Company Registration No. 04180283 (England and Wales)

LANTOR (UK) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

LANTOR (UK) LIMITED

COMPANY INFORMATION

Directors	Mr D P Lamb	
	Mr A M Brownlow	
	Mrs P S Thomas	(Appointed 30 June 2020)
Company number	04180283	
Registered office and business address	BFF Business Park Bath Road Bridgwater Somerset TA6 4NZ	
Auditor	Pierce C A Limited Mentor House Ainsworth Street Blackburn Lancashire BB1 6AY	
Bankers	Lloyds Bank Plc Canons House Canons Way Bristol BS1 5LL	
Solicitors	Squire Patton Boggs (UK) LLP Trinity Court 16 John Dalton Street Manchester M60 8HS	

LANTOR (UK) LIMITED

CONTENTS

LANTOR (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors are pleased to present the strategic report and financial statements for the year ended 31 March 2021.

Fair review of the business

The principal activity of the company is to provide nonwoven fabrics which are smarter and technically superior fabrics to other fabrics available in the market. The business specialises in complex problem solving, by developing, modifying and refining bespoke products for diverse applications.

The Company's products serve applications in the industrial market, including face masks, protection/CBRN and filtration.

Similarly, the Company's products for the medical markets specialise in the manufacture of sophisticated products in bandages and advanced wound care.

Financial Highlights

The results set out in the profit and loss account show that the turnover for the year ended 31 March 2021 was £7.2 million (2020: £7.6 million).

Earnings before exceptional costs, interest, tax, depreciation, and amortisation (EBITDA) were £0.57 million (2020: £0.78 million) reflecting a stable performance and cost control.

Financial Risk Management

This is undertaken at a Group level to minimise risk for each individual company.

Financial Key Performance Indicators

Given the nature of the business the company’s directors believe key performance indicators are important. The company uses several indicators to monitor and improve the development, performance, and position of the business.

Some non-financial indicators are Customer on time delivery, approved suppliers monitored through our Quality management system and effective performance.

LANTOR (UK) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Principal risks and uncertainties

The business has not experienced any material adverse effects associated with governmental actions to restrict movement or business operations during the pandemic.

The strength of the business combined with the resilience of our teams have enabled us to deliver a strong performance during challenging times.

Our priority throughout has been to safeguard the welfare of our employees while ensuring that the business continued to operate effectively.

The Board have worked very closely with the employees to address the disruptions experienced throughout the year and continue to do so.

The business has robust systems in place and continues to be flexible by working closely with internal and external stakeholders to ensure that the business is able to react to any changes.

The full impact of the pandemic and return to some sense of normality will take time and impact on the performance will depend on the nature and timing of the economic recovery, although this is more positive with the successful vaccine roll out.

The Brexit plan has been well executed and has not resulted in any material impact on the business.

Nonwovenn has a strategic commitment to the common purpose of Sustainability well beyond the current and emerging compliance requirements worldwide.

Our Sustainability Policy is focused on five pillars, the planet, the people who share it, circular economy partnerships, pioneering innovations and sustainable profit achieved through industry leading science-based targets and ESG metrics.

We fully own and continually keep reducing every bit of our impact on the environment throughout our supply chain and are aiming to become carbon neutral by the year 2030 with several other formidable milestones set along the way, some of those have already been achieved e.g. the use of 100% renewable energy.

On behalf of the board

Mr D P Lamb
Director

27 July 2021

LANTOR (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

Principal activities

The principal activity of the company is that of the development, manufacture and sale of medical wound dressings and other specialist industrial fabrics.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D P Lamb	
Mr A M Brownlow	
Mrs P S Thomas	(Appointed 30 June 2020)

Results and dividends

The results for the year are set out on page 8.

The directors do not recommend payment of a final dividend.

Auditor

In accordance with the company's articles, a resolution proposing that Pierce C.A. Limited be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company’s auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company’s auditor is aware of that information.

On behalf of the board

Mr D P Lamb
Director
27 July 2021

LANTOR (UK) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the annual 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 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 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

LANTOR (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LANTOR (UK) LIMITED

Opinion

We have audited the financial statements of Lantor (UK) Limited (the 'company') for the year ended 31 March 2021 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 March 2021 and of its 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 *Auditor's responsibilities 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 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 company'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

LANTOR (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LANTOR (UK) LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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, 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

In identifying and assessing risks of material misstatements in respect of irregularities (including fraud) we considered the following:

- The nature of the industry, the company’s control environment, the significant laws and regulations relevant to the company, and the company’s policies on detection of fraud;
- Results of our enquiries of management, those charged with governance, and of staff in compliance roles;
- Our review of disclosures included in the financial statements; and
- Engagement team discussions in respect of any potential indicators of non-compliance or fraud.

We have also performed specific procedures to consider the risk of management override and of fraud arising in significant transactions outside the normal course of business.

We did not identify a material risk of non-compliance with laws and regulations or of fraud.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

LANTOR (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LANTOR (UK) LIMITED

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 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.

Linda Wilkinson (Senior Statutory Auditor)
For and on behalf of Pierce C A Limited

27 July 2021

Statutory Auditor

Mentor House
Ainsworth Street
Blackburn
Lancashire
BB1 6AY

LANTOR (UK) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover	2	7,170,681	7,590,695
Cost of sales		(5,137,037)	(5,366,539)
Gross profit		2,033,644	2,224,156
Administrative expenses		(1,681,651)	(1,636,937)
Other operating income		59,276	3,532
Exceptional costs	3	-	(240,779)
Operating profit	4	411,269	349,972
Interest receivable and similar income	6	1,827	311
Interest payable and similar expenses	7	(23,260)	(40,105)
Profit before taxation		389,836	310,178
Taxation	8	-	-
Profit for the financial year		389,836	310,178

The profit and loss account has been prepared on the basis that all operations are continuing operations.

LANTOR (UK) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**10**		1,823,425		1,495,785
Current assets					
Stocks	**11**	1,244,647		1,237,333	
Debtors	**12**	1,892,364		1,806,017	
Cash at bank and in hand		234,564		1,119,667	
		3,371,575		4,163,017	
Creditors: amounts falling due within one year	**13**	(1,234,220)		(1,191,421)	
Net current assets			2,137,355		2,971,596
Total assets less current liabilities			3,960,780		4,467,381
Creditors: amounts falling due after more than one year	**14**		(1,853,268)		(2,749,705)
Net assets			2,107,512		1,717,676
Capital and reserves					
Called up share capital	**18**		1,500,091		1,500,091
Share premium account			3,543,035		3,543,035
Profit and loss reserves			(2,935,614)		(3,325,450)
Total equity			2,107,512		1,717,676

The financial statements were approved by the board of directors and authorised for issue on 27 July 2021 and are signed on its behalf by:

Mr D P Lamb
Director

Company Registration No. 04180283

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Lantor (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is BFF Business Park, Bath Road, Bridgwater, Somerset, TA6 4NZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' - Compensation for key management personnel

The financial statements of the company are consolidated in the financial statements of Nonwovenn Ltd. These consolidated financial statements are available from its registered office: BFF Business Park, Bath Road, Bridgwater, Somerset, TA6 4NZ.

1.2 Going concern

The company is dependant upon the ongoing financial support of BFF Nonwovens Limited, a fellow group company.

The directors have indicated that BFF Nonwovens Limited will continue to provide financial support to the company for the foreseeable future and the debt outstanding to this company will not be due for payment in the twelve month period from the date of signing these financial statements.

The directors therefore consider that in preparing the financial statements they have taken into account all the information that could reasonably be expected to be available.

On this basis, they consider that it is appropriate to prepare the financial statements on the going concern basis.

Whilst the directors have adopted the going concern basis set out above, the impact of the worldwide Coronavirus pandemic, Covid-19, on all businesses represents an uncertainty and the true impact of this pandemic will only become apparent over time.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies **(Continued)**

1.4 Tangible fixed assets

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

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

Leasehold land and buildings - Mill	Period of lease/Straight line with 0%/10% residual value
Leasehold land and buildings - Other	Period of lease
Plant and machinery	10% Straight line with 10%/40% residual value
Fixtures, fittings & equipment	33% Straight line
Motor vehicles	33% Straight Line with 25% residual value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Stocks

Stock is valued at the lower of cost and net realisable value.

Cost represents all expenditure incurred in bringing stock to its present condition and location at the accounting date.

Net realisable value is based on the estimated selling prices less further costs expected to be incurred to completion and disposal.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies **(Continued)**

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

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

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

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

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies **(Continued)**

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. 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. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company’s contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies **(Continued)**

1.10 Employee benefits

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

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

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

1.11 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

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

2 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2021	2020
	£	£
Turnover analysed by class of business		
From principal activity	7,170,681	7,590,695

	2021	2020
	£	£
Other revenue		
Interest income	1,827	311
Government furlough scheme receipts	57,632	-

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Turnover and other revenue **(Continued)**

	2021	2020
	£	£
Turnover analysed by geographical market		
United Kingdom	4,858,403	5,374,803
Rest of Europe	876,722	535,784
North and South America	588,308	822,999
Rest of World	847,248	857,109
	7,170,681	7,590,695

3 Exceptional costs

	2021	2020
	£	£
Exceptional costs	-	240,779

During the previous year the company incurred costs of £240,779 relating to compensation for dilapidations arising on the vacation of a leased property.

The total costs above have been charged in arriving at the operating profit for the previous year.

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Operating profit

	2021	2020
Operating profit for the year is stated after charging/(crediting):	£	£
Exchange losses	31,650	63,099
Government furlough scheme receipts	(57,632)	-
Fees payable to the company's auditor for the audit of the company's financial statements	10,250	10,250
Depreciation of owned tangible fixed assets	157,657	184,622
Loss/(profit) on disposal of tangible fixed assets	2,829	(20,550)
Operating lease charges	231,288	336,363

5 Employees

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

	2021	2020
	Number	Number
Production and engineering	43	47
Sales and administration	30	27
Total	73	74

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	1,689,041	1,682,152
Social security costs	162,708	161,001
Pension costs	69,030	72,334
	1,920,779	1,915,487

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Interest receivable and similar income

	2021	2020
	£	**£**
Interest income		
Interest on bank deposits	1,827	311

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	1,827	311

7 Interest payable and similar expenses

	2021	2020
	£	**£**
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	-	198
Interest payable to group undertakings	23,260	39,907
	23,260	40,105

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Taxation

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Profit before taxation	389,836	310,178
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	74,069	58,934
Tax effect of expenses that are not deductible in determining taxable profit	(3,964)	35,424
Group relief	99,412	79,030
Permanent capital allowances in excess of depreciation	(104,330)	(115,850)
Research and development tax credit	(65,187)	(53,633)
Other permanent differences	-	(3,905)
Taxation charge for the year	-	-

The company has estimated losses of £4,785,061 (2020: £4,785,061) available for carry forward against future trading profits.

On the basis of the results of these financial statements, no liability to corporation tax has arisen.

9 Intangible fixed assets

	Goodwill	Patents	Development Costs	Total
	£	£	£	£
Cost				
At 1 April 2020 and 31 March 2021	10,000	24,024	650,318	684,342
Amortisation and impairment				
At 1 April 2020 and 31 March 2021	10,000	24,024	650,318	684,342
Carrying amount				
At 31 March 2021	-	-	-	-
At 31 March 2020	-	-	-	-

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Tangible fixed assets

	Leasehold land and buildings - Mill	Leasehold land and buildings - Other	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2020	515,381	883,469	4,428,000	248,589	9,500	6,084,939
Additions	172,789	-	316,923	12,234	-	501,946
Disposals	-	-	(149,626)	-	-	(149,626)
At 31 March 2021	688,170	883,469	4,595,297	260,823	9,500	6,437,259
Depreciation and impairment						
At 1 April 2020	283,856	880,561	3,229,965	187,983	6,789	4,589,154
Depreciation charged in the year	26,473	239	113,898	17,047	-	157,657
Eliminated in respect of disposals	-	-	(132,977)	-	-	(132,977)
At 31 March 2021	310,329	880,800	3,210,886	205,030	6,789	4,613,834
Carrying amount						
At 31 March 2021	377,841	2,669	1,384,411	55,793	2,711	1,823,425
At 31 March 2020	231,525	2,908	1,198,035	60,606	2,711	1,495,785

11 Stocks

	2021	2020
	£	£
Raw materials and consumables	842,988	860,545
Work in progress	85,621	197,357
Finished goods and goods for resale	316,038	179,431
	1,244,647	1,237,333

12 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	1,258,200	1,173,943
Prepayments and accrued income	328,164	326,074
	1,586,364	1,500,017

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Debtors **(Continued)**

	2021	2020
Amounts falling due after more than one year:	£	£
Deferred tax asset (note 16)	306,000	306,000
Total debtors	1,892,364	1,806,017

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	690,725	440,531
Taxation and social security	138,540	112,258
Other creditors	38,778	55,710
Accruals and deferred income	366,177	582,922
	1,234,220	1,191,421

14 Creditors: amounts falling due after more than one year

		2021	2020
	Notes	£	£
Other borrowings	**15**	1,853,268	2,749,705

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Loans and overdrafts

	2021	2020
	£	£
Other loans	1,853,268	2,749,705
Payable after one year	1,853,268	2,749,705

Included in Other loans are loans of £853,268 (2020: £1,749,705) from BFF Nonwovens Limited and £1,000,000 (2020: £1,000,000) from Nonwovenn Ltd.

The above loans are unsecured and interest-bearing.

16 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets	Assets
	2021	2020
Balances:	£	£
Tax losses	306,000	306,000

There were no deferred tax movements in the year.

The deferred tax asset set out above is expected to reverse within the next one to ten years and relates to the utilisation of tax losses against future expected profits of the same period.

17 Retirement benefit schemes

	2021	2020
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	69,030	72,334

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
1,000,091 Ordinary shares of £1 each	1,000,091	1,000,091
Preference share capital		
Issued and fully paid		
500,000 Preference shares of £1 each	500,000	500,000

19 Financial commitments, guarantees and contingent liabilities

The company has given a guarantee together with Nonwovenn Ltd and Square Foot Concepts Limited, supported by a debenture charge over its assets, in respect of a loan facility, a revolving credit facility and an overdraft facility provided by Lloyds Bank Plc to BFF Nonwovens Limited, a fellow subsidiary company.

At 31 March 2021 there was a balance of £3,588,000 (2020: £nil) on the loan facility, a balance of £nil (2020: £nil) on the revolving credit facility and a balance of £nil (2020: £nil) on the overdraft facility.

20 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	149,288	-
Between two and five years	109,485	305,065
	258,773	305,065

LANTOR (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2021	2020	2021	2020
	£	£	£	£
Entities in which Mr D P Lamb is a director	-	214	3,481	2,629

22 Ultimate controlling party

The company is a wholly-owned subsidiary of Nonwovenn Ltd.

The ultimate control is with the directors of Nonwovenn Ltd who are also the directors of this company.