

**Company registration number: 01093949**

**Sevenside Fabrics Limited  
Filleter Annual Report and Financial Statements  
for the Year Ended 31 March 2022**

**SEVERNSIDE FABRICS LIMITED**

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**SEVERNSIDE FABRICS LIMITED**

(Registration number: 01093949)  
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	5	43,974	69,102
Tangible assets	6	190,967	197,503
		<u>234,941</u>	<u>266,605</u>
<b>Current assets</b>			
Stock		776,733	752,357
Debtors	7	1,770,240	890,058
Cash at bank and in hand		283	62,917
		<u>2,547,256</u>	<u>1,705,332</u>
<b>Creditors: Amounts falling due within one year</b>	8	<u>(737,234)</u>	<u>(207,435)</u>
<b>Net current assets</b>		<u>1,810,022</u>	<u>1,497,897</u>
<b>Net assets</b>		<u>2,044,963</u>	<u>1,764,502</u>
<b>Capital and reserves</b>			
Called up share capital		400,000	400,000
Profit and loss account		<u>1,644,963</u>	<u>1,364,502</u>
<b>Total equity</b>		<u>2,044,963</u>	<u>1,764,502</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The option not to file the profit and loss account and directors' report has been taken.

Approved and authorised by the Board on 20 July 2022 and signed on its behalf by:

M J Tiencken  
Director

## **SEVERNSIDE FABRICS LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **1 General information**

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

The address of its registered office is:

Gordon Road  
Whitehall  
Bristol  
Avon  
BS5 7DR  
England

#### **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 were prepared in accordance with Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

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

These financial statements are presented in Sterling (£).

##### **Turnover recognition**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers. Turnover is recognised as goods are despatched and as services are provided to customers.

##### **Government grants**

Government grants are recognised under the accruals model resulting in income being recognised on a systematic basis over the period in which the related costs are incurred for which the grant is compensating. The income from the scheme is recognised as other income in the profit and loss and timing differences presented as other debtors within the balance sheet.

##### **Foreign currency transactions and balances**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

##### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, 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.

## SEVERNSIDE FABRICS LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2022

The current 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 liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### 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 of tangible assets

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

Asset class	Depreciation method and rate
Short leasehold land and buildings	2% straight line
Plant and machinery	10% - 25% straight line

#### Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	20% straight line

## **SEVERNSIDE FABRICS LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **Investments**

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

#### **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.

#### **Debtors**

Trade debtors are amounts due from customers for goods 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.

#### **Stock**

Stock is 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.

When stock is sold, the carrying amount of such stock is recognised as an expense in the period that the sale is recognised. The amount of any provision in order to reduce stock to estimated selling price less costs to complete and sell is recognised as an expense within cost of sales. The amount of any provision reversal is recognised as a reduction to the expense within cost of sales.

#### **Creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors 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.

Short term trade creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **Reserves**

Called up share capital represents the nominal value of shares that have been issued.

Profit and loss account includes all current and prior period profits and losses.

#### **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.

## SEVERNSIDE FABRICS LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Dividends

Dividends distributed to the company's shareholders are recognised in the financial statements in the reporting period in which the dividends are declared.

#### Defined contribution pension obligation

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

#### Defined benefit pension obligation

The company makes contributions to the group's defined benefit scheme based on the pension cost across the group as a whole. The company is unable to identify its share of the underlying assets and liabilities of the group scheme, and so has accounted for the contributions as if it were a defined contribution scheme.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 22 (2021 - 24).

### 4 Government grants

During the year other income of £83,034 (2021 - £246,501) was received from the government under the coronavirus job retention scheme. At the year end £nil (2021: £19,927) was presented in other debtors in relation to the scheme. The amount of grants recognised in the financial statements was £83,034 (2021 - £246,501).

### 5 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 April 2021	388,000	388,000
At 31 March 2022	388,000	388,000
<b>Amortisation</b>		
At 1 April 2021	318,898	318,898
Amortisation charge	25,128	25,128
At 31 March 2022	344,026	344,026
<b>Carrying amount</b>		
At 31 March 2022	43,974	43,974
At 31 March 2021	69,102	69,102

**SEVERNSIDE FABRICS LIMITED****Notes to the Financial Statements  
for the Year Ended 31 March 2022****6 Tangible assets**

	Short leasehold land and buildings £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 April 2021	190,451	435,292	625,743
Additions	-	42,007	42,007
Disposals	-	(18,222)	(18,222)
At 31 March 2022	190,451	459,077	649,528
<b>Depreciation</b>			
At 1 April 2021	111,669	316,571	428,240
Charge for the year	3,809	44,734	48,543
Eliminated on disposal	-	(18,222)	(18,222)
At 31 March 2022	115,478	343,083	458,561
<b>Carrying amount</b>			
At 31 March 2022	74,973	115,994	190,967
At 31 March 2021	78,782	118,721	197,503

Included within the net book value of land and buildings above is £74,973 (2021 - £78,782) in respect of short leasehold land and buildings.

**7 Debtors**

	2022 £	2021 £
Trade debtors	776,843	292,894
Amounts owed by group undertakings and undertakings in which the company has a participating interest	797,506	517,743
Other debtors	195,891	79,421
Total current trade and other debtors	1,770,240	890,058



## SEVERNSIDE FABRICS LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 8 Creditors

##### Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	505,929	129,531
Taxation and social security	50,900	26,766
Corporation tax	117,674	7,047
Other creditors	62,731	44,091
	<u>737,234</u>	<u>207,435</u>

#### 9 Financial commitments, guarantees and contingencies

##### Amounts not provided for in the balance sheet

##### Financial commitments

The total amount of financial commitments not included in the balance sheet for capital purchases is £31,949 (2021 - £nil ).

The total amount of guarantees not included in the balance sheet is £1,586,311 (2021 - £1,076,047). The company has issued guarantees in respect of the bank and other borrowings of the parent company and certain fellow subsidiary undertakings.

## **SEVERNSIDE FABRICS LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **Pensions**

The company contributes to the group's funded defined benefit pension scheme, in common with certain other subsidiary undertakings of Andrew Industries Limited. The assets of the scheme are separately administered by trustees and independent insurance companies. The last actuarial valuation was performed by a qualified actuary as at 31 March 2019 and indicated that, on the basis of service to date and current salaries, the scheme's assets were sufficient to meet 100 % of its liabilities. It was assumed that the investment return would be 1.73% per annum pre-retirement and 1.73% per annum post retirement, pensionable salaries would increase at the rate of 2.91% per annum and that present and future pensions would increase at the rate of 3.19% per annum.

The total cost to the company of the defined benefit scheme was £nil (2021 - £nil).

The pension scheme closed to future benefit accrual with effect from 31 March 2008 with all active members becoming deferred members at that date.

It was agreed with the trustees that employer contributions to the scheme payable by the group would be £500,000 per annum with effect from 1 April 2017 to 31 March 2022. During 2018 however, the parent company made an advance of these contributions totalling £1,681,000. This payment, together with the other assets of the scheme, enabled the trustees to secure an insurance policy designed to match the future pension liabilities of the scheme. During the 2020, the parent company made a further contribution of £400,000 to the cost of the policy. As a result, the annual commitment to pay £500,000 per annum until 31 March 2022 has ceased.

The pension contributions are based on the pension cost across the group as a whole. The company is unable to identify its share of the underlying assets and liabilities of the group scheme, and so has accounted for the contributions as if it were a defined contribution scheme as required by Financial Reporting Standard 102. Full disclosure details relating to the pension scheme is made in the financial statements of the parent company.

The company also contributes to money purchase pension schemes for certain employees. The assets of the scheme are held separately to those of the company. The total cost of the money purchase scheme was £40,629 (2021: £41,522)

#### **10 Relationship between entity and parents**

The parent of the smallest group in which these financial statements are consolidated is Andrew Industries Limited.

The address of Andrew Industries Limited is:

Walton House, Syke Side Drive, Altham, Accrington, Lancashire, BB5 5YE.

#### **11 Audit Report**

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 21 July 2022 was Alison Kerr FCA, who signed for and on behalf of Albert Goodman LLP.

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.