

J.H.Ashworth & Son Limited

Unaudited Filleted Financial Statements
for the Year Ended 31 December 2022

Horne Brooke Shenton
Chartered Accountants
15 Olympic Court Boardmans Way
Whitehills Business Park
Blackpool
FY4 5GU

J.H.Ashworth & Son Limited

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J.H.Ashworth & Son Limited

Company Information

Directors	Ms Elizabeth Ashworth Ms Charlotte Ashworth Mr Roger Frank Ashworth Mr John David Ashworth
Company secretary	Ms Charlotte Ashworth
Registered office	Kingston Mills Manchester Road Hyde Cheshire SK14 2BZ
Accountants	Horne Brooke Shenton Chartered Accountants 15 Olympic Court Boardmans Way Whitehills Business Park Blackpool FY4 5GU

J.H.Ashworth & Son Limited

(Registration number: 00416786)

Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible Assets	<u>4</u>	98,369	87,803
Current assets			
Stocks	<u>5</u>	457,383	432,684
Debtors	<u>6</u>	400,744	583,692
Investments	<u>7</u>	10,127	12,713
Cash at bank and in hand		779,229	466,704
		<u>1,647,483</u>	<u>1,495,793</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(344,015)</u>	<u>(283,789)</u>
Net current assets		<u>1,303,468</u>	<u>1,212,004</u>
Total assets less current liabilities		1,401,837	1,299,807
Provisions for liabilities		<u>(24,593)</u>	<u>(16,683)</u>
Net assets		<u><u>1,377,244</u></u>	<u><u>1,283,124</u></u>
Capital and Reserves			
Called up share capital	<u>9</u>	950	950
Retained Earnings		<u>1,376,294</u>	<u>1,282,174</u>
Shareholders' funds		<u><u>1,377,244</u></u>	<u><u>1,283,124</u></u>

For the financial year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

J.H.Ashworth & Son Limited

(Registration number: 00416786)

Balance Sheet as at 31 December 2022

Approved and authorised by the Board on 26 September 2023 and signed on its behalf by:

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Ms Elizabeth Ashworth

Director

J.H.Ashworth & Son Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Kingston Mills
Manchester Road
Hyde
Cheshire
SK14 2BZ
England

These financial statements were authorised for issue by the Board on 26 September 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The presentation currency is £ sterling.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Other operating income

Other operating income is represented by rental income; paletised storage income; grants receivable and miscellaneous sundry income.

J.H.Ashworth & Son Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

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

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible Assets

Tangible Assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold land & buildings	6 years straight line
Plant & machinery	20% reducing balance / 10% straight line / 7 years straight line
Fixtures & fittings	20% reducing balance / 25% straight line

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

J.H.Ashworth & Son Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade Debtors

Trade Debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade Creditors

Trade Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade Creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

J.H.Ashworth & Son Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

J.H.Ashworth & Son Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Financial instruments

Recognition and measurement

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit and loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit and loss.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 15 (2021 - 16).

4 Tangible Assets

	Short leasehold land and buildings £	Fixtures and fittings £	Plant and machinery £	Total £
Cost or valuation				
At 1 January 2022	21,326	111,136	803,629	936,091
Additions	-	-	30,710	30,710
Disposals	-	-	(49,904)	(49,904)
At 31 December 2022	21,326	111,136	784,435	916,897
Depreciation				
At 1 January 2022	21,325	98,462	728,501	848,288
Charge for the year	-	3,413	16,669	20,082
Eliminated on disposal	-	-	(49,842)	(49,842)
At 31 December 2022	21,325	101,875	695,328	818,528
Carrying amount				
At 31 December 2022	1	9,261	89,107	98,369
At 31 December 2021	1	12,674	75,128	87,803

Included within the net book value of land and buildings above is £1 (2021 - £1) in respect of short leasehold land and buildings.

J.H.Ashworth & Son Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

5 Stocks

	2022	2021
	£	£
Raw materials and consumables	431,681	382,244
Work in progress	12,928	38,039
Finished goods and goods for resale	12,774	12,401
	<u>457,383</u>	<u>432,684</u>

6 Debtors

Current	Note	2022	2021
		£	£
Trade Debtors		254,455	531,150
Directors loan accounts	<u>12</u>	6,019	-
Prepayments		126,952	29,930
Other debtors		13,318	22,612
		<u>400,744</u>	<u>583,692</u>

7 Current asset investments

	2022	2021
	£	£
Other investments	<u>10,127</u>	<u>12,713</u>

J.H.Ashworth & Son Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

8 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
HP and finance lease liability 1 (under 1yr)		-	1,758
Trade creditors		45,919	69,947
Owed by/(from) parent undertakings	<u>12</u>	36	36
Directors loan accounts		-	5,000
PAYE and NIC creditor		7,873	5,906
VAT Control account		66,638	43,386
Pensions contributions unpaid		20,131	-
Wages and salaries control		26,915	3,891
Income tax liability		51,389	65,515
Accruals		119,777	83,013
Other creditors		5,337	5,337
		<u>344,015</u>	<u>283,789</u>

9 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary £1 of £1 each	950	950	950	950

10 Dividends

	2022 £	2021 £
Dividends paid	108,000	69,500

J.H.Ashworth & Son Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

11 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments in respect of capital commitments and operating leases as at 31st December 2021 was £220,000 (2021 - £217,041).

12 Related party transactions

Directors advances and credits

During the year one of the directors loan accounts became overdrawn by £6,019, which remained outstanding at the balance sheet date. No interest was charged on this unsecured loan.

Summary of transactions with parent

Ashworth Filament Yarns Limited

JH Ashworth & Son Limited is a wholly owned subsidiary of Ashworth Filament Yarns Limited

An intercompany dividend of £108,000 was paid during the period between Ashworth Filament Yarns Limited and JH Ashworth & Son Limited.

At the balance sheet date the amount due to Ashworth Filament Yarns Limited was £36 (2021: £36).

Ashworth Filament Yarns Limited has the same registered office as JH Ashworth & Son Limited.

13 Parent and ultimate parent undertaking

The company's immediate parent is Ashworth Filament Yarns Limited, incorporated in England and Wales.

14 Loans and borrowings

	2022	2021
	£	£
Current loans and borrowings		
Hire purchase contracts	-	1,758

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.