

Financial Statements

Ampacet UK Limited

For the year ended 31 December 2021

AMENDED

replace the original accounts filed online

Are prepared as they were at the date of the original accounts

Registered number: 04868378

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COMPANIES HOUSE

Ampacet UK Limited

Company Information

Directors

H Sartori
M Bergamo

Company secretary

H Sartori

Registered number

04868378

Registered office

Unit F1
21 Halesfield Industrial Estate
Telford
Shropshire
TF7 4NX

Independent auditor

Grant Thornton
Chartered Accountants & Statutory Audit Firm
6th Floor
Penrose One
Penrose Dock
Cork

Bankers

ING Bank
8-10 Moorgate
London
EC2R 6DA
United Kingdom

Contents

	Page
Directors' report	1 - 3
Independent auditor's report	4 - 8
Statement of comprehensive income	9
Balance sheet	10
Statement of changes in equity	11
Notes to the financial statements	12 - 24

Directors' report

For the year ended 31 December 2021

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

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

Business review

The directors are pleased with the performance during the year and consider that the company is in a strong position to continue growth into the coming year.

Results and dividends

The profit for the year, after taxation, amounted to £145,551 (2020 - £96,939).

The company paid a dividend in the year of £NIL (2020: £320,000)

The directors do not recommend the issue of a further dividend (2020: £Nil)

Directors' report (continued)

For the year ended 31 December 2021

Directors

The directors who served during the year were:

H Sartori
M Bergamo

Principal risks and uncertainties

The management of the business and the nature of the company's strategy are subject to a number of risks. The directors have set out below the principal risks facing the business.

The directors are of the opinion that a through risk management process is adopted which involves the formal review of all the risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Production capacity

The Company continually reviews production capacity and invests where necessary to ensure that the Company can be flexible to meet customer requirements.

Competition

The market in which the Company operates is highly competitive. As a result there is constant downwards pressure on margins. Policies of constant price monitoring and ongoing market research are in place to mitigate such risks.

Product obsolescence

Due to the nature of the market in which the Company operates, products are subject to technological advances and as a result, obsolescence. The Directors are committed to the research and development strategy in place, and are confident that the Company is able to react effectively to the developments within the market.

Currency risk

The Company buys and sells goods throughout Europe in Euros. The Company seeks to hedge this exposure by operating bank accounts in both Sterling and Euros and where possible aims to match currency receivables with currency payables.

Credit risk

The Company's principal financial assets are cash and amounts owed by group undertakings. The credit risk associated with cash is limited as the counterparties have high credit ratings assigned by international credit rating agencies.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Confirmation has been obtained from the parent company, Ampacet Europe SA that they will provide financial support to as requested, to enable the company to meet all of its obligations, for a period of at least 12 months from the date of approval of these financial statements. The company therefore continues to adapt the going concern basis in preparing its financial statements.

Directors' report (continued)

For the year ended 31 December 2021

Research and development activities

There were no research and development activities during the year.

Disclosure of information to auditor

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

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

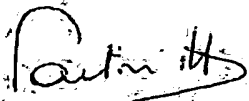
Auditor

The auditor, Grant Thornton, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

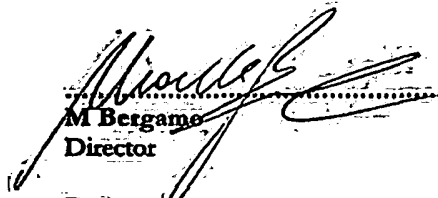
In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



H Sartori
Director

Date: 21/09/22



M Bergame
Director

Date: 21/09/2022



Independent auditor's report to the members of Ampacet UK Limited

Opinion

We have audited the financial statements of Ampacet UK Limited, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity for the financial year ended 31 December 2021, and the related 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, Ampacet UK Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the assets, liabilities and financial position of the Company as at 31 December 2021 and of its financial performance for the financial year then ended; 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 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, namely the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances of the entity. 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.

Independent auditor's report to the members of Ampacet UK Limited (continued)

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date 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

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon, including the Directors' report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the 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 in the financial statements, 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of Ampacet 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 we have obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report or in preparing the Directors' report.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 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, management 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 management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Independent auditor's report to the members of Ampacet UK Limited (continued)

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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 their 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 an auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud. 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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- inquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the company's regulatory and legal correspondence and review of minutes of the board of directors meetings during the year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing

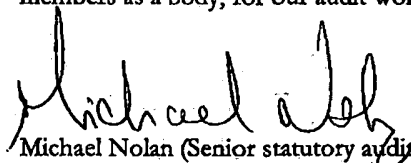
The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.



Independent auditor's report to the members of Ampacet UK Limited (continued)

The purpose of our audit work and to whom we owe our responsibilities

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.


Michael Nolan (Senior statutory auditor)

for and on behalf of
Grant Thornton

Chartered Accountants
Statutory Audit Firm

Cork
Date:

22 / 9 / 2022

Statement of comprehensive income

For the year ended 31 December 2021

	Note	2021 £	2020 £
Turnover		4,390,067	5,109,363
Cost of sales		(2,993,918)	(3,647,690)
Gross profit		1,396,149	1,461,673
Distribution costs		(23,742)	(24,658)
Administrative expenses		(1,150,974)	(1,292,678)
Operating profit		221,433	144,337
Interest payable and similar expenses		(1,216)	(3,520)
Profit before tax		220,217	140,817
Tax on profit		(74,666)	(43,878)
Profit for the financial year		145,551	96,939

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020: NIL).

The notes on pages 12 to 24 form part of these financial statements.

Ampacet UK Limited

Registered number:04868378

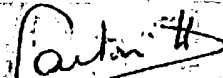
Balance sheet

As at 31 December 2021

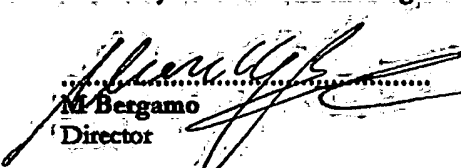
	Note	2021 £	2020 £
Fixed assets			
Tangible assets	7	687,075	767,054
		<u>687,075</u>	<u>767,054</u>
Current assets			
Stocks	8	898,566	982,382
Debtors: amounts falling due within one year	9	1,318,988	100,249
Cash at bank and in hand	10	31,950	693,738
		<u>2,249,504</u>	<u>1,776,369</u>
Creditors: amounts falling due within one year	11	(676,106)	(442,000)
		<u>1,573,398</u>	<u>1,334,369</u>
Net current assets		<u>1,573,398</u>	<u>1,334,369</u>
Total assets less current liabilities		<u>2,260,473</u>	<u>2,101,423</u>
Provisions for liabilities			
Deferred tax		(113,992)	(100,493)
		<u>(113,992)</u>	<u>(100,493)</u>
Net assets		<u>2,146,481</u>	<u>2,000,930</u>
Capital and reserves			
Called up share capital	11	11	11
Share premium account		1,903,115	1,903,115
Profit and loss account		243,355	97,804
		<u>2,146,481</u>	<u>2,000,930</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
H Sartori
Director

Date: 21/03/22


.....
M Bergamo
Director

Date: 21/03/22

The notes on pages 12 to 24 form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	11	1,903,115	97,804	2,000,930
Profit for the year	-	-	145,551	145,551
At 31 December 2021	11	1,903,115	243,355	2,146,481

The notes on pages 12 to 24 form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	11	1,903,115	320,865	2,223,991
Profit for the year	-	-	96,939	96,939
Dividends: Equity capital	-	-	(320,000)	(320,000)
At 31 December 2020	11	1,903,115	97,804	2,000,930

The notes on pages 12 to 24 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2021.

1. General information

Ampacet UK Limited is a private company limited by shares and incorporated in England and Wales. Registered number 04868378. Its registered head office is located at Unit F1, 21 Halesfield Industrial Estate, Telford, Shropshire, TF7 4NX.

The principal activity of the company is production of masterbatch for sale in the plastic industry.

These financial statements cover only Ampacet UK Limited and do not consolidate any other entities.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Confirmation has been obtained from the parent company, Ampacet Europe SA that they will provide financial support to as requested, to enable the company to meet all of its obligations, for a period of at least 12 months from the date of approval of these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Notes to the financial statements

For the year ended 31 December 2021

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

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

2.4 Revenue

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

Sale of goods

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

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

2.5 Operating leases: the Company as lessee

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

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

Notes to the financial statements

For the year ended 31 December 2021

2. Accounting policies (continued)

2.6 Finance costs

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

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.8 Pensions

Defined contribution pension plan

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

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

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the financial statements

For the year ended 31 December 2021

2. Accounting policies (continued)

2.10 Tangible fixed assets

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

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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

Depreciation is provided on the following basis:

Freehold property	-	4% straight line
Plant and machinery	-	10% , 15%, 20%, 25%, 33% and 50% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	20% , 25%, 33% and 100% straight line
Other fixed assets	-	

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

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

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

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

Notes to the financial statements

For the year ended 31 December 2021

2. Accounting policies (continued)

2.13 Cash and cash equivalents

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

2.14 Creditors

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

2.15 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.16 Financial Instruments

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

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

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

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

Notes to the financial statements

For the year ended 31 December 2021

2. Accounting policies (continued)

2.16 Financial Instruments (continued)

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

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

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful lives of depreciable assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact on depreciation charges for the period. It is not practical to quantify the impact of changes in asset lives on an overall basis, as asset lives are individually determined, and there are a significant number of asset lives in use. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted.

Notes to the financial statements

For the year ended 31 December 2021

4. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	15,350	15,350
Fees payable to the Company's auditor and its associates in respect of:		
Accounts production and iXBRL tagging	1,000	1,000
	1,000	1,000

5. Employees

The average monthly number of employees, including directors, during the year was 14 (2020 = 17).

6. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	54,297	17,662
Adjustments in respect of previous periods	6,870	-
	61,167	17,662
Total current tax	61,167	17,662
Deferred tax		
Origination and reversal of timing differences	13,499	26,216
Total deferred tax	13,499	26,216
Taxation on profit on ordinary activities	74,666	43,878

Notes to the financial statements

For the year ended 31 December 2021

6. Taxation (continued)

Factors affecting tax charge for the year

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

	2021 £	2020 £
Profit on ordinary activities before tax	220,217	140,817
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	41,841	26,755
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(887)	-
Depreciation for year in excess of capital allowances	13,343	16,387
Overprovision in the PY	6,870	(25,480)
Deferred tax movement	13,499	26,216
Total tax charge for the year	74,666	43,878

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Ampacet UK Limited

Notes to the financial statements
For the year ended 31 December 2021

7. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation						
At 1 January 2021	991,298	2,002,227	23,575	126,092	-	3,143,192
Additions	-	71,059	-	-	5,460	76,519
Disposals	-	(10,700)	-	-	-	(10,700)
At 31 December 2021	991,298	2,062,586	23,575	126,092	5,460	3,209,011
Depreciation						
At 1 January 2021	686,017	1,541,498	23,575	125,048	-	2,376,138
Charge for the year on owned assets	51,321	93,433	-	1,044	-	145,798
At 31 December 2021	737,338	1,634,931	23,575	126,092	-	2,521,936
Net book value						
At 31 December 2021	253,960	427,655	-	-	5,460	687,075
At 31 December 2020	305,281	460,729	-	1,044	-	767,054

Notes to the financial statements

For the year ended 31 December 2021

8. Stocks

	2021 £	2020 £
Raw materials and consumables	856,528	953,869
Work in progress (goods to be sold)	-	12,970
Finished goods and goods for resale	42,038	15,543
	<u>898,566</u>	<u>982,382</u>

9. Debtors

	2021 £	2020 £
Trade debtors	(6,054)	150
Amounts owed by group undertakings	945,247	35,156
Prepayments and accrued income	321,207	19,475
Tax recoverable	58,588	45,468
	<u>1,318,988</u>	<u>100,249</u>

All debtors are due within one year.

The amounts owed by group undertakings are repayable on demand and bear no interest charge.

10. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	31,950	693,738
Less: bank overdrafts	(301,391)	-
	<u>(269,441)</u>	<u>693,738</u>

Notes to the financial statements

For the year ended 31 December 2021

11. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank overdrafts	301,391	-
Trade creditors	246,784	294,053
Amounts owed to group undertakings	37,575	42,378
Corporation tax	31,297	38,804
Other taxation and social security	27,226	28,263
Other creditors	-	310
Accruals and deferred income	31,833	38,192
	<u>676,106</u>	<u>442,000</u>

The amounts owed to group undertakings are repayable on demand and bear no interest charge.

Trade and other creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Taxes including social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

12. Financial instruments

	2021	2020
	£	£
Financial assets		
Financial assets measured at amortised cost	<u>1,292,350</u>	<u>748,519</u>
Financial liabilities		
Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio	<u>617,583</u>	<u>374,933</u>

Financial assets measured at amortised comprise of cash at bank and in hand, trade debtors, amounts owed by group undertakings, prepayments and other debtors.

Financial liabilities measured at amortised cost comprise of bank overdrafts, trade creditors, amounts owed to group undertakings, accruals and other creditors.

Notes to the financial statements

For the year ended 31 December 2021

13. Share capital

	2021	2020
	£	£
Alotted, called up and fully paid		
11 (2020 - 11) Ordinary shares shares of £1.00 each	11	11

14. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund amounted to £12,145 (2020: £12,055). There were £NIL contributions payable to the fund at the year end (2020: £NIL).

15. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021	2020
	£	£
Not later than 1 year	46,992	27,124
Later than 1 year and not later than 5 years	144,082	89,206
Later than 5 years	112,355	-
	303,429	116,330

16. Related party transactions

As a wholly owned subsidiary of Ampacet Corporation, the company is exempt from the requirements of FRS 102 Section 33 "Related Parties" to disclose transactions with other wholly owned members of the group headed by Ampacet Corporation.

There are no other related party transactions noted.

17. Post balance sheet events

There have been no significant events affecting the Company since the year end. The Company directors continue to monitor and assess the impact of the Covid-19 pandemic and related restrictions on the Company.

Notes to the financial statements

For the year ended 31 December 2021

18. Controlling party

The immediate parent undertaking is Ampacet Belgium S.R.L., a company incorporated in Belgium.

The directors consider that the ultimate parent undertakings of this company is Ampacet Corporation incorporated in the United States of America. The estate of Mr N Alexander is the company's controlling related party by virtue of its ownership of 100% of the shares in Ampacet Corporation

The largest group of undertakings for which accounts have been drawn up is that headed by Ampacet Corporation incorporated in the United States of America.

The smallest group of undertakings for which group accounts have been drawn up is that headed by Ampacet Europe Holdings S.a.r.l., a company incorporated in Luxembourg.