

Registration number: 06532363

Askern Holdings Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2021



Crozier Jones
Chartered Certified Accountants and Registered Auditors
9/13 Thorne Road
Doncaster
South Yorkshire
DN1 2HJ

Askern Holdings Limited

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Askern Holdings Limited

Company Information

Directors	Mr D Murray Mrs M Murray
Registered office	28 Lidgate Crescent Langthwaite Business Park South Kirkby Pontefract WF9 3NR
Bankers	HSBC Bank 1 High Street Doncaster South Yorkshire DN1 1EE
Auditors	Crozier Jones Chartered Certified Accountants and Registered Auditors 9/13 Thorne Road Doncaster South Yorkshire DN1 2HJ

Askern Holdings Limited

Strategic Report for the Year Ended 31 March 2021

The directors present their strategic report for the year ended 31 March 2021.

Principal activity

The principal activity of the group is the design and manufacture of cable reels.

Fair review of the business

The group's key financial and other performance indicators during the year were as follows:

	Unit	2021	2020
Turnover	£	7,482,242	8,543,736
Gross Profit	£	1,745,728	2,414,112
Gross Profit Percentage	%	23	28
Profit/(Loss) Before Tax	£	361,879	928,659
Net Current Assets	£	1,280,459	1,134,701
Net Assets	£	3,473,867	3,183,649

During the year the group suffered a decrease in turnover of 12% as a result of the Covid-19 pandemic with much of this decrease being lower sales during the first lockdown in April and May 2020.

Gross profits have also decreased from 28% to 23% due to an increase in raw material costs. Raw material costs have continued to increase since the year end but the group has increased its sales prices to compensate.

The group's overall balance sheet remains strong.

The directors believe that, despite the currently challenging market conditions, the group remains well placed to take advantage of any opportunities that arise in the year ended 31 March 2022.

Askern Holdings Limited

Strategic Report for the Year Ended 31 March 2021

Principal risks and uncertainties

Most sales are to UK customers and most suppliers are UK based, and accordingly the group has not entered into any hedging arrangements in respect of risks relating to trade debtors or creditors.

10% to 15% of the group's sales are to the EU and some of the group's suppliers are EU based. Accordingly, the ongoing issues surrounding BREXIT represent a risk to the group. The directors have considered their exposure to these risks and believe the group is well positioned to respond appropriately to any changes that arise as a result.


The group's business operations have been affected by changes in general economic activity as a result of the global Covid-19 outbreak. Whilst there was a contraction in the group's trade in some areas of the market in April 2020 and May 2020, sales returned to more normal levels in June 2020 and the group continues to trade profitably. However, due to the high level of uncertainty surrounding this ongoing outbreak the directors are currently unable to estimate the ultimate financial impact on the group.

The group has operated throughout the year within its banking and invoice financing arrangements, thereby substantially eliminating liquidity and cash flow risks.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Approved and authorised by the Board on 1 December 2021 and signed on its behalf by:


.....
Mr D Murray
Director

Askern Holdings Limited

Directors' Report for the Year Ended 31 March 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

Director of the group

The directors who held office during the year were as follows:

Mr D Murray

Mrs M Murray

Financial instruments

Objectives and policies

The group's principal financial instruments comprise bank balances, invoice financing, trade debtors and trade creditors. The purpose of these instruments is to finance the group's business operations.

Price risk, credit risk, liquidity risk and cash flow risk

The directors do not consider that the group has any significant financial risks other than those normal commercial risks arising from its trading operations. Such risks are managed so as to permit the smooth operation of the business.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved and authorised by the Board on 1 December 2021 and signed on its behalf by:



.....
Mr D Murray
Director

Askern Holdings Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 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; and
- 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.

Askern Holdings Limited

Independent Auditor's Report to the Members of Askern Holdings Limited

Opinion

We have audited the financial statements of Askern Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, and 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 31 March 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

Askern Holdings Limited

Independent Auditor's Report to the Members of Askern Holdings Limited

We have nothing to report in this regard.

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 and the Directors' Report.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], 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 is 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.

Auditor's 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 an auditor's report 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.

Askern Holdings Limited

Independent Auditor's Report to the Members of Askern Holdings Limited

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:-

- The engagement partner endured that the engagement team collectively had the appropriate competence, capability and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company and wider group through discussions with directors and other management, and from our commercial knowledge and experience of the industries the group operates in including the wooden cable reel and drums manufacturing industry and the property management industry;

Askern Holdings Limited

Independent Auditor's Report to the Members of Askern Holdings Limited

- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company and wider group, including the Companies Act 2006, taxation legislation, data protections legislation, employment law and environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- The audit team remained alert to the possibility of non-compliance with laws and regulations throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Considering what motivations and opportunities for fraud may exist within the company and wider group.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Reviewed journal entries to identify unusual transactions vouching to supporting documentation where appropriate;
- Reviewed the group's accounting records for any significant or unusual transactions vouching to supporting documentation where appropriate;
- Assessed whether the judgements and assumptions made in determining any accounting estimates used in preparing the accounts were indicative of bias; and
- We maintained an approach of professional scepticism throughout the audit; recognising the possibility of a material misstatement due to facts or behaviour indicating irregularities (including fraud) or error, notwithstanding our past experience of the honesty and integrity of the company's management.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Enquiring of management as to actual and potential litigation and claims;
- Reviewing correspondence with HMRC;
- Reviewing legal expenses both during and after the year for any items indicative of ongoing litigation and potential claims; and
- We confirmed that the group's industry certifications remained valid.

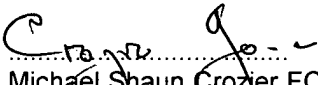
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Askern Holdings Limited

Independent Auditor's Report to the Members of Askern Holdings Limited

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 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.


.....
Michael Shaun Crozier FCCA (Senior Statutory Auditor)
For and on behalf of Crozier Jones, Statutory Auditor

9/13 Thorne Road
Doncaster
South Yorkshire
DN1 2HJ

1 December 2021

Askern Holdings Limited

Consolidated Profit and Loss Account for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Turnover	4	7,482,242	8,543,736
Cost of sales		<u>(5,736,514)</u>	<u>(6,129,624)</u>
Gross profit		1,745,728	2,414,112
Administrative expenses		(1,478,097)	(1,437,884)
Other operating income	5	<u>167,856</u>	<u>62,656</u>
Operating profit	7	<u>435,487</u>	<u>1,038,884</u>
Other interest receivable and similar income	9	341	-
Interest payable and similar expenses	10	<u>(73,949)</u>	<u>(110,225)</u>
		<u>(73,608)</u>	<u>(110,225)</u>
Profit before tax		361,879	928,659
Tax on profit	14	<u>(71,661)</u>	<u>(180,551)</u>
Profit for the financial year		<u>290,218</u>	<u>748,108</u>
Profit/(loss) attributable to:			
Owners of the company		<u>290,218</u>	<u>748,108</u>

The group has no recognised gains or losses for the year other than the results above.

Askern Holdings Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2021

	2021 £	2020 £
Profit for the year	<u>290,218</u>	<u>748,108</u>
Total comprehensive income for the year	<u>290,218</u>	<u>748,108</u>
Total comprehensive income attributable to:		
Owners of the company	<u>290,218</u>	<u>748,108</u>

The notes on pages 18 to 40 form an integral part of these financial statements.


Askern Holdings Limited

(Registration number: 06532363)

Consolidated Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	3,652,136	3,713,881
Current assets			
Stocks	17	960,319	890,141
Debtors	18	2,544,765	2,543,428
Cash at bank and in hand		109,185	114,559
		<u>3,614,269</u>	<u>3,548,128</u>
Creditors: Amounts falling due within one year	20	<u>(2,333,810)</u>	<u>(2,413,427)</u>
Net current assets		<u>1,280,459</u>	<u>1,134,701</u>
Total assets less current liabilities		4,932,595	4,848,582
Creditors: Amounts falling due after more than one year	20	(1,350,203)	(1,560,779)
Provisions for liabilities	21	<u>(108,525)</u>	<u>(104,154)</u>
Net assets		<u>3,473,867</u>	<u>3,183,649</u>
Capital and reserves			
Called up share capital	23	100	100
Profit and loss account		<u>3,473,767</u>	<u>3,183,549</u>
Equity attributable to owners of the company		<u>3,473,867</u>	<u>3,183,649</u>
Shareholders' funds		<u>3,473,867</u>	<u>3,183,649</u>

Approved and authorised by the Board on 1 December 2021 and signed on its behalf by:



 Mr D Murray
 Director

The notes on pages 18 to 40 form an integral part of these financial statements.


Askern Holdings Limited

(Registration number: 06532363)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	17,261	33,546
Investments	16	<u>2</u>	<u>2</u>
		<u>17,263</u>	<u>33,548</u>
Current assets			
Debtors	18	151,868	130,981
Cash at bank and in hand		<u>2,225</u>	<u>2,226</u>
		154,093	133,207
Creditors: Amounts falling due within one year	20	<u>(19,953)</u>	<u>(18,400)</u>
Net current assets		<u>134,140</u>	<u>114,807</u>
Net assets		<u>151,403</u>	<u>148,355</u>
Capital and reserves			
Called up share capital	23	100	100
Profit and loss account		<u>151,303</u>	<u>148,255</u>
Shareholders' funds		<u>151,403</u>	<u>148,355</u>

The company made a profit after tax for the financial year of £3,048 (2020 - loss of £1,076).

Approved and authorised by the Board on 1 December 2021 and signed on its behalf by:


.....
Mr D Murray
Director

Askern Holdings Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2021 **Equity attributable to the parent company**

	Share capital	Profit and loss account	Total	Total equity
	£	£	£	£
At 1 April 2020	100	3,183,549	3,183,649	3,183,649
Profit for the year	-	290,218	290,218	290,218
Total comprehensive income	-	290,218	290,218	290,218
At 31 March 2021	<u>100</u>	<u>3,473,767</u>	<u>3,473,867</u>	<u>3,473,867</u>
	Share capital	Profit and loss account	Total	Total equity
	£	£	£	£
At 1 April 2019	100	2,435,441	2,435,541	2,435,541
Profit for the year	-	748,108	748,108	748,108
Total comprehensive income	-	748,108	748,108	748,108
At 31 March 2020	<u>100</u>	<u>3,183,549</u>	<u>3,183,649</u>	<u>3,183,649</u>

Askern Holdings Limited

Statement of Changes in Equity for the Year Ended 31 March 2021

	Share capital	Profit and loss account	Total
	£	£	£
At 1 April 2020	100	148,255	148,355
Profit for the year	-	3,048	3,048
Total comprehensive income	-	3,048	3,048
At 31 March 2021	100	151,303	151,403

	Share capital	Profit and loss account	Total
	£	£	£
At 1 April 2019	100	149,331	149,431
Loss for the year	-	(1,076)	(1,076)
Total comprehensive income	-	(1,076)	(1,076)
At 31 March 2020	100	148,255	148,355

The notes on pages 18 to 40 form an integral part of these financial statements.

Askern Holdings Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Profit for the year		290,218	748,108
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	7	149,905	144,754
(Profit)/loss on disposal of tangible assets	6	(1,276)	7,941
Finance income	9	(341)	-
Finance costs	10	73,949	110,225
Income tax expense	14	71,661	180,551
		<u>584,116</u>	<u>1,191,579</u>
Working capital adjustments			
Increase in stocks	17	(70,178)	(32,830)
(Increase)/decrease in trade debtors	18	(1,337)	141,077
Increase/(decrease) in trade creditors	20	437,341	(77,176)
Cash generated from operations		949,942	1,222,650
Income taxes paid	14	<u>(108,398)</u>	<u>(11,049)</u>
Net cash flow from operating activities		<u>841,544</u>	<u>1,211,601</u>
Cash flows from investing activities			
Interest received		341	-
Acquisitions of tangible assets		(89,686)	(27,886)
Proceeds from sale of tangible assets		<u>13,292</u>	<u>4,217</u>
Net cash flows from investing activities		<u>(76,053)</u>	<u>(23,669)</u>
Cash flows from financing activities			
Interest paid	10	(73,949)	(110,225)
Repayment of bank borrowing		(171,215)	(169,772)
Repayment of other borrowing		(520,730)	(899,100)
Payments to finance lease creditors		<u>(4,971)</u>	<u>(8,228)</u>
Net cash flows from financing activities		<u>(770,865)</u>	<u>(1,187,325)</u>
Net (decrease)/increase in cash and cash equivalents		(5,374)	607
Cash and cash equivalents at 1 April		<u>114,559</u>	<u>113,952</u>
Cash and cash equivalents at 31 March		<u><u>109,185</u></u>	<u><u>114,559</u></u>

The notes on pages 18 to 40 form an integral part of these financial statements.

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1 General information

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

The address of its registered office is:

28 Lidgate Crescent
Langthwaite Business Park
South Kirkby
Pontefract
WF9 3NR

These financial statements were authorised for issue by the Board on 1 December 2021.

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 '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 except that as disclosed in the accounting policies certain items are shown at fair value.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2021.

No Profit and Loss Account is presented for the company as permitted by section 408 of the Companies Act 2006. The company made a profit after tax for the financial year of £3,048 (2020 - loss of £1,076).

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The group recognises revenue when:

- The amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity;
- and specific criteria have been met for each of the group's activities.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the group will comply with conditions attaching to them and the grants will be received using the accrual model.

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

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

The current income 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 group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet 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

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

Asset class	Depreciation method and rate
Plant and machinery	10% straight line per annum
Motor vehicles	25% straight line per annum
Buildings	2% straight line per annum
Land	Not depreciated
Fixtures and fittings	10% straight line per annum
Office equipment	10% straight line per annum
Other tangible assets	25% straight line per annum

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by the directors. The directors use observable market prices, adjusted if necessary for any differences in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

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.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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 merchandise 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 group will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Stocks are 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.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group 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.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Critical judgements

The directors do not consider that there have been any critical judgements made in the process of applying the group's accounting policies.

Key sources of estimation uncertainty

The group has long running unresolved disputes in respect of certain creditors included in the accounts at £142,300 (2020 - £142,300). Included in debtors is an estimated prepayment against these creditors of £74,894 (2020 - £74,894).

Other than this the directors do not consider that there have been any key assumptions concerning the future or other key sources of estimation uncertainty at the balance sheet date which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year.

4 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2021 £	2020 £
Sale of goods	7,349,909	8,383,691
Rendering of services	19,362	35,350
Rental income	112,971	124,695
	<u>7,482,242</u>	<u>8,543,736</u>

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

The analysis of the group's turnover for the year by market is as follows:

	2021 £	2020 £
UK	6,582,791	7,516,646
Europe	899,451	1,027,090
	<u>7,482,242</u>	<u>8,543,736</u>

5 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2021 £	2020 £
Government grants	88,605	-
Miscellaneous other operating income	79,251	62,656
	<u>167,856</u>	<u>62,656</u>

6 Other gains and losses

The analysis of the group's other gains and losses for the year is as follows:

	2021 £	2020 £
Gain/(loss) on disposal of property, plant and equipment	<u>1,276</u>	<u>(7,941)</u>

7 Operating profit

Arrived at after charging/(crediting)

	2021 £	2020 £
Depreciation expense	149,905	144,754
Operating lease expense - plant and machinery	4,074	8,680
(Profit)/loss on disposal of property, plant and equipment	<u>(1,276)</u>	<u>7,941</u>

8 Government grants

The financial statements include the following amounts in respect of Government Grants receivable:-

Coronavirus Job Retention Scheme - £88,605 (2020 - Nil)

There are no unfulfilled conditions attached to these grants.

The amount of grants recognised in the financial statements was £88,605 (2020 - £Nil).

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

9 Other interest receivable and similar income

	2021 £	2020 £
Other finance income	341	-

10 Interest payable and similar expenses

	2021 £	2020 £
Interest on bank overdrafts and borrowings	64,144	75,952
Interest on obligations under finance leases and hire purchase contracts	568	724
Interest expense on other finance liabilities	460	(100)
Other finance costs	8,777	33,649
	73,949	110,225

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

11 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021	2020
	£	£
Wages and salaries	1,767,930	1,700,013
Social security costs	144,241	135,902
Pension costs, defined contribution scheme	75,607	73,952
Other employee expense	12,261	12,298
	<u>2,000,039</u>	<u>1,922,165</u>

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2021	2020
	No.	No.
Production	66	70
Administration and support	10	10
	<u>76</u>	<u>80</u>

12 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	79,215	75,532
Contributions paid to money purchase schemes	3,911	3,761
	<u>83,126</u>	<u>79,293</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2021	2020
	No.	No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

13 Auditors' remuneration

	2021	2020
	£	£
Audit of these financial statements	<u>13,764</u>	<u>12,784</u>

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

14 Taxation

Tax charged/(credited) in the income statement

	2021 £	2020 £
Current taxation		
UK corporation tax	67,290	185,181
UK corporation tax adjustment to prior periods	-	(39)
	<u>67,290</u>	<u>185,142</u>
Deferred taxation		
Arising from origination and reversal of timing differences	<u>4,371</u>	<u>(4,591)</u>
Tax expense in the income statement	<u><u>71,661</u></u>	<u><u>180,551</u></u>

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2020 - higher than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Profit before tax	<u>361,879</u>	<u>928,659</u>
Corporation tax at standard rate	68,757	176,445
Effect of expense not deductible in determining taxable profit (tax loss)	(433)	286
Effect of tax losses	(3,563)	(3,574)
Decrease in UK and foreign current tax from adjustment for prior periods	-	(40)
Tax increase from effect of capital allowances and depreciation	<u>6,900</u>	<u>7,434</u>
Total tax charge	<u><u>71,661</u></u>	<u><u>180,551</u></u>

The group has tax losses carried forward of £13,420 (2020 - £32,173).

The company has tax losses carried forward of £13,420 (2020 - £32,173).

These losses have been recognised as a deferred tax asset only to the extent that they could be used to offset deferred tax liabilities.

Deferred tax

Group

Deferred tax assets and liabilities

	Liability £
2021	
Difference between accumulated depreciation and capital allowances	<u>108,525</u>
2020	
Difference between accumulated depreciation and capital allowances	<u>104,154</u>

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

15 Tangible assets

Group

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2020	3,442,375	17,529	987,714	44,024	114,043	4,605,685
Additions	-	13,796	61,421	4,479	20,480	100,176
Disposals	-	-	(36,760)	(1,650)	(79,039)	(117,449)
At 31 March 2021	3,442,375	31,325	1,012,375	46,853	55,484	4,588,412
Depreciation						
At 1 April 2020	271,592	7,668	491,991	12,610	107,943	891,804
Charge for the year	25,807	3,135	104,903	4,850	11,210	149,905
Eliminated on disposal	-	-	(25,737)	(660)	(79,036)	(105,433)
At 31 March 2021	297,399	10,803	571,157	16,800	40,117	936,276
Carrying amount						
At 31 March 2021	3,144,976	20,522	441,218	30,053	15,367	3,652,136
At 31 March 2020	3,170,783	9,861	495,723	31,414	6,100	3,713,881

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Included within the net book value of land and buildings above is £3,144,976 (2020 - £3,170,783) in respect of freehold land and buildings.

Included within the net book value of land and buildings above is £1,455,295 (2020 - £1,455,295) representing property currently held for investment purposes. The directors consider that this represents the fair value of the property at the balance sheet date. No depreciation has been charged on this property.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2021	2020
	£	£
Plant and machinery	182,187	212,554
Motor vehicles	7,871	6,096
	<u>190,058</u>	<u>218,650</u>

Restriction on title and pledged as security

Land and buildings with a carrying amount of £3,059,630 (2020 - £3,084,221) has been pledged as security for the group's bank loans.

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Company

	Fixtures and fittings £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2020	6,932	155,881	162,813
At 31 March 2021	6,932	155,881	162,813
Depreciation			
At 1 April 2020	5,406	123,861	129,267
Charge for the year	696	15,589	16,285
At 31 March 2021	6,102	139,450	145,552
Carrying amount			
At 31 March 2021	830	16,431	17,261
At 31 March 2020	1,526	32,020	33,546

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

16 Investments

Group

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
Askern UK Limited*	28 Lidgate Crescent, Langthwaite Business Park, South Kirkby, Pontefract. WF9 3NR England	Ordinary shares	100%	100%
Askern Properties (North) Limited*	28 Lidgate Crescent, Langthwaite Business Park, South Kirkby, Pontefract. WF9 3NR. England	Ordinary shares	100%	100%

* indicates direct investment of the company

Subsidiary undertakings

Askern UK Limited

The principal activity of Askern UK Limited is the design, manufacture and distribution of cable reels and the retail of certain timber products.

Askern Properties (North) Limited

The principal activity of Askern Properties (North) Limited is property management.

Both subsidiaries are included in these consolidated financial statements.

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Company

	2021	2020
	£	£
Investments in subsidiaries	<u>2</u>	<u>2</u>

Subsidiaries

Cost or valuation

At 1 April 2020	<u>2</u>
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At 31 March 2021	<u>2</u>
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Carrying amount

At 31 March 2021	<u>2</u>
------------------	----------

At 31 March 2020	<u>2</u>
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17 Stocks

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Raw materials and consumables	763,031	610,836	-	-
Work in progress	71,532	116,704	-	-
Finished goods and goods for resale	<u>125,756</u>	<u>162,601</u>	<u>-</u>	<u>-</u>
	<u>960,319</u>	<u>890,141</u>	<u>-</u>	<u>-</u>

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

18 Debtors

	Note	Group		Company	
		2021 £	2020 £	2021 £	2020 £
Trade debtors		2,169,257	2,172,178	124,132	103,504
Amounts owed by related parties	26	193,226	193,226	27,637	27,378
Other debtors		21,372	46,438	99	99
Prepayments		160,910	131,586	-	-
		<u>2,544,765</u>	<u>2,543,428</u>	<u>151,868</u>	<u>130,981</u>
Less non-current portion		<u>-</u>	<u>(28,800)</u>	<u>-</u>	<u>-</u>
		<u>2,544,765</u>	<u>2,514,628</u>	<u>151,868</u>	<u>130,981</u>

Details of non-current trade and other debtors

Group

£Nil (2020 - £28,800) of trade debtors is classified as non current.

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

19 Cash and cash equivalents

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Cash on hand	1,258	842	-	-
Cash at bank	107,927	113,717	2,225	2,226
	<u>109,185</u>	<u>114,559</u>	<u>2,225</u>	<u>2,226</u>

20 Creditors

		Group		Company	
	Note	2021	2020	2021	2020
		£	£	£	£
Due within one year					
Loans and borrowings	24	525,090	1,000,940	-	-
Trade creditors		1,406,358	930,122	10,119	8,565
Amounts due to related parties	26	23,245	23,246	8,500	8,500
Social security and other taxes		89,578	166,181	-	-
Outstanding defined contribution pension costs		8,411	10,688	-	-
Other payables		3,532	2,036	-	-
Accruals		153,590	115,100	1,334	1,335
Income tax liability	14	124,006	165,114	-	-
		<u>2,333,810</u>	<u>2,413,427</u>	<u>19,953</u>	<u>18,400</u>
Due after one year					
Loans and borrowings	24	<u>1,350,203</u>	<u>1,560,779</u>	<u>-</u>	<u>-</u>

21 Deferred tax and other provisions

Group

	Deferred tax	Total
	£	£
At 1 April 2020	104,154	104,154
Increase (decrease) in existing provisions	<u>4,371</u>	<u>4,371</u>
At 31 March 2021	<u>108,525</u>	<u>108,525</u>

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

22 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £75,607 (2020 - £73,952).

Contributions totalling £8,411 (2020 - £10,688) were payable to the scheme at the end of the year and are included in creditors.

23 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

Each share is entitled to one vote in any circumstances and each share is also entitled pari passu to dividend payments or any other distribution, including a distribution from a winding up of the company.

24 Loans and borrowings

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Non-current loans and borrowings				
Bank borrowings	1,282,042	1,455,909	-	-
Hire purchase contracts	4,079	-	-	-
Other borrowings	64,082	104,870	-	-
	<u>1,350,203</u>	<u>1,560,779</u>	<u>-</u>	<u>-</u>

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Current loans and borrowings				
Bank borrowings	172,611	169,959	-	-
Hire purchase contracts	3,497	2,057	-	-
Other borrowings	348,982	828,924	-	-
	<u>525,090</u>	<u>1,000,940</u>	<u>-</u>	<u>-</u>

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Group

Bank borrowings

Bank borrowings are denominated in pounds sterling with a nominal interest rate of 3.2% - 4.1%. The carrying amount at year end is £1,454,653 (2020 - £1,625,868).

Bank borrowings are secured by fixed charge over the groups premises, by debenture over all group assets and by inter company composite guarantee with all group companies.

The group's bank borrowings are repayable in monthly or quarterly instalments.

Finance lease liabilities and other borrowings

Factoring creditors are secured over part of Askern UK Limited's trade debtors. Finance lease, hire purchase contracts and similar other borrowings are secured against the asset to which they relate.

Included in the loans and borrowings are the following amounts due after more than five years:

	2021 £	2020 £
After more than five years by instalments	16,787	100,116

25 Obligations under leases and hire purchase contracts

Group

Finance leases

The total of future minimum lease payments is as follows:

	2021 £	2020 £
Not later than one year	44,284	42,844
Later than one year and not later than five years	68,162	104,870
	<u>112,446</u>	<u>147,714</u>

Operating leases

The total of future minimum lease payments is as follows:

	2021 £	2020 £
Not later than one year	10,164	6,288
Later than one year and not later than five years	14,974	7,499
	<u>25,138</u>	<u>13,787</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £4,074 (2020 - £8,680).

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

26 Related party transactions

Group

Key management compensation

	2021	2020
	£	£
Salaries and other short term employee benefits	<u>241,028</u>	<u>233,943</u>

Other transactions with directors

During the year the group was charged £16,000 (2020 - Nil) for storage at premises owned by Mr D Murray. This balance was still outstanding at the year end and is included within trade creditors.

The balance owed to Mr D Murray at the period end in respect of the director's current account was £23,246 (2020 - £23,246). There are no repayment terms and interest is not charged on the balance. The balance is repayable on demand.

Summary of transactions with entities with joint control or significant interest

Included within prepayments is an amount of £74,894 (2020 - £74,894) in respect of provisions against disputed creditor balances. These disputed creditor balances are included in full within the related party balance disclosures below relating to entities which are under the common control of the group's beneficial owners.

Income and receivables from related parties

	Entities with joint control or significant influence	Other related parties
2021	£	£
Amounts receivable from related party	<u>32,766</u>	<u>4,900</u>
2020	£	£
Amounts receivable from related party	<u>32,766</u>	<u>4,900</u>

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Expenditure with and payables to related parties

	Entities with joint control or significant influence £
2021	
Amounts payable to related party	<u>143,238</u>

	Entities with joint control or significant influence £
2020	
Leases	<u>417</u>
Amounts payable to related party	<u>143,238</u>

Loans to related parties

	Entities with joint control or significant influence £
2021	
At start of period	<u>205,626</u>
At end of period	<u>205,626</u>

	Entities with joint control or significant influence £
2020	
At start of period	<u>205,626</u>
At end of period	<u>205,626</u>

Askern Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Loans from related parties

	Entities with joint control or significant influence £
2021	
At start of period	1,000
At end of period	1,000
	Entities with joint control or significant influence £
2020	
At start of period	1,000
At end of period	1,000

27 Contingent liabilities

Group

During the year ended 31 March 2019 the group wrote off a creditor in relation to a connected party of £47,600 as the director believes this amount is not due. This creditor remains under dispute. Accordingly there is a possibility that some liability in respect of this amount may arise in the future.