
<b>NET BOOK VALUE</b>			
At 28 February 2021	<u>16,667</u>	<u>45,303</u>	<u>61,970</u>
At 29 February 2020	<u>20,667</u>	<u>84,073</u>	<u>104,740</u>



# AMAZON FILTERS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued for the year ended 28 February 2021

### 12. TANGIBLE FIXED ASSETS - continued

#### Company

	Short leasehold £	Plant and machinery £	Fixtures, fittings & computer equipment £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 March 2020	2,377,214	4,948,899	1,130,853	361,887	8,818,853
Additions	153,053	89,190	43,220	21,087	306,550
Disposals	-	(14,079)	(1)	(46,923)	(61,003)
At 28 February 2021	<u>2,530,267</u>	<u>5,024,010</u>	<u>1,174,072</u>	<u>336,051</u>	<u>9,064,400</u>
<b>DEPRECIATION</b>					
At 1 March 2020	1,327,538	2,980,117	966,622	234,826	5,509,103
Charge for year	189,704	341,594	55,410	76,438	663,146
Eliminated on disposal	-	(6,595)	-	(38,895)	(45,490)
At 28 February 2021	<u>1,517,242</u>	<u>3,315,116</u>	<u>1,022,032</u>	<u>272,369</u>	<u>6,126,759</u>
<b>NET BOOK VALUE</b>					
At 28 February 2021	<u>1,013,025</u>	<u>1,708,894</u>	<u>152,040</u>	<u>63,682</u>	<u>2,937,641</u>
At 29 February 2020	<u>1,049,676</u>	<u>1,968,782</u>	<u>164,231</u>	<u>127,061</u>	<u>3,309,750</u>

Fixed assets, included in the above, which are held under finance leases are as follows:

	Fixtures, fittings & computer equipment £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 March 2020	22,000	73,040	95,040
Additions	-	-	-
Disposals	-	-	-
At 28 February 2021	<u>22,000</u>	<u>73,040</u>	<u>95,040</u>
<b>DEPRECIATION</b>			
At 1 March 2020	1,333	26,329	27,662
Charge for year	4,000	24,537	28,537
Eliminated on disposal	-	-	-
At 28 February 2021	<u>5,333</u>	<u>50,866</u>	<u>56,199</u>
<b>NET BOOK VALUE</b>			
At 28 February 2021	<u>16,667</u>	<u>22,174</u>	<u>38,841</u>
At 29 February 2020	<u>20,667</u>	<u>46,711</u>	<u>67,378</u>

# AMAZON FILTERS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued for the year ended 28 February 2021

### 13. FIXED ASSET INVESTMENTS

#### Company

	Shares in group undertakings £
<b>COST</b>	
At 1 March 2020	
And 28 February 2021	<u>1,094,231</u>
<b>PROVISIONS</b>	
At 1 March 2020	432,436
Reversal of impairment	<u>(261,055)</u>
At 28 February 2021	<u>171,381</u>
<b>NET BOOK VALUE</b>	
At 28 February 2021	<u>922,850</u>
At 29 February 2020	<u>661,795</u>

The impairment provision in relation to Amazon Filters GmbH was reversed in full in consideration of improved trading profits during the current year.

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following subsidiaries:

#### **Amazon Filters GmbH**

Registered office: Verfahrenstechnik, Hajo-Ruter-Strasse 14, 65239 Hochheim am Main, Germany

Nature of business: Manufacture and marketing of engineering products

	%		
Class of shares:	holding	2021	2020
Ordinary	100.00	£	£
Aggregate capital and reserves		635,469	427,883
Profit for the year		<u>209,242</u>	<u>35,586</u>

#### **Amazon Filters Sp.z o.o**

Registered office: 05-077 Warszawa ul.Mazowiecka 72

Nature of business: Manufacture and marketing of engineering products

	%		
Class of shares:	holding	2021	2020
Ordinary	100.00	£	£
Aggregate capital and reserves		1,497,391	1,242,067
Profit for the year		<u>311,265</u>	<u>272,203</u>

# AMAZON FILTERS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued for the year ended 28 February 2021

### 13. FIXED ASSET INVESTMENTS - continued

#### Amazon Filters S.R.L

Registered office: Via Emilio Motta 10 20144 Milano MI

Nature of business: Manufacture and marketing of engineering products

Class of shares:	% holding	2021	2020
Ordinary	100.00	£	£
Aggregate capital and reserves		29,703	17,725
Profit for the year		<u>12,230</u>	<u>5,479</u>

### 14. STOCKS

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Raw materials	2,150,267	1,992,471	2,026,569	1,992,471
Work-in-progress	253,668	287,771	253,668	287,771
Finished goods	<u>1,058,636</u>	<u>1,366,368</u>	<u>1,013,634</u>	<u>1,186,206</u>
	<u>3,462,571</u>	<u>3,646,610</u>	<u>3,293,871</u>	<u>3,466,448</u>

### 15. DEBTORS

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	5,505,401	4,494,843	5,069,654	4,291,338
Amounts receivable from group	-	-	76,411	207,801
Other debtors	39,675	64,170	5,073	1,812
Payments on account to suppliers	78,096	58,153	78,096	58,153
Derivatives	87,941	77,802	87,941	77,802
Tax	4,102	32,949	-	-
VAT	97,863	212,446	1,223	162,953
Prepayments and accrued income	<u>279,117</u>	<u>197,042</u>	<u>251,661</u>	<u>173,290</u>
	<u>6,092,195</u>	<u>5,137,405</u>	<u>5,570,059</u>	<u>4,973,149</u>
Amounts falling due after one year:				
Deferred tax asset	<u>13,851</u>	<u>19,574</u>	<u>-</u>	<u>-</u>
Aggregate amounts	<u>6,106,046</u>	<u>5,156,979</u>	<u>5,570,059</u>	<u>4,973,149</u>

**AMAZON FILTERS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 28 February 2021**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2021	2020	2021	2020
	£	£	£	£
Finance leases (see note 18)	44,707	10,677	31,829	10,677
Trade creditors	1,477,332	1,161,320	1,429,682	1,049,572
Amounts payable to group	-	-	114,165	138,925
Customer payments on account	114,945	35,661	114,945	35,661
Derivatives	64,228	-	64,228	-
Tax	360,230	34,819	279,560	16,116
Social security and other taxes	324,829	353,901	285,038	300,678
Other creditors	562,549	541,760	500,000	500,000
Accrued expenses	828,587	723,059	807,246	620,932
	<u>3,777,407</u>	<u>2,861,197</u>	<u>3,626,693</u>	<u>2,672,561</u>

Dividends of £500,000 (2020 - £500,000) declared but not paid at the year end are included in other creditors.

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2021	2020	2021	2020
	£	£	£	£
Finance leases (see note 18)	<u>37,549</u>	<u>96,420</u>	<u>26,574</u>	<u>58,384</u>

**18. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Finance leases</b>	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	44,707	10,677
Between one and five years	<u>37,549</u>	<u>96,420</u>
	<u>82,256</u>	<u>107,097</u>

**Company**

	<b>Finance leases</b>	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	31,829	10,677
Between one and five years	<u>26,574</u>	<u>58,384</u>
	<u>58,403</u>	<u>69,061</u>

# AMAZON FILTERS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued for the year ended 28 February 2021

### 18. LEASING AGREEMENTS - continued

<b>Group</b>		Non-cancellable operating leases	
		2021	2020
		£	£
Within one year		866,943	866,545
Between one and five years		3,015,353	3,122,885
In more than five years		<u>1,236,888</u>	<u>1,943,681</u>
		<u>5,119,184</u>	<u>5,933,111</u>

<b>Company</b>		Non-cancellable operating leases	
		2021	2020
		£	£
Within one year		814,325	814,325
Between one and five years		3,015,353	3,122,885
In more than five years		<u>1,236,888</u>	<u>1,943,681</u>
		<u>5,066,566</u>	<u>5,880,891</u>

### 19. PROVISIONS FOR LIABILITIES

	<b>Group</b>		<b>Company</b>	
	2021	2020	2021	2020
	£	£	£	£
Deferred tax				
Accelerated capital allowances	<u>281,811</u>	<u>271,380</u>	<u>281,811</u>	<u>271,380</u>

<b>Group</b>		Deferred tax
		£
Balance at 1 March 2020		271,380
Provided during year		<u>10,431</u>
At 28 February 2021		<u>281,811</u>

<b>Company</b>		Deferred tax
		£
Balance at 1 March 2020		271,380
Provided during year		<u>10,431</u>
At 28 February 2021		<u>281,811</u>

# AMAZON FILTERS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued for the year ended 28 February 2021

### 20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Number:	Class:	Nominal Value:	2021 £	2020 £
522,750	A Ordinary	£0.10	52,275	52,275
333,300	A1	£0.10	33,330	33,330
174,250	B Ordinary	£0.10	17,425	17,425
13,940	C Ordinary	£0.10	1,394	1,394
55,760	D Ordinary	£0.10	5,576	5,576
2,566	E Ordinary	£0.10	256	256
43,267	F Ordinary	£0.01	433	433
			<u>110,689</u>	<u>110,689</u>

On 23 April 2019, shares in classes E and F were issued for a total consideration of £77,412.

The rights to dividends and capital attached to the various classes of shares are detailed in the Company Articles of Association. In particular the A1 class of shares have a fixed right to a dividend of £500,000 per annum for the accounting years up to and including the year ended 28 February 2023 and thereafter a minimum of £1,000,000 per annum.

### 21. RESERVES

#### Group

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 March 2020	13,571,095	76,723	2,500	13,650,318
Profit for the year	3,855,615	-	-	3,855,615
Dividends	(500,000)	-	-	(500,000)
Revaluation on consolidation	(57,599)	-	-	(57,599)
At 28 February 2021	<u>16,869,111</u>	<u>76,723</u>	<u>2,500</u>	<u>16,948,334</u>

#### Company

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 March 2020	12,515,000	76,723	2,500	12,594,223
Profit for the year	3,633,940	-	-	3,633,940
Dividends	(500,000)	-	-	(500,000)
At 28 February 2021	<u>15,648,940</u>	<u>76,723</u>	<u>2,500</u>	<u>15,728,163</u>

## **AMAZON FILTERS LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued** **for the year ended 28 February 2021**

#### **22. PENSION COMMITMENTS**

The group contributes to money purchase schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £399,837 (2020 - £369,195). £50,530 of these contributions were paid to the scheme after the year end.

#### **23. TRANSACTIONS WITH DIRECTORS**

There were no transactions with the directors in the current or comparative period other than their remuneration and business expense reimbursements.

#### **24. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

#### **25. CONTROL**

The Company is owned by a number of shareholders none of whom have more than 28.76% of the voting rights of issued share capital of the Company. Accordingly there is no parent entity nor ultimate controlling party.

#### **26. SHARE-BASED PAYMENTS**

Certain employees participate in a share option scheme under the terms of an EMI Option Plan. The rights attaching to F and G shares under option are set out in the Articles of Association. In the prior year, 52,478 options were granted to 2 employees with an exercise price equal to the nominal value of the shares.