REGISTERED NUMBER: 01154966 (England and Wales)

Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 30 September 2020

for

Ashe Controls Limited

Contents of the Financial Statements for the Year Ended 30 September 2020

Ashe Controls Limited

Company Information
for the Year Ended 30 September 2020

DIRECTORS:	J B Godbold J O M Godbold M O Godbold S J Godbold Mrs B M Godbold
SECRETARY:	Mrs B M Godbold
REGISTERED OFFICE:	St Johns Works Bluestem Road Ransomes Europark Ipswich Suffolk IP3 9RR
REGISTERED NUMBER:	01154966 (England and Wales)
AUDITORS:	Knights Lowe Limited Eldo House Kempson Way Suffolk Business Park Bury St Edmunds Suffolk IP32 7AR

Strategic Report
for the Year Ended 30 September 2020

The directors present their strategic report for the year ended 30 September 2020.

REVIEW OF BUSINESS

The year to 30 September 2020 financially proved to be a success although an extremely difficult year due to the Covid 19 pandemic, and whilst our turnover was down, our expenses have also decreased mainly due to not being able to travel, as well as not being able to attend exhibitions, hence the reduction in turnover. It has also been an extremely difficult year to control labour with covid testing, isolation etc. Although we have only had one member of staff who was off for a long period of time, due to age and health issues, a number of employees were self-isolating which was very disruptive. In the end though we got through a difficult period, without having to furlough anybody.

With the difficulty in not being able to travel, we will see major problems through next year. We have set up facilities to try to talk to customers via video link, but the major problem is not being able to travel to install machines. Whilst it is not too hard to do this via video link on the smaller machines, it is a major headache to carry this out on the larger machines and can mean that we have to spend a large amount of time with engineers to try to get the machine up and running remotely with the customers personnel.

With not being able to attend exhibitions, all travel and exhibition expenses were much lower, which lead to a reduction in our turnover, but this only effected the profitability slightly, however this could have a knock-on effect through the coming year as we start travelling again to give back confidence to our customers, as well as of course looking for new business. Our products need new customers, and it is extremely difficult to do a selling job without face/face contact or from customers visiting our factory to see the products first-hand. Travel restrictions do not help the situation either, however, the directors are pleased with the results, which is due to everybody pulling together wherever possible, and we look forward to better times.

From an investment point of view, we have committed to the purchase of a new lathe. We still have trials and tribulations with the new jig borer purchased, but we are starting to get on top of it and it will probably take another year or so to see us through these. Some of the problems we are having are with the programming and operation of the machine, but it should end up proving beneficial. We have made the decision to look at doing the software ourselves rather than relying on sub-contractors, this will take a bit of time to get used to it but hopefully this will provide us with better efficiencies out of the machine.

ON BEHALF OF THE BOARD:

J O M Godbold - Director

18 May 2021

Ashe Controls Limited (Registered number: 01154966)

**Report of the Directors
for the Year Ended 30 September 2020**

The directors present their report with the financial statements of the company for the year ended 30 September 2020.

PRINCIPAL ACTIVITY
The principal activities of the company during the year were the design, development, manufacture and distribution of electronic control equipment and automated slitting and rewind machines.

DIVIDENDS
An interim dividend of £500.00 per share was paid on 6 April 2020. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 September 2020 will be £ 800,000 .

RESEARCH AND DEVELOPMENT
The company engages in research and development activities to support its principal activities.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 October 2019 to the date of this report.

J B Godbold
J O M Godbold
M O Godbold
S J Godbold
Mrs B M Godbold

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors 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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors
for the Year Ended 30 September 2020

AUDITORS
The auditors, Knights Lowe Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J O M Godbold - Director

18 May 2021

Report of the Independent Auditors to the Members of
Ashe Controls Limited

Opinion
We have audited the financial statements of Ashe Controls Limited (the 'company') for the year ended 30 September 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 30 September 2020 and of its profit 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.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Ashe Controls Limited

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
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 a Report of the Auditors 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.

J Knights ACA (Senior Statutory Auditor)
for and on behalf of Knights Lowe Limited
Eldo House
Kempson Way
Suffolk Business Park
Bury St Edmunds
Suffolk
IP32 7AR

3 June 2021

Income Statement
for the Year Ended 30 September 2020

	Notes	2020 £	2020 £	2019 £	2019 £
TURNOVER			**6,688,654**		7,413,571
Cost of sales			**3,037,566**		3,059,947
GROSS PROFIT			**3,651,088**		4,353,624
Distribution costs		**544,160**		827,362	
Administrative expenses		**1,880,750**		2,008,805	
			2,424,910		2,836,167
OPERATING PROFIT	4		**1,226,178**		1,517,457
Interest receivable and similar income			**16,557**		25,359
			1,242,735		1,542,816
Interest payable and similar expenses	5		**9,042**		13,197
PROFIT BEFORE TAXATION			**1,233,693**		1,529,619
Tax on profit	6		**168,595**		230,239
PROFIT FOR THE FINANCIAL YEAR			**1,065,098**		1,299,380

The notes form part of these financial statements

Other Comprehensive Income
for the Year Ended 30 September 2020

	Notes	2020 £	2019 £
PROFIT FOR THE YEAR		**1,065,098**	1,299,380
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**1,065,098**	1,299,380

The notes form part of these financial statements

Ashe Controls Limited (Registered number: 01154966)

Balance Sheet
30 September 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible assets	8		**936,695**		905,087
Investments	9		**2**		2
			936,697		905,089
CURRENT ASSETS					
Stocks	10	**552,243**		523,003	
Debtors	11	**1,879,271**		1,548,311	
Cash at bank		**4,493,991**		3,626,603	
		6,925,505		5,697,917	
CREDITORS					
Amounts falling due within one year	12	**3,085,687**		2,066,061	
NET CURRENT ASSETS			**3,839,818**		3,631,856
TOTAL ASSETS LESS CURRENT LIABILITIES			**4,776,515**		4,536,945
CREDITORS					
Amounts falling due after more than one year	13		**-**		(6,408)
PROVISIONS FOR LIABILITIES	15		**(59,720)**		(78,840)
NET ASSETS			**4,716,795**		4,451,697
CAPITAL AND RESERVES					
Called up share capital	16		**4,000**		4,000
Capital redemption reserve	17		**4,000**		4,000
Retained earnings	17		**4,708,795**		4,443,697
SHAREHOLDERS' FUNDS			**4,716,795**		4,451,697

The financial statements were approved by the Board of Directors and authorised for issue on 18 May 2021 and were signed on its behalf by:

J O M Godbold - Director

The notes form part of these financial statements

Ashe Controls Limited (Registered number: 01154966)

Statement of Changes in Equity for the Year Ended 30 September 2020

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 October 2018	4,000	3,744,317	4,000	3,752,317
Changes in equity				
Dividends	-	(600,000)	-	(600,000)
Total comprehensive income	-	1,299,380	-	1,299,380
Balance at 30 September 2019	4,000	4,443,697	4,000	4,451,697
Changes in equity				
Dividends	-	(800,000)	-	(800,000)
Total comprehensive income	-	1,065,098	-	1,065,098
Balance at 30 September 2020	4,000	4,708,795	4,000	4,716,795

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 30 September 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	**1,710,192**	735,271
Interest paid		**(8,315)**	(11,607)
Interest element of hire purchase payments paid		**(727)**	(1,590)
Tax paid		**(155,446)**	(174,236)
Net cash from operating activities		**1,545,704**	547,838
Cash flows from investing activities			
Purchase of tangible fixed assets		**(160,701)**	(505,095)
Sale of tangible fixed assets		**5,715**	20,000
Interest received		**16,557**	25,359
Net cash from investing activities		**(138,429)**	(459,736)
Cash flows from financing activities			
New HPs in year		-	21,183
Capital repayments in year		**(20,971)**	(37,119)
Amount introduced by directors		**281,084**	150,417
Equity dividends paid		**(800,000)**	(600,000)
Net cash from financing activities		**(539,887)**	(465,519)
Increase/(decrease) in cash and cash equivalents		**867,388**	(377,417)
Cash and cash equivalents at beginning of year	2	**3,626,603**	4,004,020
Cash and cash equivalents at end of year	2	**4,493,991**	3,626,603

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 30 September 2020

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019
	£	£
Profit before taxation	**1,233,693**	1,529,619
Depreciation charges	**123,423**	157,069
Profit on disposal of fixed assets	**(45)**	(639)
Finance costs	**9,042**	13,197
Finance income	**(16,557)**	(25,359)
	1,349,556	1,673,887
Increase in stocks	**(29,240)**	(268,830)
(Increase)/decrease in trade and other debtors	**(330,960)**	705,455
Increase/(decrease) in trade and other creditors	**720,836**	(1,375,241)
Cash generated from operations	**1,710,192**	735,271

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 September 2020

	30.9.20	1.10.19
	£	£
Cash and cash equivalents	**4,493,991**	**3,626,603**

Year ended 30 September 2019

	30.9.19	1.10.18
	£	£
Cash and cash equivalents	3,626,603	4,004,020

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.19	Cash flow	At 30.9.20
	£	£	£
Net cash			
Cash at bank	**3,626,603**	**867,388**	**4,493,991**
	3,626,603	**867,388**	**4,493,991**
Debt			
Finance leases	**(27,425)**	**20,971**	**(6,454)**
	(27,425)	**20,971**	**(6,454)**
Total	**3,599,178**	**888,359**	**4,487,537**

Notes to the Financial Statements
for the Year Ended 30 September 2020

1. **STATUTORY INFORMATION**

Ashe Controls Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

COVID-19
The effects of the global COVID-19 pandemic have been carefully considered when preparing these financial statements. These financial statements continue to be prepared on a going concern basis as the directors are confident that the company is in a strong financial position to continue to trade going forward.

Preparation of consolidated financial statements
The financial statements contain information about Ashe Controls Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 402/405 of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Turnover
Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Tangible fixed assets
Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold 2% on cost (buildings only)
Plant and machinery 20% to 33% reducing balance
Fixtures, fittings & equipment 20% reducing balance
Motor vehicles 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

continued...

2. **ACCOUNTING POLICIES - continued**

Government grants
Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating to either revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset.

Investments in subsidiaries
Investments in subsidiary undertakings are recognised at cost.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Machines are built to order however during the build phase the realisable value is considered to be uncertain by the directors due to the bespoke nature of the machines. Machines are built to high specification and therefore until final acceptance by customer the increase in stock value for the direct labour and allocated overheads is not considered to be realised and therefore is not included in the cost of stock. For this reason, until customer acceptance, machines are only valued at materials value as, until accepted by the customer, the materials value is considered to be the most realisable value of the unit. The total cost of the machine build is recognised once the machine is accepted by the customer. The directors consider this to be a prudent approach and an effective ongoing impairment of stock to ensure that the value of stock held in the balance sheet is never in excess of their minimum realisable value.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

continued...

2. **ACCOUNTING POLICIES - continued**

Financial instruments
The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, and loans from banks or other related parties.

Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

continued...

2. **ACCOUNTING POLICIES - continued**

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Impairment
At each reporting date, goodwill and other fixed assets, including tangible fixed assets and investments but excluding investment properties, are assessed to determine whether there is an indication that the carrying amount of an asset may be more than its recoverable amount and that the asset should be impaired. If there is an indication of possible impairment, the recoverable amount of an asset, which is the higher of its value in use and its net realisable value, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the income statement.

3. **EMPLOYEES AND DIRECTORS**

	2020	2019
	£	£
Wages and salaries	**2,110,929**	2,186,485
Social security costs	**141,678**	149,878
Other pension costs	**116,497**	33,635
	2,369,104	2,369,998

The average number of employees during the year was as follows:

	2020	2019
Directors	**5**	5
Employees	**56**	57
	61	62

	2020	2019
	£	£
Directors' remuneration	**226,465**	235,620

continued...

3. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director is as follows:

	2020	2019
	£	£
Emoluments etc	**72,215**	72,367

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2020	2019
	£	£
Hire of plant & equipment	**801**	4,107
Depreciation - owned assets	**109,227**	131,212
Depreciation - assets on hire purchase contracts	**14,196**	25,857
Profit on disposal of fixed assets	**(45)**	(639)
Auditors' remuneration	**6,000**	6,000
Foreign exchange differences	**(93,566)**	(75,629)

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Bank charges	**8,315**	11,607
Hire purchase interest	**727**	1,590
	9,042	13,197

6. TAXATION

Analysis of the tax charge
The tax charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax:		
UK corporation tax	**187,715**	155,446
Deferred tax	**(19,120)**	74,793
Tax on profit	**168,595**	230,239

continued...

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£	£
Profit before tax	**1,233,693**	1,529,619
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	**234,402**	290,628
Effects of:		
Expenses not deductible for tax purposes	**1,048**	2,457
Capital allowances in excess of depreciation	**-**	(69,427)
Depreciation in excess of capital allowances	**20,009**	-
Deferred Tax Adjustment	**(19,120)**	74,793
Enhanced R&D tax relief	**(67,744)**	(68,212)
Total tax charge	**168,595**	230,239

7. DIVIDENDS

	2020	2019
	£	£
Ordinary Share Capital shares of £1 each		
Interim	**800,000**	600,000

8. TANGIBLE FIXED ASSETS

	Freehold property	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£	£
COST					
At 1 October 2019	394,320	1,195,542	79,281	407,245	2,076,388
Additions	-	160,000	701	-	160,701
Disposals	-	-	-	(45,900)	(45,900)
At 30 September 2020	394,320	1,355,542	79,982	361,345	2,191,189
DEPRECIATION					
At 1 October 2019	61,906	750,830	60,984	297,581	1,171,301
Charge for year	4,762	88,941	3,720	26,000	123,423
Eliminated on disposal	-	-	-	(40,230)	(40,230)
At 30 September 2020	66,668	839,771	64,704	283,351	1,254,494
NET BOOK VALUE					
At 30 September 2020	327,652	515,771	15,278	77,994	936,695
At 30 September 2019	332,414	444,712	18,297	109,664	905,087

continued...

8. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 October 2019	**117,613**
Transfer to ownership	**(95,780)**
At 30 September 2020	**21,833**
DEPRECIATION	
At 1 October 2019	**60,831**
Charge for year	**14,196**
Transfer to ownership	**(65,475)**
At 30 September 2020	**9,552**
NET BOOK VALUE	
At 30 September 2020	**12,281**
At 30 September 2019	56,782

9. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 October 2019 and 30 September 2020	**2**
NET BOOK VALUE	
At 30 September 2020	**2**
At 30 September 2019	2

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Ashe Controls (Northern) Limited
Registered office: St Johns Works Bluestem Road, Ransome Industrial Estate, Ipswich, Suffolk, United Kingdom, IP3 9RR
Nature of business: Dormant

Class of shares:	% holding
Ordinary	66.00

	2020 £	2019 £
Aggregate capital and reserves	**3**	3

This subsidiary is not consolidated in these financial statements as it is excluded from consolidation under Section 405 of the Companies Act 2006.

continued...

Notes to the Financial Statements - continued
for the Year Ended 30 September 2020

10. STOCKS

	2020	2019
	£	£
Stocks	**108,443**	188,503
Work-in-progress	**443,800**	334,500
	552,243	523,003

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	**1,714,864**	1,493,711
Other debtors	**8,850**	705
VAT	**74,212**	-
Prepayments	**81,345**	53,895
	1,879,271	1,548,311

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Hire purchase contracts (see note 14)	**6,454**	21,017
Trade creditors	**552,073**	309,513
Corporation tax	**187,776**	155,507
Social security and other taxes	**59,637**	54,262
VAT	**-**	3,135
Other creditors	**1,272,211**	846,444
Directors' loan accounts	**889,735**	608,651
Accruals	**117,801**	67,532
	3,085,687	2,066,061

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Hire purchase contracts (see note 14)	**-**	6,408

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	**6,454**	21,017
Between one and five years	**-**	6,408
	6,454	27,425

continued...

14. **LEASING AGREEMENTS - continued**

	Non-cancellable	operating leases
	2020	2019
	£	£
Within one year	**16,517**	19,029
Between one and five years	**35,579**	51,464
	52,096	70,493

15. **PROVISIONS FOR LIABILITIES**

	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	**59,720**	78,840

	Deferred tax
	£
Balance at 1 October 2019	**78,840**
Provided during year	**(19,120)**
Balance at 30 September 2020	**59,720**

16. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	**2020**	2019
			£	£
4,000	Ordinary Share Capital	£1	**4,000**	4,000

17. **RESERVES**

	Retained earnings	**Capital redemption reserve**	**Totals**
	£	**£**	**£**
At 1 October 2019	**4,443,697**	**4,000**	**4,447,697**
Profit for the year	**1,065,098**		**1,065,098**
Dividends	**(800,000)**		**(800,000)**
At 30 September 2020	**4,708,795**	**4,000**	**4,712,795**

18. **RELATED PARTY DISCLOSURES**

continued...

18. **RELATED PARTY DISCLOSURES - continued**

Entities under common control

	2020	2019
	£	£
Purchases	**402,446**	384,298
Amount due to related party	**37,775**	37,875