

**JOHN EDWARD CROWTHER  
LIMITED**

**FINANCIAL STATEMENTS**

**31 MARCH 2013**

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**JOHN EDWARD CROWTHER LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

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# **JOHN EDWARD CROWTHER LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **The board of directors**

P R Crowther  
E R Lee

### **Company secretary**

E R Lee

### **Registered office**

Bank Bottom Mills  
Marsden  
Huddersfield  
HD7 6HR

### **Auditor**

Wheawill & Sudworth Limited  
Chartered Accountants  
& Statutory Auditor  
35 Westgate  
Huddersfield  
West Yorkshire  
HD1 1PA

# JOHN EDWARD CROWTHER LIMITED

## THE DIRECTORS' REPORT

### YEAR ENDED 31 MARCH 2013

The directors have pleasure in presenting their report and the accounts of the company for the year ended 31 March 2013

#### Principal activities and business review

Until 2003, the Company traded as a yarn spinner. Whilst the disposal of stock and fixed assets from these former activities still continue, the principal activities are now the letting of properties formerly used in the yarn spinning activities.

Work carried out in recent years on certain properties has contributed to the Company receiving property income amounting to £219,082.

The results for the year are dealt with fully in the annexed accounts.

#### Results and dividends

The profit for the year, after taxation, amounted to £7,438. The directors have not recommended a dividend.

#### Financial risk management objectives and policies

The company's principal financial instruments comprises primarily of bank balances and loans to related parties. The main purpose of these instruments is to hold funds to finance the company's operations.

Due to the nature of the financial instruments used by the company, there is minimal exposure to price risk. As the company currently has adequate funds available to meet its current operating requirements, there is little liquidity at risk.

#### Directors

The directors who served the company during the year together with their interests in the issued share capital of the company and its ultimate parent company, JEC Investment Company Limited, were as follows:

	JEC Investment Company Limited		John Edward Crowther Limited	
	31 March 2013	1 April 2012	31 March 2013	1 April 2012
P R Crowther	4,573	4,515	-	-
E R Lee (non beneficial interest)	9,102	9,000	-	-

Neither of the directors had any interests in any of the other group companies.

E R Lee retires by rotation and, being eligible, offers himself for re-election.

#### Directors' responsibilities

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 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,

# JOHN EDWARD CROWTHER LIMITED

## THE DIRECTORS' REPORT *(continued)*

### YEAR ENDED 31 MARCH 2013

- 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### Auditor

Wheawill & Sudworth Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report was approved by the board on 22 July 2013 and is signed on its behalf by



P R Crowther  
Director

# **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF JOHN EDWARD CROWTHER LIMITED**

We have audited the financial statements of John Edward Crowther Limited for the year ended 31 March 2013 on pages 6 to 13. 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, 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 (APB'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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

# **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF JOHN EDWARD CROWTHER LIMITED** *(continued)*

## **Basis for qualified opinion on financial statements**

As explained in note 1 investment properties totalling £322,795 are included at cost less depreciation rather than as required by applicable Accounting Standards at their open market value. We are unable to quantify the effect, if any, on reserves and tangible fixed assets of this non-compliance.

## **Qualified opinion on financial statements**

In our opinion except for the effect of the matter described in the Basis for Qualified Opinion paragraph, the financial statements

- give a true and fair view of the state of the company's affairs as at March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

## **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **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, 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

*David Butterworth*  
David Butterworth (Senior  
Statutory Auditor)  
For and on behalf of  
Wheawill & Sudworth Limited  
Chartered Accountants  
& Statutory Auditor

35 Westgate  
Huddersfield  
West Yorkshire  
HD1 1PA

22 July 2013

**JOHN EDWARD CROWTHER LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 2013**

		2013	2012		
		Continuing operations	Discontinued operations	Total	Total
	Note	£	£	£	£
Turnover		219,082	719	219,801	222,152
Cost of sales		239,694	–	239,694	231,947
<b>Gross (loss)/profit</b>		<b>(20,612)</b>	<b>719</b>	<b>(19,893)</b>	<b>(9,795)</b>
Net operating expenses	2	(79,574)	7,552	(72,022)	(17,483)
<b>Operating (loss)/profit</b>	4	<b>(100,186)</b>	<b>8,271</b>	<b>(91,915)</b>	<b>(27,278)</b>
Interest receivable			7	112,560	115,963
<b>Profit on ordinary activities before taxation</b>				<b>20,645</b>	<b>88,685</b>
Tax on profit on ordinary activities			8	(13,207)	(28,862)
<b>Profit for the financial year</b>				<b>7,438</b>	<b>59,823</b>

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 13 form part of these financial statements



# JOHN EDWARD CROWTHER LIMITED

## BALANCE SHEET

31 MARCH 2013

	Note	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	9	<u>324,596</u>	<u>380,345</u>
<b>Current assets</b>			
Stocks	10	437	437
Debtors due within one year	11	2,550	4,999
Debtors due after one year	11	2,236,109	2,277,916
Cash at bank		<u>1,024,102</u>	<u>918,016</u>
		3,263,198	3,201,368
<b>Creditors: Amounts falling due within one year</b>	12	<u>(164,514)</u>	<u>(165,871)</u>
<b>Net current assets</b>		<u>3,098,684</u>	<u>3,035,497</u>
<b>Total assets less current liabilities</b>		<u>3,423,280</u>	<u>3,415,842</u>
<b>Capital and reserves</b>			
Called-up equity share capital	16	287,402	287,402
Profit and loss account	17	3,135,878	3,128,440
<b>Shareholders' funds</b>	18	<u>3,423,280</u>	<u>3,415,842</u>

These financial statements were approved by the directors and authorised for issue on 22 July 2013, and are signed on their behalf by



P R Crowther  
Director

Company Registration Number 298851

The notes on pages 8 to 13 form part of these financial statements

**JOHN EDWARD CROWTHER LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**1. Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The financial statements have been prepared in accordance with applicable UK accounting standards

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

**Turnover**

Turnover represents the value of goods sold and services provided excluding value added tax

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows

Freehold Property	- 4% straight line
Plant & Machinery	- 10% straight line
Motor Vehicles	- 25% straight line

SSAP 19 'Accounting for Investment Properties' requires properties held for investment to be included in the Balance Sheet at their open market value but the directors consider that to comply with this requirement annually would involve unjustifiable expense and therefore the investment properties are included at cost less depreciation

**Stocks**

Stocks are stated at the lower of cost and net realisable value Cost of manufactured products consists of materials and appropriate conversion costs

**Pension costs**

The company operates a defined contribution pension scheme The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

**JOHN EDWARD CROWTHER LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**2. Analysis of cost of sales and net operating expenses**

	Continuing operations £	Discontinued operations £	Total £
<b>Year ended 31 March 2013</b>			
Cost of sales	<u>239,694</u>	<u>-</u>	<u>239,694</u>
Distribution costs	-	(283)	(283)
Administrative expenses	79,574	-	79,574
Other operating income (Note 3)	-	(7,269)	(7,269)
Net operating expenses	<u>79,574</u>	<u>(7,552)</u>	<u>72,022</u>
<b>Year ended 31 March 2012</b>			
Turnover	222,125	27	222,152
Cost of sales	<u>231,947</u>	<u>-</u>	<u>231,947</u>
Gross (loss)/profit	<u>(9,822)</u>	<u>27</u>	<u>(9,795)</u>
Distribution costs	-	(22)	(22)
Administrative expenses	26,045	-	26,045
Other operating income (Note 3)	-	(8,540)	(8,540)
Net operating expenses	<u>26,045</u>	<u>8,562</u>	<u>17,483</u>
Operating (loss)/profit	<u>(35,867)</u>	<u>8,589</u>	<u>(27,278)</u>

**3 Other operating income**

	2013 £	2012 £
Sale of scrap metal	154	300
Profit on disposal of fixed assets	<u>7,115</u>	<u>8,240</u>
	<u>7,269</u>	<u>8,540</u>

**4. Operating loss**

Operating loss is stated after charging/(crediting):

	2013 £	2012 £
Directors' emoluments	152,540	146,529
Depreciation of tangible fixed assets		
- owned assets	55,749	63,050
Profit on disposal of fixed assets	(7,115)	(8,240)
Auditor's remuneration		
- as auditor	5,500	5,400
- for other services	<u>2,950</u>	<u>5,500</u>

**JOHN EDWARD CROWTHER LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**5. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to

	2013	2012
	No	No
Number of administrative staff	3	3
Number of maintenance staff	4	4
	<u>7</u>	<u>7</u>

The aggregate payroll costs of the above were

	2013	2012
	£	£
Wages and salaries	170,022	171,516
Social security costs	21,201	20,981
Other pension costs	17,963	17,588
	<u>209,186</u>	<u>210,085</u>

**6 Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services were

	2013	2012
	£	£
Remuneration receivable	135,455	130,199
Value of company pension contributions to money purchase schemes	17,085	16,330
	<u>152,540</u>	<u>146,529</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2013	2012
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

**7. Interest receivable and similar income**

	2013	2012
	£	£
Other loan interest receivable	<u>112,560</u>	<u>115,963</u>

**JOHN EDWARD CROWTHER LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**8. Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	2013 £	2012 £
Current tax		
UK Corporation tax based on the results for the year at 20% (2012 - 20%)	14,000	21,200
(Over) provision in prior year	(793)	(2,338)
	<u>13,207</u>	<u>18,862</u>
Group relief	-	10,000
Total current tax	<u>13,207</u>	<u>28,862</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2012 - 20%)

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>20,645</u>	<u>88,685</u>
Profit on ordinary activities by rate of tax	4,129	17,737
Capital allowances in the year different from depreciation	10,862	12,211
Utilisation of tax losses	(1,654)	(1,718)
Marginal rate of tax of 25% (2012 - 27.5%) on part of profits	334	3,043
Rounding adjustments	329	(73)
Over provision of tax charge in prior year	(793)	(2,338)
Total current tax (note 8(a))	<u>13,207</u>	<u>28,862</u>

**9. Tangible fixed assets**

	Property held for investment £	Plant & Machinery £	Motor Vehicles £	Total £
<b>Cost</b>				
At 1 April 2012	1,942,683	39,109	41,720	2,023,512
Disposals	-	(8,000)	-	(8,000)
At 31 March 2013	<u>1,942,683</u>	<u>31,109</u>	<u>41,720</u>	<u>2,015,512</u>
<b>Depreciation</b>				
At 1 April 2012	1,570,276	39,108	33,783	1,643,167
Charge for the year	49,612	-	6,137	55,749
On disposals	-	(8,000)	-	(8,000)
At 31 March 2013	<u>1,619,888</u>	<u>31,108</u>	<u>39,920</u>	<u>1,690,916</u>
<b>Net book value</b>				
At 31 March 2013	<u>322,795</u>	<u>1</u>	<u>1,800</u>	<u>324,596</u>
At 31 March 2012	<u>372,407</u>	<u>1</u>	<u>7,937</u>	<u>380,345</u>

**JOHN EDWARD CROWTHER LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

**10. Stocks**

	2013	2012
	£	£
Finished goods	<u>437</u>	<u>437</u>

**11. Debtors**

	2013	2012
	£	£
Trade debtors	1,959	1,684
Amounts due from Hemplow Limited	2,236,109	2,277,916
Prepayments and accrued income	591	3,315
	<u>2,238,659</u>	<u>2,282,915</u>

The debtors above include the following amounts falling due after more than one year

	2013	2012
	£	£
Other debtors	<u>2,236,109</u>	<u>2,277,916</u>

**12 Creditors: Amounts falling due within one year**

	2013	2012
	£	£
Amounts owed to group undertakings	–	10,000
Taxation and social security	32,261	38,608
Accruals and deferred income	132,253	117,263
	<u>164,514</u>	<u>165,871</u>

**13 Pension commitments**

The company contributes to a Group Personal Pension Plan of the money purchase type. The company makes contributions based on 5% of pensionable pay. The cost for the year was £17,963 (2012 £17,276) and there were no outstanding or prepaid contributions at 31 March 2013.

The company has also made contributions in the year totalling £nil (2012 £312) to the individual pension arrangements of certain directors and employees.

**14. Contingencies**

The company is a party to an unlimited multilateral company guarantee given by its parent company, John Edward Crowther (Holdings) plc, and all its subsidiary undertakings as security for overdraft facilities from time to time. At 31 March 2013 the group bank accounts taken together were in credit (2012 in credit).

The company is a member of a VAT group of which John Edward Crowther (Holdings) Plc is the representative member and is jointly and severally liable with that company for VAT due by the representative member. At 31 March 2013 the Group had a liability to H M Revenue & Customs of £8,691 (2012 £8,328) which was paid by its due date.

# JOHN EDWARD CROWTHER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2013

#### 15. Related party transactions

Included in current assets are amounts falling due after more than one year of £2,236,109 (2012 £2,277,916) due from Hemplow Limited, a company controlled by the shareholders of J E C Investment Company Limited Interest amounting to £112,560 (2012 £115,963) has been paid to the company by Hemplow Limited based upon commercial interest rates

Advantage has been taken of the exemption in FRS8 not to disclose transactions with group companies

#### 16 Share capital

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
287,402 Ordinary shares of £1 each	<u>287,402</u>	<u>287,402</u>	<u>287,402</u>	<u>287,402</u>

#### 17 Profit and loss account

	2013	2012
	£	£
Balance brought forward	3,128,440	3,068,617
Profit for the financial year	<u>7,438</u>	<u>59,823</u>
Balance carried forward	<u>3,135,878</u>	<u>3,128,440</u>

#### 18 Reconciliation of movements in shareholders' funds

	2013	2012
	£	£
Profit for the financial year	7,438	59,823
Opening shareholders' funds	<u>3,415,842</u>	<u>3,356,019</u>
Closing shareholders' funds	<u>3,423,280</u>	<u>3,415,842</u>

#### 19 Ultimate parent company

The company's immediate holding company is John Edward Crowther (Holdings) plc and the company's financial statements are included in the consolidated financial statements of that company which are available from the Registrar of Companies

The company's ultimate holding company is J E C Investment Company Limited and the company's financial statements are included in the consolidated financial statements of that company which are available from the Registrar of Companies

The directors believe there is no one controlling party of the ultimate holding company