

Registration number: 529628

Leigh Spinners Limited

Annual Report and Unaudited Financial Statements

for the Period from 28 February 2016 to 25 February 2017

Beever and Struthers
Chartered Accountants
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE



Leigh Spinners Limited

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Leigh Spinners Limited

Company Information

Directors	Mr J T Horrocks
	Mr M W Horrocks
	Mrs P A E Horrocks
	Mr N J Horrocks
	Mr J S Morrison
	Mr S A Houston
	Mr A Walsh
Company secretary	Mr S A Houston
Registered office	Park Lane Leigh Lancashire WN7 2LB
Bankers	National Westminster Bank PLC Leigh 32 Market Street Leigh Lancashire WN7 1DX
Accountants	Beever and Struthers Chartered Accountants St. George's House 215 - 219 Chester Road Manchester M15 4JE

Leigh Spinners Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's 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.

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Statement of Financial Position as at 25 February 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	3	14,336	14,539
Investments		<u>2</u>	<u>2</u>
		<u>14,338</u>	<u>14,541</u>
Current assets			
Stocks	5	859,154	758,941
Debtors	6	768,645	549,584
Cash at bank and in hand		<u>128,721</u>	<u>218,971</u>
		1,756,520	1,527,496
Creditors: Amounts falling due within one year	7	<u>(419,766)</u>	<u>(330,719)</u>
Net current assets		<u>1,336,754</u>	<u>1,196,777</u>
Net assets		<u>1,351,092</u>	<u>1,211,318</u>
Capital and reserves			
Called up share capital		99,000	99,000
Share premium reserve		410,963	410,963
Other reserves		122,240	122,240
Profit and loss account		<u>718,889</u>	<u>579,115</u>
Shareholders' funds		<u>1,351,092</u>	<u>1,211,318</u>

The notes on pages 5 to 9 form an integral part of these financial statements.

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Statement of Financial Position as at 25 February 2017

For the financial period ending 25 February 2017 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 period 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 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 27 June 2017 and signed on its behalf by:



Mr S A Houston

Director

Leigh Spinners Limited

Notes to the Financial Statements for the Period from 28 February 2016 to 25 February 2017

1 General information

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

The address of its registered office is:

Park Lane
Leigh
Lancashire
WN7 2LB

These financial statements were authorised for issue by the Board on 27 June 2017.

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 for the year ended 25 February 2017 are the first financial statements that comply with FRS 102 Section 1A for small entities. The date of transition is 1 March 2015. The transition to FRS 102 Section 1A for small entities has resulted in no changes in accounting policies to those previously used.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

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 rates prevailing on the initial transaction dates.

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

Tangible assets

Tangible assets are stated in the statement of financial position 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, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% on cost
Freehold land and buildings and plant and machinery	20% on cost

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Notes to the Financial Statements for the Period from 28 February 2016 to 25 February 2017

Business combinations

The company and its subsidiary, Thorneycroft Estates Limited, comprise a small group. Advantage has been taken of the exemption available to small groups not to prepare consolidated accounts.

Investments

The investment relates to the company's 50% shareholding in Thorneycroft Estates Limited. The investment is shown at the transaction price.

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 at the transaction price 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.

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 at the transaction price.

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.

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.

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Notes to the Financial Statements for the Period from 28 February 2016 to 25 February 2017

3 Tangible assets

	Freehold land and buildings and plant and machinery £	Motor vehicles £	Total £
Cost or valuation			
At 28 February 2016	9,295,191	15,698	9,310,889
Additions	<u>8,289</u>	<u>-</u>	<u>8,289</u>
At 25 February 2017	<u>9,303,480</u>	<u>15,698</u>	<u>9,319,178</u>
Depreciation			
At 28 February 2016	9,284,578	11,772	9,296,350
Charge for the period	<u>4,566</u>	<u>3,926</u>	<u>8,492</u>
At 25 February 2017	<u>9,289,144</u>	<u>15,698</u>	<u>9,304,842</u>
Carrying amount			
At 25 February 2017	<u>14,336</u>	<u>-</u>	<u>14,336</u>
At 27 February 2016	<u>10,613</u>	<u>3,926</u>	<u>14,539</u>

Included within the net book value of land and buildings above is £14,336 (2016 - £10,613) in respect of freehold land and buildings.

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Notes to the Financial Statements for the Period from 28 February 2016 to 25 February 2017

4 Investments

	2017 £	2016 £
Investments in subsidiaries	<u>2</u>	<u>2</u>
Subsidiaries		£
Fair value		
At 28 February 2016		<u>2</u>
At 25 February 2017		<u>2</u>

5 Stocks

	2017 £	2016 £
Raw materials and consumables	210,695	235,862
Work in progress	550,993	425,641
Finished goods and goods for resale	96,569	94,981
Other inventories	<u>897</u>	<u>2,457</u>
	<u>859,154</u>	<u>758,941</u>

6 Debtors

	2017 £	2016 £
Trade debtors	594,973	468,264
Amounts owed by group undertakings and undertakings in which the company has a participating interest	20,709	20,709
Other debtors	<u>152,963</u>	<u>60,611</u>
Total current trade and other debtors	<u>768,645</u>	<u>549,584</u>

7 Creditors

	2017 £	2016 £
Due within one year		
Trade creditors	231,316	142,985
Taxation and social security	43,502	45,858
Other creditors	<u>144,948</u>	<u>141,876</u>
	<u>419,766</u>	<u>330,719</u>

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Notes to the Financial Statements for the Period from 28 February 2016 to 25 February 2017

8 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 33 (2016 - 34).

Directors' remuneration

During the year the directors received emoluments from the company amounting to £180,405 (2016 - £138,186).

9 Transition to FRS 102

These financial statements for the year ended 25 February 2017 are the first financial statements that comply with FRS 102 Section 1A for small entities. The transition to FRS 102 Section 1A for small entities has resulted in no changes in accounting policies to those previously used.