

Company registration number 298851

**JOHN EDWARD CROWTHER
LIMITED
FINANCIAL STATEMENTS
31 MARCH 2010**

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JOHN EDWARD CROWTHER LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

CONTENTS	PAGES
Company information	1
The directors' report	2 to 3
Independent auditor's report to the shareholders	4 to 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 to 14

JOHN EDWARD CROWTHER LIMITED

COMPANY INFORMATION

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 Chartered Accountants & Statutory Auditor 35 Westgate Huddersfield HD1 1PA

JOHN EDWARD CROWTHER LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2010

The directors have pleasure in presenting their report and the accounts of the company for the year ended 31 March 2010

Principal activity 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.

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

Work carried out in recent years on certain properties to convert them into industrial units has contributed to the increase in property income from £151,269 in 2009 to £183,751 in 2010.

With effect from 1 April 2008, the Company has had to suffer rates on its unlet space. The company continues to be in negotiations with the Valuation Office over reducing the rateable value of its properties.

Results and dividends

The profit for the year, after taxation, amounted to £28,746. 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 2010	1 April 2009	31 March 2010	1 April 2009
P R Crowther	4,515	2,000	-	-
E R Lee (non beneficial interest)	9,000	16,543	-	-

The directors do not have any interests in the shares of the other group companies.

The director retiring by rotation is E R Lee.

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:

JOHN EDWARD CROWTHER LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2010

select suitable accounting policies and then apply them consistently,

make judgements and estimates that are reasonable and prudent,

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 were reappointed as the company's auditor during the year and have expressed their willingness to continue in that capacity.

This report was approved by the board on 2 September 2010 and 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 2010 on pages 6 to 14. 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 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.

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

Qualified opinion arising from disagreement about accounting treatment

As referred to in Note 1 investment properties totalling £479,352 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.

Except for the effect of accounting for investment properties in the manner disclosed above, in our opinion the financial statements

give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit for the year then ended,

have been 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 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

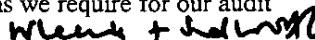
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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 (Senior Statutory Auditor)

For and on behalf of

Wheawill & Sudworth

Chartered Accountants

& Statutory Auditor

**35 Westgate
Huddersfield
HD1 1PA**

2 September 2010

JOHN EDWARD CROWTHER LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2010

		2010	2009		
		Continuing operations	Discontinued operations	Total	Total
	Note	£	£	£	£
Turnover	2	183,751	4,549	188,300	152,835
Cost of sales		247,604	287	247,891	255,524
Gross (loss)/profit		(63,853)	4,262	(59,591)	(102,689)
Net operating expenses	3	(16,951)	800	(16,151)	8,604
Operating (loss)/profit	5	(80,804)	5,062	(75,742)	(94,085)
Interest receivable			8	114,810	114,024
Profit on ordinary activities before taxation				39,068	19,939
Tax on profit on ordinary activities			9	(10,322)	(2,455)
Profit for the financial year				28,746	17,484

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 14 form part of these financial statements

JOHN EDWARD CROWTHER LIMITED

BALANCE SHEET

31 MARCH 2010

	Note	2010 £	2009 £
Fixed assets			
Tangible assets	10	<u>499,249</u>	<u>547,872</u>
Current assets			
Stocks	11	437	496
Debtors due within one year	12	141,516	7,684
Debtors due after one year	12	2,399,391	2,430,860
Cash at bank		<u>444,072</u>	<u>316,262</u>
		<u>2,985,416</u>	<u>2,755,302</u>
Creditors: Amounts falling due within one year	13	<u>(209,267)</u>	<u>(56,522)</u>
Net current assets		<u>2,776,149</u>	<u>2,698,780</u>
Total assets less current liabilities		<u>3,275,398</u>	<u>3,246,652</u>
Capital and reserves			
Called-up equity share capital	17	287,402	287,402
Profit and loss account	18	<u>2,987,996</u>	<u>2,959,250</u>
Shareholders' funds	19	<u>3,275,398</u>	<u>3,246,652</u>

These financial statements were approved by the directors and authorised for issue on 2 September 2010, and are signed on their behalf by



P R Crowther
Director

Company Registration Number. 298851

The notes on pages 8 to 14 form part of these financial statements

JOHN EDWARD CROWTHER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention

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 2010

2. Turnover

	2010 £	2009 £
Property	183,751	151,269
Yarn spinning	4,549	1,566
	<u>188,300</u>	<u>152,835</u>

The geographical analysis of turnover is as follows

	2010 £	2009 £
Europe	934	1,184
UK	187,366	151,651
	<u>188,300</u>	<u>152,835</u>

3. Analysis of cost of sales and net operating expenses

	Continuing operations £	Discontinued operations £	Total £
Year ended 31 March 2010			
Cost of sales	<u>247,604</u>	<u>287</u>	<u>247,891</u>
Distribution costs	-	(239)	(239)
Administrative expenses	22,276	-	22,276
Other operating income (Note 4)	<u>(5,325)</u>	<u>(561)</u>	<u>(5,886)</u>
Net operating expenses	<u>16,951</u>	<u>(800)</u>	<u>16,151</u>
Year ended 31 March 2009			
Turnover	151,269	1,566	152,835
Cost of sales	<u>255,202</u>	<u>322</u>	<u>255,524</u>
Gross (loss)/profit	<u>(103,933)</u>	<u>1,244</u>	<u>(102,689)</u>
Distribution costs	-	(56)	(56)
Administrative expenses	21,016	-	21,016
Other operating income (Note 4)	<u>(100)</u>	<u>(29,464)</u>	<u>(29,564)</u>
Net operating expenses	<u>20,916</u>	<u>29,520</u>	<u>8,604</u>
Operating (loss)/profit	<u>(124,849)</u>	<u>30,764</u>	<u>(94,085)</u>

4 Other operating income

	2010 £	2009 £
Profit on disposal of fixed assets	5,811	15,305
Other operating income	75	14,259
	<u>5,886</u>	<u>29,564</u>

JOHN EDWARD CROWTHER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

5. Operating loss

Operating loss is stated after charging/(crediting):

	2010	2009
	£	£
Directors' emoluments (including pension contributions)	132,236	135,141
Depreciation of tangible fixed assets		
- owned assets	66,303	64,878
Profit on disposal of fixed assets	(5,811)	(15,305)
Auditor's remuneration		
- as auditor	5,000	5,000
- for other services	4,200	4,073

6. Particulars of employees

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

	2010	2009
	No	No
Number of administrative staff	3	4
Number of maintenance staff	4	4
	<u>7</u>	<u>8</u>

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	158,755	158,569
Social security costs	19,930	19,834
Other pension costs	11,044	10,900
	<u>189,729</u>	<u>189,303</u>

7 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2010	2009
	£	£
Remuneration receivable	122,117	125,315
Value of company pension contributions to money purchase schemes	10,119	9,826
	<u>132,236</u>	<u>135,141</u>

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

	2010	2009
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

JOHN EDWARD CROWTHER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

8. Interest receivable and similar income

	2010 £	2009 £
Other loan interest receivable	<u>114,810</u>	<u>114,024</u>

9 Taxation

(a) Analysis of charge in the year

	2010 £	2009 £
Current tax		
UK Corporation tax based on the results for the year at 21% (2009 - 21%)	11,000	3,000
(Over) provision in prior year	<u>(678)</u>	<u>(545)</u>
Total current tax	<u>10,322</u>	<u>2,455</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 21% (2009 - 21%)

	2010 £	2009 £
Profit on ordinary activities before taxation	<u>39,068</u>	<u>19,939</u>
Profit on ordinary activities by rate of tax	8,204	4,187
Capital allowances in the year different from depreciation	3,327	4,563
Utilisation of tax losses	(1,063)	(6,460)
Tax-free rebate	(16)	(21)
Rounding adjustments	548	731
Over provision of tax charge in prior year	<u>(678)</u>	<u>(545)</u>
Total current tax (note 9(a))	<u>10,322</u>	<u>2,455</u>

JOHN EDWARD CROWTHER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

10 Tangible fixed assets

	Property held for investment £	Plant & Machinery £	Motor Vehicles £	Total £
Cost				
At 1 April 2009	1,942,248	28,309	55,202	2,025,759
Additions	335	–	17,345	17,680
Disposals	–	(600)	(31,027)	(31,627)
At 31 March 2010	1,942,583	27,709	41,520	2,011,812
Depreciation				
At 1 April 2009	1,405,958	27,908	44,021	1,477,887
Charge for the year	57,273	400	8,630	66,303
On disposals	–	(600)	(31,027)	(31,627)
At 31 March 2010	1,463,231	27,708	21,624	1,512,563
Net book value				
At 31 March 2010	479,352	1	19,896	499,249
At 31 March 2009	536,290	401	11,181	547,872

11. Stocks

	2010 £	2009 £
Finished goods	437	496

12. Debtors

	2010 £	2009 £
Trade debtors	11,539	4,547
Amounts due from Hemplow Limited	2,399,391	2,430,860
Prepayments and accrued income	129,977	3,137
	2,540,907	2,438,544

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

	2010 £	2009 £
Other debtors	2,399,391	2,430,860

JOHN EDWARD CROWTHER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

13 Creditors Amounts falling due within one year

	2010	2009
	£	£
Amounts owed to group undertakings	124,000	—
Taxation and social security	22,789	11,039
Accruals and deferred income	62,478	45,483
	<u>209,267</u>	<u>56,522</u>

14 Pension commitments

The company was a participating member of a defined benefit scheme operated by its parent company John Edward Crowther (Holdings) Plc. The scheme was closed with effect from 31 March 2002 and was formally wound up in the following year.

With effect from 1 April 2002 the company has contributed to a Group Personal Pension Plan of the money purchase type. The company continues to make contributions based on 5% of pensionable pay. The cost for the year was £10,732 (2009 £10,588) and there were no outstanding or prepaid contributions at 31 March 2010.

The company has also made contributions in the year totalling £312 (2009 £312) to the individual pension arrangements of certain directors and employees.

15. Contingencies

The company is a party to cross-guarantees given by J E C Investment Company Limited and all its subsidiary undertakings as security for overdraft facilities from time to time. At 31 March 2010 the group bank accounts taken together were in credit (2009 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 2010 the Group had a liability to H M Revenue & Customs of £5,576 which was paid by its due date.

16. Related party transactions

Included in current assets are amounts falling due after more than one year of £2,399,391 (2009 £2,430,860) from Hemplow Limited, a company controlled by the shareholders of J E C Investment Company Limited. Interest amounting to £114,810 (2009 £114,024) 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 other group companies.

17. Share capital

Allotted, called up and fully paid

	2010		2009	
	No	£	No	£
Ordinary shares of £1 each	<u>287,402</u>	<u>287,402</u>	<u>287,402</u>	<u>287,402</u>

JOHN EDWARD CROWTHER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2010

18 Profit and loss account

	2010	2009
	£	£
Balance brought forward	2,959,250	2,941,766
Profit for the financial year	28,746	17,484
Balance carried forward	<u>2,987,996</u>	<u>2,959,250</u>

19. Reconciliation of movements in shareholders' funds

	2010	2009
	£	£
Profit for the financial year	28,746	17,484
Opening shareholders' funds	3,246,652	3,229,168
Closing shareholders' funds	<u>3,275,398</u>	<u>3,246,652</u>

20. Ultimate parent company

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