

Textile Technologies Europe Limited

Unaudited Filleted Financial Statements
for the Year Ended 31 December 2022

Horne Brooke Shenton
Chartered Accountants
15 Olympic Court Boardmans Way
Whitehills Business Park
Blackpool
FY4 5GU

Textile Technologies Europe Limited

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Textile Technologies Europe Limited

Company Information

Directors Mr JD Ashworth
Mrs JM Ashworth
Mr EF Ashworth

Company secretary Mr EF Ashworth

Registered office Unit 6A
Kingston Mills
Manchester Road
Hyde
Cheshire
SK14 2BZ

Accountants Horne Brooke Shenton
Chartered Accountants
15 Olympic Court Boardmans Way
Whitehills Business Park
Blackpool
FY4 5GU

Textile Technologies Europe Limited

(Registration number: 00556653)

Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible Assets	<u>5</u>	4,454	6,781
Current assets			
Stocks	<u>6</u>	529,824	485,652
Debtors	<u>7</u>	237,220	228,983
Cash at bank and in hand		108,263	79,414
		<u>875,307</u>	<u>794,049</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(299,846)</u>	<u>(347,167)</u>
Net current assets		<u>575,461</u>	<u>446,882</u>
Total assets less current liabilities		579,915	453,663
Provisions for liabilities		<u>(846)</u>	<u>(1,288)</u>
Net assets		<u><u>579,069</u></u>	<u><u>452,375</u></u>
Capital and Reserves			
Called up share capital	<u>9</u>	10,000	10,000
Retained Earnings		<u>569,069</u>	<u>442,375</u>
Shareholders' funds		<u><u>579,069</u></u>	<u><u>452,375</u></u>

For the financial year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Textile Technologies Europe Limited

(Registration number: 00556653)

Balance Sheet as at 31 December 2022

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

For the year ending 31 December 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and for preparing account which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to the accounts, so far as applicable to the company.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 21 August 2023 and signed on its behalf by:

.....

Mr EF Ashworth

Company secretary and director

Textile Technologies Europe Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

1 General information

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

The address of its registered office is:

Unit 6A
Kingston Mills
Manchester Road
Hyde
Cheshire
SK14 2BZ
England

These financial statements were authorised for issue by the Board on 21 August 2023.

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 have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement.

The presentation currency is £ sterling.

Going concern

The financial statements have been prepared on a going concern basis.

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 company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company 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 company's activities.

Textile Technologies Europe Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Government grants

Whether of a capital or revenue nature, Government grants have been recognised on an accruals basis and recognised in the accounts in the period in which it becomes receivable.

Grants of a revenue nature are recognised in "other operating income" within the profit or loss account in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ('Furlough'). The company has not benefited from any other forms of Government assistance.

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 rate on the date when the fair value is re-measured.

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 company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the 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 & Machinery	20% reducing balance
Fixtures, Fittings & Computer Equipment	20% reducing balance
Office Equipment	25% straight line

Textile Technologies Europe Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Amortisation

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

Asset class	Amortisation method and rate
Website and computer software	25% straight line

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.

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

Stocks

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.

Trade 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 company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company 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.

Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 9 (2021 - 9).

Textile Technologies Europe Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

4 Intangible assets

	Website and computer software costs £	Total £
Cost or valuation		
At 1 January 2022	27,791	27,791
At 31 December 2022	27,791	27,791
Amortisation		
At 1 January 2022	27,791	27,791
At 31 December 2022	27,791	27,791
Carrying amount		
At 31 December 2022	-	-

Textile Technologies Europe Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

5 Tangible Assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Total £
Cost or valuation				
At 1 January 2022	31,503	12,412	1,230	45,145
At 31 December 2022	31,503	12,412	1,230	45,145
Depreciation				
At 1 January 2022	28,318	9,524	522	38,364
Charge for the year	1,442	577	308	2,327
At 31 December 2022	29,760	10,101	830	40,691
Carrying amount				
At 31 December 2022	1,743	2,311	400	4,454
At 31 December 2021	3,185	2,888	708	6,781

6 Stocks

	2022 £	2021 £
Finished goods and goods for resale	529,824	485,652

7 Debtors

	2022 £	2021 £
Current		
Trade debtors	222,306	220,113
Prepayments	14,914	8,870
	237,220	228,983

Textile Technologies Europe Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

8 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Amounts falling due within one year			
Trade creditors		176,754	234,424
PAYE and NIC		3,767	3,090
VAT		46,872	17,907
Wages and salaries control		1,846	1,790
Accruals		8,019	13,224
Corporation tax		58,351	49,236
Directors loan account		3,294	26,733
Pension contributions unpaid		943	763
		<u>299,846</u>	<u>347,167</u>

9 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary of £1 each	7,500	7,500	7,500	7,500
Ordinary A of £1 each	2,500	2,500	2,500	2,500
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

10 Dividends

	2022 £	2021 £
Dividends paid	120,000	100,000

11 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet concerning pensions is £943 (2021 - £763).

Textile Technologies Europe Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

12 Related party transactions

Other related party transactions

During the year the company made the following related party transactions:

Directors advances and credits

During the year one of the directors loan accounts became overdrawn by £4,794. No interest was charged on this unsecured loan. The advances were repaid on 6th April 2022, prior to the year end.

Transactions with Directors

During the year ended 31st December 2022 dividends of £120,000 (2021: £100,000) were paid to the directors.

Textile Technologies Australia

The directors and shareholders of Textile Technologies Australia are also the directors of Textile Technologies (Europe) Limited. Turnover in connection with this company during the year ended 31st December 2022 totalled £Nil (2021: £Nil).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.