

**J.E.C. INVESTMENT COMPANY LIMITED**  
**DIRECTORS' REPORT**  
**AND CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2011**

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**Company registration number 580578**



**J.E.C. INVESTMENT COMPANY LIMITED****COMPANY INFORMATION****Directors**

Philip Roger Crowther - Chairman  
Anna Carolin Crowther  
Gillian Rose Dawson  
Edward Rowland Lee

**Secretary and Registered office**

E R Lee  
Bank Bottom Mills  
Marsden  
Huddersfield  
HD7 6HR

**Auditors**

Wheawill & Sudworth  
Chartered Accountants  
35 Westgate  
Huddersfield  
HD1 1PA

## **J.E.C. INVESTMENT COMPANY LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 2011

#### **Statement of 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 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's audit 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.

#### **Principal activities**

The principal activity of the company is that of an investment holding company. Until 2003, the company's major operating companies acted as yarn spinners. Whilst the disposal of stock and fixed assets from these former activities still continues, the principal activities are now the letting of properties formerly used in the yarn spinning activities.

#### **Review of the year and post balance sheet events**

The results for the year are shown on page 7. The group loss for the year after taxation is £19,598 (2010 – profit of £86,954).

In previous year's financial statements, it has been reported that planning permission had been obtained, subject to a number of planning conditions, for the development of part of New Mills into a health centre, retail units associated with the health centre, office space and apartments.

Due to the severe economic climate, and its major impact on property valuations and viability, the directors determined not to commence the development within the 3 year period required by the Planning Permission. As and when confidence in the property market picks up, the directors intend to continue negotiations with the planners to enable New Mills to be brought back into use.

**J.E.C. INVESTMENT COMPANY LIMITED****DIRECTORS' REPORT (continued)****Review of the year and post balance sheet events (continued)**

In view of the above, the Directors have reviewed the Expenditure on Mill Development Plans amounting to £199,546. In previous accounts, this expenditure had been carried forward as a deferred asset within debtors as set out in note 10 to the accounts. This debtor has been written down in these accounts to £55,794 to represent the architect's costs, together with related structural surveys etc, incurred in the development of a smaller scheme. The Directors consider that such a scheme has a greater opportunity of being progressed in the current economic climate.

With effect from 1 April 2008, the Group had to suffer rates on its unlet space, including New Mills and other space which is difficult to let due to access etc limitations. The Group appealed against the rateable values and was successful in negotiating a substantial reduction in the rateable value of New Mills. As reported in last year's financial statements, the comparative figures incorporated a credit of £124,000 for a rates repayment received, of which £58,500 related to amounts previously charged in the 2009 accounts.

**Results for the year**

The result for the year is shown below

	£
The group loss on ordinary activities before taxation is	(738)
Tax on loss on ordinary activities	(18,860)
Loss on ordinary activities after taxation	(19,598)
Minority interest, being dividends to external preference shareholders of John Edward Crowther (Holdings) plc	(1,132)
Loss attributable to the group	(20,730)
The following ordinary dividend was paid	
Ordinary at £3.063 per share	(76,575)
Deficiency for the year deducted from retained profits	(97,305)

**Directors**

The directors who served during the year were as follows

Philip Roger Crowther - Chairman  
 Anna Carolin Crowther  
 Gillian Rose Dawson  
 Edward Rowland Lee

**J.E.C. INVESTMENT COMPANY LIMITED****DIRECTORS' REPORT (continued)****Directors' interests**

The interests in the shares of the company of directors holding office at the end of the year were as follows

	Ordinary shares of £1 each	
	31 March 2011	31 March 2010
	No	No
Anna Carolin Crowther	-	-
Gillian Rose Dawson	*9,000	*9,000
Philip Roger Crowther	4,515	4,515
Edward Rowland Lee	*9,000	*9,000

\* Denotes joint holding or non-beneficial interest

The directors do not have any beneficial interest in any of the other group companies

**Retirement**

Mr ER Lee retires by rotation and, being eligible, offers himself for re-election

**Auditors**

Wheawill & Sudworth were re-appointed as the company's auditor during the year and have expressed their willingness to continue in that capacity

Signed on behalf of the board



P R CROWTHER  
Director  
9 November 2011

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

### **J.E.C. INVESTMENT COMPANY LIMITED**

We have audited the financial statements of J E C Investment Company Limited for the year ended 31 March 2011 which are set out on pages 7 to 20. 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 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.

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

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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.

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

As explained in note 1 investment properties totalling £588,559 are included at cost less depreciation rather than as required by SSAP 19 'Accounting for Investment Properties' 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 group's and the parent company's affairs as at 31 March 2011 and of the group's loss 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.

In our opinion the subject matter of the foregoing qualification is not material for determining whether the distribution of £80,405 proposed by the company is permitted under section 830 of the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF****J.E.C. INVESTMENT COMPANY LIMITED (continued)****Opinion on other matter 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

*Wheawill & Sudworth*

David Butterworth (Senior Statutory Auditor)  
For and on behalf of Wheawill & Sudworth  
Statutory Auditor

35 Westgate  
Huddersfield  
HD1 1PA  
9 November 2011

## J.E.C. INVESTMENT COMPANY LIMITED

## CONSOLIDATED PROFIT &amp; LOSS ACCOUNT

for the year ended

31 MARCH 2011

Note	Continuing Activities £	Discontinued Activities £	Total 2011 £	Continuing Activities £	Discontinued Activities £	Total 2010 £
2 <b>Turnover</b>	268,097	-	268,097	244,767	7,572	252,339
Cost of sales						
- recurring	(214,999)	-	(214,999)	(195,186)	(287)	(195,473)
- exceptional	(143,752)	-	(143,752)	-	-	-
	<u>(358,751)</u>	<u>-</u>	<u>(358,751)</u>	<u>(195,186)</u>	<u>(287)</u>	<u>(195,473)</u>
<b>Gross (loss)/profit</b>	(90,654)	-	(90,654)	49,581	7,285	56,866
Distribution costs	-	33	33	-	239	239
Administrative expenses	(227,339)	-	(227,339)	(229,795)	-	(229,795)
Other operating income	230	14,671	14,901	5,725	561	6,286
	<u>(317,763)</u>	<u>14,704</u>	<u>(303,059)</u>	<u>(174,489)</u>	<u>8,085</u>	<u>(166,404)</u>
3 <b>Operating (loss) profit</b>						
4     Interest receivable and similar income			302,321			273,718
(Loss) / profit on ordinary activities before taxation			(738)			107,314
5     Tax on (loss) / profit on ordinary activities			(18,860)			(20,360)
(Loss) / profit on ordinary activities after taxation			(19,598)			86,954
Minority interests			(1,132)			(1,147)
14     (Loss) / profit on ordinary activities			<u>(20,730)</u>			<u>85,807</u>

**Total recognised gains and losses**

The (loss)/profit for the financial year is the total of all recognised gains and losses for the year

The accounting policies and notes on pages 12 to 20 form an integral part of these financial statements



**J.E.C. INVESTMENT COMPANY LIMITED****CONSOLIDATED BALANCE SHEET****31 MARCH 2011**

Note		2011 £	2010 £
	<b>Fixed assets</b>		
7	Tangible assets	606,076	670,515
	<b>Current assets</b>		
9	Stocks	437	437
10	Debtors		
	Amounts due within one year	64,284	347,321
	Amounts due after more than one year	4,476,283	4,510,023
	Cash and bank balances	3,164,936	2,838,416
		<u>7,705,940</u>	<u>7,696,197</u>
11	<b>Creditors: amounts falling due within one year</b>	(147,303)	(104,434)
	<b>Net current assets</b>	<u>7,558,637</u>	<u>7,591,763</u>
	<b>Net assets</b>	<u>8,164,713</u>	<u>8,262,278</u>
	<b>Capital and reserves</b>		
12	Called up share capital	25,002	25,002
15	Share premium account	224,411	224,411
15	Capital redemption reserve fund	249,410	249,410
	Other reserves - arising on acquisition		
15	of subsidiary undertakings	916,121	915,981
14	Profit and loss account	6,729,485	6,826,790
15	<b>Shareholders' funds</b>	<u>8,144,429</u>	<u>8,241,594</u>
16	<b>Minority interests - preference</b>	<u>20,284</u>	<u>20,684</u>
		<u>8,164,713</u>	<u>8,262,278</u>

The financial statements on pages 7 to 20 were approved and authorised for issue by the board of directors on 9 November 2011 and signed on its behalf by:

P R CROWTHER  
Director



Company registration number 580578

The accounting policies and notes on pages 12 to 20 form an integral part of these financial statements

**J.E.C. INVESTMENT COMPANY LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**

**for the year ended**

**31 MARCH 2011**

Note		2011	2010
(a)		£	£
	Net cash inflow (outflow) from operating activities	126,196	(194,498)
(b)	Returns on investments and servicing of finance	301,189	272,571
(c)	Capital expenditure and financial Investment	(3,130)	(15,623)
	Equity dividend paid	(76,575)	(72,930)
	Corporation tax paid	(21,160)	(4,360)
	<b>Increase / (decrease) in cash in the year</b>	<u>326,520</u>	<u>(14,840)</u>
	<b>Reconciliation of net cash flow to movement in net funds</b>		
	Change in net funds resulting from cash flows	326,520	(14,840)
	Net funds at beginning of year	<u>2,838,416</u>	<u>2,853,256</u>
(d)	Net funds at end of year	<u>3,164,936</u>	<u>2,838,416</u>

The accounting policies and notes on pages 12 to 20 form an integral part of these financial statements

**J.E.C. INVESTMENT COMPANY LIMITED****NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT****for the year ended****31 MARCH 2011**

(a)	<b>Reconciliation of operating (loss) to net cash inflow/(outflow) from operating activities</b>	2011 £	2010 £	
	Operating (loss)	(303,059)	(166,404)	
	Depreciation charge	71,639	74,888	
	Profit on sale of tangible fixed assets	(4,330)	(5,811)	
	Decrease in stocks	-	59	
	Decrease / (increase) in debtors	316,777	(117,588)	
	Increase in creditors	45,169	20,358	
		<hr/>	<hr/>	
	<b>Net cash inflow / (outflow) from operating activities</b>	<b>126,196</b>	<b>(194,498)</b>	
		<hr/>	<hr/>	
(b)	<b>Returns on investments and servicing of finance</b>			
	Interest received	302,321	273,718	
	Dividends paid to minority interests	(1,132)	(1,147)	
		<hr/>	<hr/>	
		<b>301,189</b>	<b>272,571</b>	
		<hr/>	<hr/>	
(c)	<b>Capital expenditure and financial investment</b>			
	Purchase of tangible fixed assets	(7,200)	(21,255)	
	Sale of tangible fixed assets	4,330	5,811	
	Purchase of minority shareholding	(260)	(179)	
		<hr/>	<hr/>	
		<b>(3,130)</b>	<b>(15,623)</b>	
		<hr/>	<hr/>	
(d)	<b>Analysis of changes in net funds</b>	At beginning of year £	Cashflow £	At end of year £
	Cash at bank and in hand	2,838,416	326,520	3,164,936

**J.E.C. INVESTMENT COMPANY LIMITED****COMPANY BALANCE SHEET****31 MARCH 2011**

Note		2011 £	2010 £
	<b>Fixed assets</b>		
7	Tangible assets	146,521	155,106
8	Investments	817,316	817,056
		<u>963,837</u>	<u>972,162</u>
	<b>Current assets</b>		
10	Debtors	69,057	205,805
		<u></u>	<u></u>
11	<b>Creditors: amounts falling due within one year</b>	(20,494)	(74,359)
		<u></u>	<u></u>
	<b>Net current assets</b>	48,563	131,446
		<u></u>	<u></u>
	<b>Net assets</b>	<u>1,012,400</u>	<u>1,103,608</u>
	<b>Capital and reserves</b>		
12	Called up share capital	25,002	25,002
15	Share premium account	224,411	224,411
15	Capital redemption reserve fund	249,410	249,410
15	Profit and loss account	513,577	604,785
		<u></u>	<u></u>
15	<b>Shareholders' funds</b>	<u>1,012,400</u>	<u>1,103,608</u>

The financial statements on pages 7 to 20 were approved and authorised for issue by the board of directors on 9 November 2011 and signed on its behalf by

P R CROWTHER  
Director



Company registration number 580578

The accounting policies and notes on pages 12 to 20 form an integral part of these financial statements

## **J.E.C. INVESTMENT COMPANY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended**

**31 MARCH 2011**

#### **1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are judged material in relation to the group's financial statements

##### **Basis of preparation**

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

##### **Basis of consolidation**

The group financial statements consolidate the financial statements of J E C Investment Company Limited and all its subsidiary undertakings all of which are made up to 31 March 2011. The acquisition method of accounting has been adopted. Uniform accounting policies are followed throughout the group and all unrealised profits and losses arising from inter-group trading are eliminated.

In the company's financial statements, investments in subsidiary undertakings are stated at cost.

In accordance with Section 408 of the Companies Act 2006 J E C Investment Company Limited is exempt from the requirement to present its own profit and loss account.

The amount of the profit for the financial year dealt with in the financial statements of J E C Investment Company Limited is disclosed in note 15 to these financial statements.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation of tangible fixed assets is based on cost less the estimated residual value and is applied on a straight line basis using the following asset lives:

Land and buildings	-	25 years
Plant and equipment	-	10 years
Motor vehicles	-	4 years

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 freehold land and buildings are included at cost.

##### **Stocks**

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

##### **Turnover**

Turnover represents amounts receivable, for goods sold and services supplied and excludes value added tax and transactions between group companies.

**J.E.C. INVESTMENT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS****for the year ended****31 MARCH 2011****1 Accounting policies (continued)****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.

**Taxation**

The charge for taxation is based on the profit or loss for the financial year and includes taxation deferred. Provision is made on the full provision method measured on an undiscounted basis at current tax rates for deferred tax assets and liabilities arising from all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

**Group relief**

The company is party to an agreement between group companies whereby claimant companies pay surrendering companies for the benefit of trading losses surrendered if deemed appropriate by the directors.

**Pension costs**

Contributions to the defined contribution pension scheme are charged to the profit and loss account on an accruals basis as they become due.

<b>2 Turnover</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Analysis of turnover by activity</b>		
Property	268,097	244,767
Yarn spinning	-	7,572
	<u>268,097</u>	<u>252,339</u>
<b>Analysis of turnover by geographical area based on customer location</b>		
UK	268,097	248,452
Rest of the world	-	3,887
	<u>268,097</u>	<u>252,339</u>

**J.E.C. INVESTMENT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended****31 MARCH 2011**

<b>3 Operating (loss)</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
(a) The operating loss is stated after charging/(crediting)		
Auditors' remuneration		
- audit	5,400	5,400
- other	4,400	4,400
Depreciation	71,639	74,888
(Profit) on disposal of plant and machinery	(4,330)	(5,811)
Directors' emoluments		
- fees	8,800	8,800
- other emoluments (including benefits)	124,973	121,917
- group contributions to pension schemes	10,412	10,119
	<u>          </u>	<u>          </u>

The exceptional item relates to the write off of mill development costs (note 10)

**(b) Staff numbers and costs**

The average number of persons employed by the group including directors during the year was made up as follows

	<b>Number of employees</b>	
Maintenance	4	4
Administrative	5	5
	<u>          </u>	<u>          </u>
	9	9
	<u>          </u>	<u>          </u>
<b>Staff costs</b>	<b>£</b>	<b>£</b>
Wages and salaries	175,284	167,354
Social security costs	19,676	19,930
Other pension costs	11,531	11,044
	<u>          </u>	<u>          </u>
	206,491	198,328
	<u>          </u>	<u>          </u>

**(c) Pension Schemes**

The group operates a group personal pension plan of the money purchase type to which the employer makes contributions based on 5% of pensionable pay. The assets of the scheme are held separately from those of the group in an independently administered fund through an insurance company. The pension cost charge for the year was £11,219 (2010 £10,732) contributions outstanding at 31 March 2011 were £nil (2010 £nil).

The group has also made contributions in the year totalling £312 (2010 £312) to the individual pension arrangements of certain directors and employees.

Retirement benefits are accruing to 2 directors (2010 2) under money purchase schemes.

**J.E.C. INVESTMENT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended****31 MARCH 2011**

<b>4 Interest receivable and similar income</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank deposits	73,746	64,511
Amounts received from Hemplow Limited (notes 10 and 17)	228,575	209,207
	<u>302,321</u>	<u>273,718</u>
<b>5 Taxation on (loss) / profit on ordinary activities</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
a) Corporation tax at 21% (2010 21%)	23,700	26,000
Prior year over provision	(4,840)	(5,640)
	<u>18,860</u>	<u>20,360</u>
b) Factors affecting tax charge for the year		
The tax assessed for the period is higher (2010 lower) than the standard corporation tax in the UK of 21% (2010 21%) The differences are explained as follows		
(Loss) / Profit on ordinary activities before tax	<u>(738)</u>	<u>107,314</u>
(Loss) / Profit on ordinary activities multiplied by standard rate of tax in the UK of 21% (2010 21%)	(155)	22,536
Capital allowances in the period in excess of depreciation	11,268	3,931
Utilisation of tax losses	(3,088)	(635)
Capital losses	14,851	-
Marginal rate of tax of 29.75% on part of profits	491	-
Rounding difference	333	1,332
Tax free income	-	(101)
Taxation losses surrendered	-	(1,063)
Over provision of tax in prior year	(4,840)	(5,640)
Current tax charge for the period (note 5 (a))	<u>18,860</u>	<u>20,360</u>
<b>6 Dividends</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Paid during the year		
Ordinary shares	<u>76,575</u>	<u>72,930</u>
Proposed after the year-end (not recognised as a liability)		
Ordinary shares	<u>80,405</u>	<u>76,575</u>



**J.E.C. INVESTMENT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended****31 MARCH 2011**

<b>7 Tangible fixed assets Group</b>	<b>Investment properties £</b>	<b>Plant and Equipment £</b>	<b>Total £</b>
Cost			
At 1 April 2010	2,275,712	94,129	2,369,841
Additions	-	7,200	7,200
Disposals	-	(12,000)	(12,000)
	<hr/>	<hr/>	<hr/>
At 31 March 2011	2,275,712	89,329	2,365,041
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2010	1,625,094	74,232	1,699,326
Charge for the year	62,059	9,580	71,639
Disposals	-	(12,000)	(12,000)
	<hr/>	<hr/>	<hr/>
At 31 March 2011	1,687,153	71,812	1,758,965
	<hr/>	<hr/>	<hr/>
Net book amount			
31 March 2011	588,559	17,517	606,076
	<hr/>	<hr/>	<hr/>
31 March 2010	650,618	19,897	670,515
	<hr/>	<hr/>	<hr/>

<b>Tangible fixed assets Company</b>	<b>Investment Properties £</b>
Cost	
At 1 April 2010	214,623
Additions	-
	<hr/>
At 31 March 2011	214,623
	<hr/>
Depreciation	
At 1 April 2010	59,517
Charge for the year	8,585
	<hr/>
At 31 March 2011	68,102
	<hr/>
Net book amount	
At 31 March 2011	146,521
	<hr/>
At 31 March 2010	155,106
	<hr/>

**J.E.C. INVESTMENT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended****31 MARCH 2011**

<b>8 Fixed asset investments</b>	<b>Shares in subsidiary undertakings</b>	
	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Company</b>		
Cost		
At 1 April 2010	817,056	816,877
Additions	260	179
	<hr/>	<hr/>
At 31 March 2011	817,316	817,056
	<hr/>	<hr/>
The investment in subsidiary undertakings is made up as follows		
John Edward Crowther (Holdings) plc		
3,500,000 (2010 3,500,000) ordinary shares of £1 each	500,000	500,000
479,716 (2010 479,316) 5½% cumulative preference shares of £1 each	317,316	317,056
	<hr/>	<hr/>
	817,316	817,056
	<hr/>	<hr/>

During the year the company acquired 400 (2010 275) 5½% cumulative preference shares of John Edward Crowther (Holdings) plc from minority shareholders for a consideration of £260 (2010 £179) including stamp duty

The company owns the whole of the allotted ordinary share capital and 96.0% (2010 95.9%) of the allotted preference share capital of John Edward Crowther (Holdings) plc, which is registered in England and Wales

John Edward Crowther (Holdings) plc owns the whole of the allotted share capital of the following companies, all of which are registered in England and Wales and trade principally in England

<b>Company</b>	<b>Class of shares</b>	<b>Principal activity</b>
John Edward Crowther Limited	Ordinary shares of £1	Yarn Spinners & Property Owners
Colne Valley Spinning Company Limited	Ordinary shares of £1	Yarn Spinners & Property Owners
Crowther, Bruce & Co Limited	Ordinary shares of £5 6% Cumulative preference shares of £5	Property owners
Deer Hill Estates Limited	Ordinary shares of £1	Dormant

## J.E.C. INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended

31 MARCH 2011

9	Stocks	Group	
		2011 £	2010 £
	Finished goods	437	437

  

10	Debtors	Group		Company	
		2011 £	2010 £	2011 £	2010 £
	Amounts due within one year				
	Trade debtors	3,967	11,539	-	-
	Expenditure incurred on Mill development plans	55,794	199,546	55,794	199,546
	Amounts owed by group undertakings	-	-	12,000	-
	Other debtors	-	1,086	-	1,086
	Prepayments and accrued income	4,523	135,150	1,263	5,173
		<u>64,284</u>	<u>347,321</u>	<u>69,057</u>	<u>205,805</u>
	Amounts due after more than one year				
	Hemphow Limited (note 17)	4,476,283	4,510,023	-	-
		<u>4,540,567</u>	<u>4,857,344</u>	<u>69,057</u>	<u>205,805</u>

As referred to in the Directors' Report on page 3, the Directors have reviewed the Expenditure on Mill Development Plans amounting to £199,546. This debtor has been written down in these accounts to £55,794 to represent the architect's costs, together with related structural surveys etc, incurred in the development of a smaller scheme for New Mills. The Directors consider that such a scheme has a greater opportunity of being progressed in the current economic climate.

11	Creditors: amounts falling due within one year	Group		Company	
		2011 £	2010 £	2011 £	2010 £
	Bank overdraft	-	-	16,891	67,174
	Corporation tax	23,700	26,000	-	4,000
	Other taxes and social security	16,475	12,079	-	-
	Accruals and deferred income	107,128	66,355	3,603	3,185
		<u>147,303</u>	<u>104,434</u>	<u>20,494</u>	<u>74,359</u>

**J.E.C. INVESTMENT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended****31 MARCH 2011**

<b>12</b>	<b>Called up share capital</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Allotted, called up and fully paid		
	25,000 ordinary shares of £1 each	25,000	25,000
	2 subscriber shares of £1 each	2	2
		<hr/>	<hr/>
		25,002	25,002
		<hr/>	<hr/>
<b>13</b>	<b>Contingent liabilities</b>		
	The company is party to an unlimited cross guarantee given by itself and John Edward Crowther (Holdings) plc, its subsidiary company to secure all bank liabilities of each other At 31 March 2011 bank accounts taken together were in credit (2010 in credit)		
<b>14</b>	<b>Profit and loss account</b>		<b>£</b>
	Group		
	Balance brought forward		6,826,790
	(Loss) for the financial year		(20,730)
	Equity dividends paid		(76,575)
			<hr/>
	Balance carried forward		6,729,485
			<hr/>

**J.E.C. INVESTMENT COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended****31 MARCH 2011****15 Reconciliation of movements in shareholders' funds**

	Share capital £	Share premium account £	Capital redemption reserve fund £	Reserves arising on acquisition of subsidiary undertakings £	Profit and loss account £	Total 2011 £	Total 2010 £
<b>Group</b>							
At 1 April 2010	25,002	224,411	249,410	915,981	6,826,790	8,241,594	8,228,621
(Loss)/profit for the financial year	-	-	-	-	(20,730)	(20,730)	85,807
Dividends	-	-	-	-	(76,575)	(76,575)	(72,930)
Purchase of minority interests	-	-	-	140	-	140	96
At 31 March 2011	<u>25,002</u>	<u>224,411</u>	<u>249,410</u>	<u>916,121</u>	<u>6,729,485</u>	<u>8,144,429</u>	<u>8,241,594</u>
<b>Company</b>							
At 1 April 2010	25,002	224,411	249,410	-	604,785	1,103,608	1,062,950
(Loss)/profit for the financial year	-	-	-	-	(14,633)	(14,633)	113,588
Dividend	-	-	-	-	(76,575)	(76,575)	(72,930)
At 31 March 2011	<u>25,002</u>	<u>224,411</u>	<u>249,410</u>	<u>-</u>	<u>513,577</u>	<u>1,012,400</u>	<u>1,103,608</u>

**16 Minority interests****Group**

	2011 £	2010 £
At 1 April 2010	20,684	20,959
Acquired during the year	(400)	(275)
At 31 March 2011	<u>20,284</u>	<u>20,684</u>

Minority interests comprise 20,284 (2010 20,684) 5½% cumulative preference shares of £1 each in the company's subsidiary undertaking, John Edward Crowther (Holdings) plc

**17 Related party disclosures**

Included in current assets are amounts falling due after more than one year of £4,476,283 (2010 £4,510,023) due from Hemplow Limited. Interest amounting to £228,575 (2010 £209,207) has been paid to the Group by Hemplow Limited in the year, based upon commercial interest rates

**18 Ultimate control**

There is no one controlling party of the Group