

REGISTERED NUMBER: 01318147 (England and Wales)

AMAZON FILTERS LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2015

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for the year ended 28 February 2015

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AMAZON FILTERS LIMITED
COMPANY INFORMATION
for the year ended 28 February 2015

DIRECTORS: J W Kirby
K J Pizzey
N M Pizzey

SECRETARY: R S Hawes

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 (REGISTERED NUMBER: 01318147)

GROUP STRATEGIC REPORT
for the year ended 28 February 2015

The directors present their strategic report of the company and the group for the year ended 28 February 2015.

REVIEW OF BUSINESS

Amazon Filters Ltd has achieved excellent growth over the last few years and achieved a turnover of c.£22.5 million in 2014/15, split between sales to the End User, Resale and Oil & Gas sectors. Sales are approximately 35% in the UK, and 65% export - with over 70% of that exported to the EU.

Modest growth has been achieved in the UK market in the last few years, and we are suffering from being targeted by aggressive low-cost importers to our traditional customers whilst finding it difficult to penetrate new, high end customers, whilst at the same time seeing a change in purchasing methods with many major accounts choosing to use integrators as a way of reducing costs.

Export sales have driven most of Amazon Filter's growth, aided by the weak pound v. the euro. Clearly the recent weakness of the euro will present a significant challenge to Amazon Filters Ltd's competitiveness in the Eurozone.

Amazon Filters Ltd's recent activity in the ASEAN region is going reasonably well; customers appear receptive to a mid-market brand and there are some significant filter users open to us but price and therefore margins are lower than we are used to and we need to ensure we can establish a profitable business in this region.

Our latest venture to explore export opportunities in North & South America will be interesting in terms of the competitive situation there - we need to find out if we can realistically supply and distribute in what is likely to be a very challenging, well served market.

Sales to Oil & Gas customers remain significant and attractive in terms of volume but are vulnerable to predatory competitors. Large new project opportunities are currently limited so focus is now on attempting to leverage references in order to win aftermarket business on non- Amazon Filters Ltd installations, as well as protecting current business.

Amazon Filters Ltd will need to focus on cost reduction in order to remain competitive and to actively seek out high-end and new application areas that are less price sensitive than mature markets.

ON BEHALF OF THE BOARD:



R S Hawes - Secretary

13 August 2015

REPORT OF THE DIRECTORS
for the year ended 28 February 2015

The directors present their report with the financial statements of the company and the group for the year ended 28 February 2015.

DIVIDENDS

The company declared interim dividends on the ordinary share capital amounting to £855,000 (2014: £591,000).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 March 2014 to the date of this report.

J W Kirby
K J Pizzey
N M Pizzey

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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.

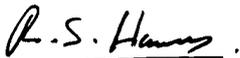
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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.

AUDITORS

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

ON BEHALF OF THE BOARD:



R S Hawes - Secretary

13 August 2015

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

We have audited the financial statements of Amazon Filters Limited for the year ended 28 February 2015 on pages six to twenty six. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 28 February 2015 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

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

Matters on which we are required to report by exception

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.



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

13 August 2015

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 28 February 2015

		2015		2014	
	Notes	£	£	£	£
TURNOVER	2		22,519,266		17,443,303
Continuing operations		22,508,430		17,443,303	
Acquisitions		10,836		-	
		<u>22,519,266</u>		<u>17,443,303</u>	
Cost of sales	3		<u>12,557,875</u>		<u>9,462,033</u>
GROSS PROFIT	3		9,961,391		7,981,270
Net operating expenses	3		<u>6,022,263</u>		<u>4,967,261</u>
OPERATING PROFIT	5		3,939,128		3,014,009
Continuing operations		4,295,144		3,014,009	
Acquisitions		(356,016)		-	
		<u>3,939,128</u>		<u>3,014,009</u>	
Interest receivable and similar income			<u>8,936</u>		<u>2,717</u>
			3,948,064		3,016,726
Interest payable and similar charges	6		<u>17,494</u>		<u>23,383</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			3,930,570		2,993,343
Tax on profit on ordinary activities	7		<u>810,368</u>		<u>677,812</u>
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP			<u>3,120,202</u>		<u>2,315,531</u>

The notes form part of these financial statements

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 28 February 2015

	2015	2014
	£	£
PROFIT FOR THE FINANCIAL YEAR	3,120,202	2,315,531
Foreign exchange translation adjustments	19,936	7,134
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES		
RELATING TO THE YEAR	<u>3,140,138</u>	<u>2,322,665</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES
for the year ended 28 February 2015

	2015	2014
	£	£
REPORTED PROFIT ON ORDINARY ACTIVITIES		
BEFORE TAXATION	3,930,570	2,993,343
Revaluation on consolidation	53,039	-
	<hr/>	<hr/>
HISTORICAL COST PROFIT ON ORDINARY		
ACTIVITIES BEFORE TAXATION	<u>3,983,609</u>	<u>2,993,343</u>
HISTORICAL COST PROFIT FOR THE YEAR		
RETAINED AFTER TAXATION AND DIVIDENDS	<u>2,318,241</u>	<u>1,724,531</u>

The notes form part of these financial statements

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

CONSOLIDATED BALANCE SHEET

28 February 2015

	Notes	2015		2014	
		£	£	£	£
FIXED ASSETS					
Intangible assets	10		410,952		87,954
Tangible assets	11		2,274,223		1,955,829
Investments	12		-		-
			<u>2,685,175</u>		<u>2,043,783</u>
CURRENT ASSETS					
Stocks	13	2,144,859		2,317,776	
Debtors	14	3,524,932		3,415,477	
Cash at bank and in hand		5,075,616		3,623,088	
		<u>10,745,407</u>		<u>9,356,341</u>	
CREDITORS					
Amounts falling due within one year	15	2,403,396		2,424,205	
NET CURRENT ASSETS			<u>8,342,011</u>		<u>6,932,136</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,027,186</u>		<u>8,975,919</u>
CREDITORS					
Amounts falling due after more than one year	16		(106,816)		(375,687)
PROVISIONS FOR LIABILITIES	20		(195,000)		(160,000)
NET ASSETS			<u>10,725,370</u>		<u>8,440,232</u>
CAPITAL AND RESERVES					
Called up share capital	21		7,500		7,500
Capital redemption reserve	22		2,500		2,500
Profit and loss account	22		10,715,370		8,430,232
SHAREHOLDERS' FUNDS	26		<u>10,725,370</u>		<u>8,440,232</u>

The financial statements were approved by the Board of Directors on 13 August 2015 and were signed on its behalf by:



N M Pizzey - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
28 February 2015

	Notes	2015		2014	
		£	£	£	£
FIXED ASSETS					
Intangible assets	10		-		-
Tangible assets	11		2,152,598		1,920,637
Investments	12		922,850		439,870
			<u>3,075,448</u>		<u>2,360,507</u>
CURRENT ASSETS					
Stocks	13	2,043,822		2,242,797	
Debtors	14	3,668,214		3,417,448	
Cash at bank and in hand		4,929,414		3,536,874	
		<u>10,641,450</u>		<u>9,197,119</u>	
CREDITORS					
Amounts falling due within one year	15	2,440,227		2,397,465	
NET CURRENT ASSETS			<u>8,201,223</u>		<u>6,799,654</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			11,276,671		9,160,161
CREDITORS					
Amounts falling due after more than one year	16		(106,816)		(375,687)
PROVISIONS FOR LIABILITIES	20		(195,000)		(160,000)
NET ASSETS			<u>10,974,855</u>		<u>8,624,474</u>
CAPITAL AND RESERVES					
Called up share capital	21		7,500		7,500
Capital redemption reserve	22		2,500		2,500
Profit and loss account	22		10,964,855		8,614,474
SHAREHOLDERS' FUNDS	26		<u>10,974,855</u>		<u>8,624,474</u>

The financial statements were approved by the Board of Directors on 13 August 2015 and were signed on its behalf by:



N M Pizze - Director

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 28 February 2015

	Notes	2015		2014	
		£	£	£	£
Net cash inflow from operating activities	1		4,322,528		3,850,201
Returns on investments and servicing of finance	2		(8,558)		(17,954)
Taxation			(758,805)		(793,423)
Capital expenditure	2		(1,163,497)		(416,391)
Equity dividends paid			(855,000)		(591,000)
			<u>1,536,668</u>		<u>2,031,433</u>
Financing	2		(166,528)		(347,434)
Increase in cash in the period			<u>1,370,140</u>		<u>1,683,999</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase in cash in the period		1,370,140		1,683,999	
Cash outflow from decrease in debt and lease financing		<u>356,569</u>		<u>202,382</u>	
Change in net funds resulting from cash flows			<u>1,726,709</u>		<u>1,886,381</u>
Movement in net funds in the period			1,726,709		1,886,381
Net funds at 1 March			<u>3,054,415</u>		<u>1,168,034</u>
Net funds at 28 February			<u>4,781,124</u>		<u>3,054,415</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 28 February 2015**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Operating profit	3,939,128	3,014,009
Depreciation charges	536,331	493,140
Loss on disposal of fixed assets	16,765	11,891
Foreign exchange loss	36,030	12,711
Decrease/(increase) in stocks	184,021	(433,768)
(Increase)/decrease in debtors	(289,718)	15,909
(Decrease)/increase in creditors	(100,029)	736,309
Net cash inflow from operating activities	<u><u>4,322,528</u></u>	<u><u>3,850,201</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest received	8,936	5,429
Interest paid	(4,671)	(10,928)
Interest element of finance lease payments	(12,823)	(12,455)
Net cash outflow for returns on investments and servicing of finance	<u><u>(8,558)</u></u>	<u><u>(17,954)</u></u>
Capital expenditure		
Purchase of intangible fixed assets	(379,616)	-
Purchase of tangible fixed assets	(828,034)	(444,517)
Sale of tangible fixed assets	44,153	28,126
Net cash outflow for capital expenditure	<u><u>(1,163,497)</u></u>	<u><u>(416,391)</u></u>
Financing		
Loan repayments in year	(242,347)	(84,586)
Finance received via invoice discounting	187,041	(145,052)
Capital repayments in year	(114,222)	(117,796)
Amount introduced by directors	3,000	-
Net cash outflow from financing	<u><u>(166,528)</u></u>	<u><u>(347,434)</u></u>

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 28 February 2015

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.3.14 £	Cash flow £	At 28.2.15 £
Net cash:			
Cash at bank and in hand	3,623,088	1,452,528	5,075,616
Bank overdraft	-	(82,388)	(82,388)
	<u>3,623,088</u>	<u>1,370,140</u>	<u>4,993,228</u>
Debt:			
Finance leases	(326,326)	114,222	(212,104)
Debts falling due within one year	(78,765)	78,765	-
Debts falling due after one year	<u>(163,582)</u>	<u>163,582</u>	<u>-</u>
	<u>(568,673)</u>	<u>356,569</u>	<u>(212,104)</u>
Total	<u>3,054,415</u>	<u>1,726,709</u>	<u>4,781,124</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 28 February 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Basis of consolidation

All companies over which the group is able to exercise a dominant influence are consolidated as subsidiary undertakings. Dominant influence is defined as the right to give directions with respect to operating and financial policies.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Turnover is recognised when the company obtains the right to consideration. This is considered to be when goods are despatched and the title is passed.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Short leasehold	- Straight line over 15 years
Plant and machinery	- 10% on cost
Fixtures and fittings	- 33% on cost and 10% on cost
Motor vehicles	- 33% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

Deferred tax

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

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

Rentals paid under operating leases are charged to the profit and loss account 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 the profit and loss account in the period to which they relate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

1. ACCOUNTING POLICIES - continued

Investments

Fixed asset investments are stated at cost less provision of diminution in value.

2. 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:

	2015 £	2014 £
Sales UK	8,955,324	6,475,020
Sales Europe	7,654,564	7,204,309
Sales Rest of World	5,909,378	3,763,974
	<u>22,519,266</u>	<u>17,443,303</u>

3. ANALYSIS OF OPERATIONS

	Continuing £	2015 Acquisitions £	Total £
Cost of sales	<u>12,466,336</u>	<u>91,539</u>	<u>12,557,875</u>
Gross profit/(loss)	<u>10,042,094</u>	<u>(80,703)</u>	<u>9,961,391</u>
Net operating expenses:			
Administrative expenses	5,758,046	275,313	6,033,359
Other operating income	(11,096)	-	(11,096)
	<u>5,746,950</u>	<u>275,313</u>	<u>6,022,263</u>
	Continuing £	2014 Acquisitions £	Total £
Cost of sales	<u>9,462,033</u>	<u>-</u>	<u>9,462,033</u>
Gross profit	<u>7,981,270</u>	<u>-</u>	<u>7,981,270</u>
Net operating expenses:			
Administrative expenses	<u>4,967,261</u>	<u>-</u>	<u>4,967,261</u>

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

4. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	4,930,324	4,309,556
Social security costs	492,674	431,864
Other pension costs	207,201	180,484
	<u>5,630,199</u>	<u>4,921,904</u>

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

	2015	2014
Directors	3	3
Other	168	127
	<u>171</u>	<u>130</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2015	2014
	£	£
Hire of plant and machinery	36,706	22,907
Depreciation - owned assets	425,445	408,191
Depreciation - assets on finance leases	64,849	75,771
Loss on disposal of fixed assets	16,765	11,891
Goodwill amortisation	46,036	9,177
Auditors' remuneration	22,500	20,500
Foreign exchange differences	163,166	6,258
	<u>80,833</u>	<u>75,001</u>

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

Money purchase schemes	<u>3</u>	<u>3</u>
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6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
Bank loan interest	4,671	10,884
Interest on late payment	-	44
Hire purchase	10,952	11,359
Leasing	1,871	1,096
	<u>17,494</u>	<u>23,383</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

7. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2015	2014
	£	£
Current tax:		
UK corporation tax	777,887	700,000
(Over)/under provision	(2,519)	(15,188)
	<hr/>	<hr/>
Total current tax	775,368	684,812
Deferred tax	35,000	(7,000)
	<hr/>	<hr/>
Tax on profit on ordinary activities	<u>810,368</u>	<u>677,812</u>

UK corporation tax was charged at 23.08% in 2014.

Factors affecting the tax charge

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

	2015	2014
	£	£
Profit on ordinary activities before tax	<u>3,930,570</u>	<u>2,993,343</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.120% (2014 - 23.080%)	830,136	690,864
Effects of:		
Non deductible expenses	3,968	8,503
Depreciation in excess of capital allowances	-	127
Capital allowances in excess of depreciation	(57,542)	-
Adjustments to tax charge in respect of previous periods	(2,519)	(15,188)
Enhanced tax deduction	(29,170)	(3,540)
Over provision of liability	2,340	2,519
Tax liability for overseas subsidiary	12,887	-
Consolidation adjustment	15,268	1,527
	<hr/>	<hr/>
Current tax charge	<u>775,368</u>	<u>684,812</u>

8. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £3,205,381 (2014 - £2,322,148).

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

9. **DIVIDENDS**

	2015	2014
	£	£
'A' Ordinary shares of £1 each Interim	708,750	506,250
'B' Ordinary shares of £1 each Interim	47,250	33,750
'C' Ordinary shares of £1 each Interim	99,000	51,000
	<u>855,000</u>	<u>591,000</u>

10. **INTANGIBLE FIXED ASSETS**

Group	Goodwill
	£
COST	
At 1 March 2014	137,675
Additions	379,616
Exchange differences	(16,564)
	<u>400,727</u>
At 28 February 2015	<u>500,727</u>
AMORTISATION	
At 1 March 2014	49,721
Amortisation for year	46,036
Exchange differences	(5,982)
	<u>89,775</u>
At 28 February 2015	<u>89,775</u>
NET BOOK VALUE	
At 28 February 2015	<u>410,952</u>
At 28 February 2014	<u>87,954</u>

The addition of goodwill relates to the goodwill arising on consolidation from the acquisition of Amazon Filters SP.Z O.O. a company incorporated and trading in Poland. The goodwill is the difference between the payment of £482,980 and the fair value of the assets purchased at £103,364.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

11. TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 March 2014	1,116,275	2,573,977	756,347	344,231	4,790,830
Additions	238,108	367,184	103,631	111,871	820,794
Disposals	(41,309)	(3,821)	-	(117,391)	(162,521)
Revaluations	-	24,789	-	28,250	53,039
Exchange differences	(389)	-	(4,158)	(3,805)	(8,352)
At 28 February 2015	<u>1,312,685</u>	<u>2,962,129</u>	<u>855,820</u>	<u>363,156</u>	<u>5,493,790</u>
DEPRECIATION					
At 1 March 2014	552,561	1,530,786	586,690	164,964	2,835,001
Charge for year	80,856	245,620	82,970	80,848	490,294
Eliminated on disposal	(21,779)	(3,070)	-	(76,754)	(101,603)
Exchange differences	(299)	-	(2,755)	(1,071)	(4,125)
At 28 February 2015	<u>611,339</u>	<u>1,773,336</u>	<u>666,905</u>	<u>167,987</u>	<u>3,219,567</u>
NET BOOK VALUE					
At 28 February 2015	<u>701,346</u>	<u>1,188,793</u>	<u>188,915</u>	<u>195,169</u>	<u>2,274,223</u>
At 28 February 2014	<u>563,714</u>	<u>1,043,191</u>	<u>169,657</u>	<u>179,267</u>	<u>1,955,829</u>

Cost or valuation at 28 February 2015 is represented by:

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2014	-	24,789	-	28,250	53,039
Cost	<u>1,312,685</u>	<u>2,937,340</u>	<u>855,820</u>	<u>334,906</u>	<u>5,440,751</u>
	<u>1,312,685</u>	<u>2,962,129</u>	<u>855,820</u>	<u>363,156</u>	<u>5,493,790</u>

The revaluations relate to the uplift in value of the fixed assets of the Polish subsidiary, restating them at fair value on consolidation which is in excess of the values disclosed in the subsidiary accounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

11. TANGIBLE FIXED ASSETS - continued

Group

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

	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 March 2014			
and 28 February 2015	544,019	55,036	599,055
DEPRECIATION			
At 1 March 2014	144,621	23,694	168,315
Charge for year	54,402	10,447	64,849
At 28 February 2015	199,023	34,141	233,164
NET BOOK VALUE			
At 28 February 2015	344,996	20,895	365,891
At 28 February 2014	399,398	31,342	430,740

Company

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 March 2014	1,113,040	2,573,977	727,480	312,608	4,727,105
Additions	238,108	320,130	100,850	92,965	752,053
Disposals	(41,309)	(3,821)	-	(117,391)	(162,521)
At 28 February 2015	1,309,839	2,890,286	828,330	288,182	5,316,637
DEPRECIATION					
At 1 March 2014	550,436	1,530,786	569,187	156,059	2,806,468
Charge for year	80,456	234,283	79,341	65,094	459,174
Eliminated on disposal	(21,779)	(3,070)	-	(76,754)	(101,603)
At 28 February 2015	609,113	1,761,999	648,528	144,399	3,164,039
NET BOOK VALUE					
At 28 February 2015	700,726	1,128,287	179,802	143,783	2,152,598
At 28 February 2014	562,604	1,043,191	158,293	156,549	1,920,637

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

11. TANGIBLE FIXED ASSETS - continued

Company

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

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 March 2014 and 28 February 2015	544,019	55,036	599,055
DEPRECIATION			
At 1 March 2014	144,621	23,694	168,315
Charge for year	54,402	10,447	64,849
At 28 February 2015	199,023	34,141	233,164
NET BOOK VALUE			
At 28 February 2015	344,996	20,895	365,891
At 28 February 2014	399,398	31,342	430,740

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 March 2014	439,870
Additions	482,980
At 28 February 2015	922,850
NET BOOK VALUE	
At 28 February 2015	922,850
At 28 February 2014	439,870

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

Subsidiaries

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

12. FIXED ASSET INVESTMENTS - continued

Amazon Filters GmbH

Country of incorporation: Germany

Nature of business: Sales and marketing of engineering products

	%			
Class of shares:		holding		
Ordinary		100.00		

	2015	2014
	£	£
Aggregate capital and reserves	293,379	266,739
Profit/(loss) for the year	<u>58,733</u>	<u>(9,558)</u>

Amazon Filters Sp.z o.o

Country of incorporation: Poland

Nature of business: Manufacture and marketing of engineering products

	%			
Class of shares:		holding		
Ordinary		100.00		

	2015
	£
Aggregate capital and reserves	77,345
Profit for the year	<u>25,055</u>

13. STOCKS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Stocks	<u>2,144,859</u>	<u>2,317,776</u>	<u>2,043,822</u>	<u>2,242,797</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	3,386,391	3,154,125	3,306,369	3,170,235
Amounts owed by group undertakings	-	-	257,380	-
Other debtors	13,890	200,265	7,536	191,066
Prepayments and accrued income	124,651	61,087	96,929	56,147
	<u>3,524,932</u>	<u>3,415,477</u>	<u>3,668,214</u>	<u>3,417,448</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts (see note 17)	82,388	78,765	82,388	78,765
Finance leases (see note 18)	105,288	114,221	105,288	114,221
Trade creditors	1,070,258	1,133,756	1,158,666	1,130,486
Tax	336,293	332,618	336,306	332,630
Social security and other taxes	169,259	145,059	165,849	141,970
VAT	1,050	88,909	23,006	85,194
Other creditors	70,277	33,515	22,995	28,486
Directors' current accounts	24,000	21,000	24,000	21,000
Accrued expenses	544,583	476,362	521,729	464,713
	<u>2,403,396</u>	<u>2,424,205</u>	<u>2,440,227</u>	<u>2,397,465</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans (see note 17)	-	163,582	-	163,582
Finance leases (see note 18)	106,816	212,105	106,816	212,105
	<u>106,816</u>	<u>375,687</u>	<u>106,816</u>	<u>375,687</u>

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	82,388	-	82,388	-
Bank loans	-	78,765	-	78,765
	<u>82,388</u>	<u>78,765</u>	<u>82,388</u>	<u>78,765</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	-	81,656	-	81,656
	<u>-</u>	<u>81,656</u>	<u>-</u>	<u>81,656</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	-	81,926	-	81,926
	<u>-</u>	<u>81,926</u>	<u>-</u>	<u>81,926</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

18. OBLIGATIONS UNDER LEASING AGREEMENTS

Group

	Finance leases	
	2015	2014
	£	£
Gross obligations repayable:		
Within one year	115,298	125,173
Between one and five years	116,367	231,666
	<u>231,665</u>	<u>356,839</u>
Finance charges repayable:		
Within one year	10,010	10,952
Between one and five years	9,551	19,561
	<u>19,561</u>	<u>30,513</u>
Net obligations repayable:		
Within one year	105,288	114,221
Between one and five years	106,816	212,105
	<u>212,104</u>	<u>326,326</u>

Company

	Finance leases	
	2015	2014
	£	£
Gross obligations repayable:		
Within one year	115,298	125,173
Between one and five years	116,367	231,666
	<u>231,665</u>	<u>356,839</u>
Finance charges repayable:		
Within one year	10,010	10,952
Between one and five years	9,551	19,561
	<u>19,561</u>	<u>30,513</u>
Net obligations repayable:		
Within one year	105,288	114,221
Between one and five years	106,816	212,105
	<u>212,104</u>	<u>326,326</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

18. OBLIGATIONS UNDER LEASING AGREEMENTS - continued

The following operating lease payments are committed to be paid within one year:

Company

	Land and buildings	
	2015	2014
	£	£
Expiring:		
Between one and five years	392,367	-
In more than five years	-	392,367
	<u>392,367</u>	<u>392,367</u>

19. SECURED DEBTS

HSBC Bank Plc hold a a secured charge dated 26 January 2012 securing all money and liabilities due to the bank. HSBC Asset Finance (UK) Limited hold a secured charge dated 6 October 2011 securing all monies due to the finance company.

20. PROVISIONS FOR LIABILITIES

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Deferred tax	<u>195,000</u>	<u>160,000</u>	<u>195,000</u>	<u>160,000</u>

Group

	Deferred tax £
Balance at 1 March 2014	160,000
Accelerated capital allowances	<u>35,000</u>
Balance at 28 February 2015	<u>195,000</u>

Company

	Deferred tax £
Balance at 1 March 2014	160,000
Accelerated capital allowances	<u>35,000</u>
Balance at 28 February 2015	<u>195,000</u>

AMAZON FILTERS LIMITED (REGISTERED NUMBER: 01318147)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015	2014
			£	£
5,625	'A' Ordinary	£1	5,625	5,625
375	'B' Ordinary	£1	375	375
1,500	'C' Ordinary	£1	1,500	1,500
			<u>7,500</u>	<u>7,500</u>

The different classes of shares rank pari passu except for the following condition: The 'B' and 'C' shares are not entitled to receive notice of, attend or vote at any General Meeting of the company. The company, as directed by the directors, can by ordinary resolution differentiate between the different classes as to the amount or percentage of dividend payable. In default they shall rank pari passu.

22. RESERVES

Group

	Profit and loss account	Capital redemption reserve	Totals
	£	£	£
At 1 March 2014	8,430,232	2,500	8,432,732
Profit for the year	3,120,202		3,120,202
Dividends	(855,000)		(855,000)
Foreign exchange gains	19,936	-	19,936
	<u>10,715,370</u>	<u>2,500</u>	<u>10,717,870</u>

Company

	Profit and loss account	Capital redemption reserve	Totals
	£	£	£
At 1 March 2014	8,614,474	2,500	8,616,974
Profit for the year	3,205,381		3,205,381
Dividends	(855,000)		(855,000)
	<u>10,964,855</u>	<u>2,500</u>	<u>10,967,355</u>

23. PENSION COMMITMENTS

The company contributes to money purchase schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £207,201 (2014 - £180,484). All contributions were paid in the year.

24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

During the year, dividends of £567,000 were paid to the directors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2015

25. **ULTIMATE CONTROLLING PARTY**

The company was controlled throughout the current and previous year by its directors.

26. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

Group

	2015	2014
	£	£
Profit for the financial year	3,120,202	2,315,531
Dividends	(855,000)	(591,000)
	<hr/>	<hr/>
	2,265,202	1,724,531
Other recognised gains and losses relating to the year (net)	19,936	7,134
	<hr/>	<hr/>
Net addition to shareholders' funds	2,285,138	1,731,665
Opening shareholders' funds	8,440,232	6,708,567
	<hr/>	<hr/>
Closing shareholders' funds	<u>10,725,370</u>	<u>8,440,232</u>

Company

	2015	2014
	£	£
Profit for the financial year	3,205,381	2,322,148
Dividends	(855,000)	(591,000)
Purchase of own shares		
	<hr/>	<hr/>
Net addition to shareholders' funds	2,350,381	1,731,148
Opening shareholders' funds	8,624,474	6,893,326
	<hr/>	<hr/>
Closing shareholders' funds	<u>10,974,855</u>	<u>8,624,474</u>