

J.E.C. INVESTMENT COMPANY LIMITED

**FILLETED CONSOLIDATED
FINANCIAL STATEMENTS**

31 MARCH 2019

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Company registration number 580578



J.E.C. INVESTMENT COMPANY LIMITED**DIRECTORS' RESPONSIBILITIES STATEMENT****31 MARCH 2019****Directors' responsibilities statement**

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 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 judgments 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.

J.E.C. INVESTMENT COMPANY LIMITED

CONSOLIDATED BALANCE SHEET

31 MARCH 2019

Note		2019 £	2018 £
	Fixed assets		
4	Tangible assets	275,395	304,765
	Current assets		
6	Stocks	437	437
7	Debtors:		
	Amounts due within one year	71,268	69,865
	Amounts due after more than one year	4,330,311	4,459,819
	Cash and bank balances	3,735,257	3,570,889
		8,137,273	8,101,010
8	Creditors: amounts falling due within one year	(141,817)	(167,051)
	Net current assets	7,995,456	7,933,959
	Net assets	8,270,851	8,238,724
	Capital and reserves		
10	Allotted, called up and fully paid share capital	25,002	25,002
	Share premium account	224,411	224,411
	Capital redemption reserve fund	249,410	249,410
	Other reserves - arising on acquisition of subsidiary undertakings	918,406	918,332
	Profit and loss account	6,839,896	6,807,631
	Shareholders' funds	8,257,125	8,224,786
11	Non-controlling interests	13,726	13,938
		8,270,851	8,238,724

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with FRS102 Section 1a and the option not to file the profit and loss account has been taken.

J.E.C. INVESTMENT COMPANY LIMITED**CONSOLIDATED BALANCE SHEET (continued)****31 MARCH 2019**

The directors confirm, in accordance with S444(5B) of the Companies Act 2006, as amended by the Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015, that:

- The auditor's report for the year in question was unqualified;
- The auditor is Wheawill & Sudworth Limited, Chartered Accounts and Registered Auditor;
- David Butterworth signed the audit report as Senior Statutory Auditor.

The financial statements were approved and authorised for issue by the board of directors on 12 November 2019 and signed on its behalf by:



P R CROWTHER
Director

Company registration number: 580578

The accounting policies and notes on pages 6 to 11 form an integral part of these financial statements.

J.E.C. INVESTMENT COMPANY LIMITED**COMPANY BALANCE SHEET****31 MARCH 2019**

Note		2019 £	2018 £
	Fixed assets		
4	Tangible assets	104,685	114,437
5	Investments	821,589	821,451
		<u>926,274</u>	<u>935,888</u>
	Current assets		
7	Debtors	56,749	55,794
	Cash at bank	564,475	457,926
		<u>621,224</u>	<u>513,720</u>
8	Creditors: amounts falling due within one year	<u>(12,051)</u>	<u>(11,301)</u>
	Net current assets	<u>609,173</u>	<u>502,419</u>
	Net assets	<u>1,535,447</u>	<u>1,438,307</u>
	Capital and reserves		
10	Allotted, called up and fully paid share capital	25,002	25,002
	Share premium account	224,411	224,411
	Capital redemption reserve fund	249,410	249,410
	Profit and loss account (including profit for the financial year of £210,278 (2018: £200,668))	<u>1,036,624</u>	<u>939,484</u>
	Shareholders' funds	<u>1,535,447</u>	<u>1,438,307</u>

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J.E.C. INVESTMENT COMPANY LIMITED**COMPANY BALANCE SHEET (continued)****31 MARCH 2019**

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P R CROWTHER
Director

Company registration number : 580578

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J.E.C. INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended

31 MARCH 2019

1 Statement of compliance

J.E.C. Investment Company Limited, company registration number 580578, is a private company limited by shares incorporated in England within the United Kingdom. The address of the registered office is Bank Bottom Mills, Marsden, Huddersfield HD7 6HR.

These financial statements have been prepared in compliance with FRS102 Section 1a, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland".

2 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 on the historical basis and are prepared in sterling, which is the functional currency of the entity, and rounded to the nearest £.

Judgement and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affects the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 2018. 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.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost and subsequently stated at cost less accumulated depreciation and impairment losses. 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

J.E.C. INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended

31 MARCH 2019

2 Accounting policies (continued)

Tangible fixed assets (continued)

FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" requires properties held for investment to be included in the Balance Sheet at their fair value when it can be measured reliably without undue cost or effort. 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.

Revenue recognition

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

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.

Income tax

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

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 timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Trading losses surrendered

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.

Employee benefits

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

J.E.C. INVESTMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended****31 MARCH 2019****3 Staff costs**

The average number of persons employed by the group during the year, including the directors, was 10 (2018: 10).

4 Tangible fixed assets	Investment	Plant and	
Group	properties	Equipment	Total
	£	£	£
Cost:			
At 1 April 2018	2,310,857	39,044	2,349,901
Additions	-	-	-
Disposals	-	(4,400)	(4,400)
At 31 March 2019	2,130,857	34,644	2,345,501
Depreciation:			
At 1 April 2018	2,009,193	35,943	2,045,136
Charge for the year	27,820	1,550	29,370
Disposals	-	(4,400)	(4,400)
At 31 March 2019	2,037,013	33,093	2,070,106
Net book amount:			
31 March 2019	273,844	1,551	275,395
31 March 2018	301,664	3,101	304,765

J.E.C. INVESTMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended****31 MARCH 2019****4 Tangible fixed assets (continued)**

Company	Investment Properties £
Cost:	
At 1 April 2018	243,801
Additions	-
At 31 March 2019	<u>243,801</u>
Depreciation:	
At 1 April 2018	129,364
Charge for the year	9,752
At 31 March 2019	<u>139,116</u>
Net book amount:	
At 31 March 2019	<u>104,685</u>
At 31 March 2018	<u>114,437</u>

5 Fixed asset investments

Company	Shares in subsidiary undertakings	
	2019 £	2018 £
Cost:		
At 1 April 2018	821,451	821,451
Additions	138	-
At 31 March 2019	<u>821,589</u>	<u>821,451</u>
The investment in subsidiary undertakings is made up as follows:		
John Edward Crowther (Holdings) plc		
3,500,000 (2018: 3,500,000) ordinary shares of £1 each	500,000	500,000
486,062 (2018: 486,062) 5½% cumulative preference shares of £1 each	321,589	321,451
	<u>821,589</u>	<u>821,451</u>

J.E.C. INVESTMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****for the year ended****31 MARCH 2019****5 Fixed asset investments (continued)**

During the year the company acquired 212 (2018: nil) 5½% cumulative preference shares of John Edward Crowther (Holdings) plc from minority shareholders for a consideration of £138 (2018: £nil).

The company owns the whole of the allotted ordinary share capital and 97.3% (2018: 97.2%) 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.

Company	Class of shares	Principal activity
John Edward Crowther 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
Colne Valley Spinning Company Limited	Ordinary shares of £1	Dormant
Deer Hill Estates Limited	Ordinary shares of £1	Dormant

6	Stocks	Group	
		2019 £	2018 £
	Finished goods	437	437

7	Debtors	Group		Company	
		2019 £	2018 £	2019 £	2018 £
	Amounts due within one year:				
	Trade debtors	14,674	13,219	955	-
	Expenditure incurred on Mill development plans	55,794	55,794	55,794	55,794
	Prepayments and accrued income	800	852	-	-
		<u>71,268</u>	<u>69,865</u>	<u>56,749</u>	<u>55,794</u>
	Amounts due after more than one year:				
	Hemplow Limited	4,330,311	4,459,819	-	-
		<u>4,401,579</u>	<u>4,529,684</u>	<u>56,749</u>	<u>55,794</u>

As referred to in the 2014 accounts, the Directors reviewed the Expenditure on Mill Development Plans. The amount carried forward of £55,794 represents 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.

J.E.C. INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended

31 MARCH 2019

8	Creditors: amounts falling due within one year	Group		Company	
		2019 £	2018 £	2019 £	2018 £
	Trade creditors	12,054	22,716	-	-
	Corporation tax	22,000	29,500	-	-
	Other taxes and social security	20,960	25,655	3,931	1,692
	Accruals and deferred income	86,803	89,180	8,120	9,609
		<u>141,817</u>	<u>167,051</u>	<u>12,051</u>	<u>11,301</u>
9	Contingent liabilities				
	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 2019 bank accounts taken together were in credit (2018: in credit).				
10	Called up share capital within one year	2019		2018	
		No	£	No	£
	Group and company				
	Issued, called up and fully paid				
	Ordinary shares of £1 each	25,000	25,000	25,000	25,000
	Subscriber shares of £1 each	2	2	2	2
		<u>25,002</u>	<u>25,002</u>	<u>25,002</u>	<u>25,002</u>
11	Non-controlling interests			2019 £	2018 £
	Group				
	At 1 April 2018			13,938	13,938
	Acquired during the year			(212)	-
	At 31 March 2019			<u>13,726</u>	<u>13,938</u>

Non-controlling interests comprise 13,726 (2018: 13,938) 5.5% cumulative preference shares of £1 each in the company's subsidiary undertaking, John Edward Crowther (Holdings) plc.