

Company registration number: 01093949

**Severnside Fabrics Limited
Filleter Annual Report and Financial Statements
for the Year Ended 31 March 2023**

SEVERNSIDE FABRICS LIMITED

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SEVERNSIDE FABRICS LIMITED

(Registration number: 01093949)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	<u>5</u>	18,846	43,974
Tangible assets	<u>6</u>	263,120	190,967
		<u>281,966</u>	<u>234,941</u>
Current assets			
Stock		1,372,934	776,733
Debtors	<u>7</u>	1,314,326	1,770,240
Cash at bank and in hand		64,701	283
		<u>2,751,961</u>	<u>2,547,256</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(668,464)</u>	<u>(737,234)</u>
Net current assets		<u>2,083,497</u>	<u>1,810,022</u>
Total assets less current liabilities		2,365,463	2,044,963
Provisions for liabilities			
Deferred tax liabilities		<u>(18,026)</u>	<u>-</u>
Net assets		<u>2,347,437</u>	<u>2,044,963</u>
Capital and reserves			
Called up share capital		400,000	400,000
Profit and loss account		<u>1,947,437</u>	<u>1,644,963</u>
Total equity		<u>2,347,437</u>	<u>2,044,963</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 24 August 2023 and signed on its behalf by:

M J Tiencken
Director

SEVERNSIDE FABRICS LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2023

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.

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Notes to the Financial Statements for the Year Ended 31 March 2023

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

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Notes to the Financial Statements for the Year Ended 31 March 2023

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.

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Notes to the Financial Statements for the Year Ended 31 March 2023

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 operates a defined benefit plan for qualifying employees. A defined benefit plan is a pension plan under which the company pays contributions based on the salary and length of service of the employee. There is a payment obligation to pay any shortfall in the scheme.

The remeasurement in other comprehensive income are recognised as an expense in the profit or loss account. The service cost of the plan are recognised as a liability in the balance sheet. The liability for the contributions payable is recognised as a non-current liability in the balance sheet.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 21 (2022 - 22).

4 Government grants

During the year other income of £Nil (2022 - £83,034) was received from the government under the coronavirus job retention scheme.

The amount of grants recognised in the financial statements was £Nil (2022 - £83,034).

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Notes to the Financial Statements for the Year Ended 31 March 2023

5 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2022	388,000	388,000
At 31 March 2023	388,000	388,000
Amortisation		
At 1 April 2022	344,026	344,026
Amortisation charge	25,128	25,128
At 31 March 2023	369,154	369,154
Carrying amount		
At 31 March 2023	18,846	18,846
At 31 March 2022	43,974	43,974

6 Tangible assets

	Short leasehold land and buildings £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2022	190,451	459,077	649,528
Additions	4,160	131,335	135,495
Disposals	-	(102,955)	(102,955)
At 31 March 2023	194,611	487,457	682,068
Depreciation			
At 1 April 2022	115,478	343,083	458,561
Charge for the year	3,864	55,194	59,058
Eliminated on disposal	-	(98,671)	(98,671)
At 31 March 2023	119,342	299,606	418,948
Carrying amount			
At 31 March 2023	75,269	187,851	263,120
At 31 March 2022	74,973	115,994	190,967

Included within the net book value of land and buildings above is £75,269 (2022 - £74,973) in respect of short leasehold land and buildings.

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Notes to the Financial Statements for the Year Ended 31 March 2023

7 Debtors

	2023 £	2022 £
Trade debtors	730,150	776,843
Amounts owed by group undertakings and undertakings in which the company has a participating interest	497,251	797,506
Prepayments	84,991	153,520
Other debtors	1,934	42,371
	<u>1,314,326</u>	<u>1,770,240</u>

8 Creditors

Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	359,099	505,929
Taxation and social security	64,727	50,900
Corporation tax	157,250	117,674
Other creditors	87,388	62,731
	<u>668,464</u>	<u>737,234</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 £Nil (2022 - £31,949).

The total amount of guarantees not included in the balance sheet is £5,150,719 (2022 - £1,586,311). The company has issued guarantees in respect of the bank and other borrowings of the parent company and certain fellow subsidiary undertakings.

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Notes to the Financial Statements for the Year Ended 31 March 2023

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.

The total cost of the defined benefit scheme was £nil (2022: £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.

In August 2018, the trustees secured an insurance policy designed to match the future pension liabilities of the scheme. The insurance policy was funded by liquidating all the scheme's existing assets and supplemented by additional payments made by the parent company.

In May 2022 the parent company gave notice to wind up the scheme and paid a final contribution. In July 2022 the insurer issued each member with their own individual annuity policy. Therefore the members are now direct policy holders with the insurer and are no longer members of the scheme.

The scheme was wound up on 24 February 2023.

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 £35,352 (2022: £40,629).

10 Relationship between entity and parents

The parent of the smallest group in which these financial statements are consolidated is Andrew Industries Limited, incorporated in England and Wales.

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 24 August 2023 was Allison 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.