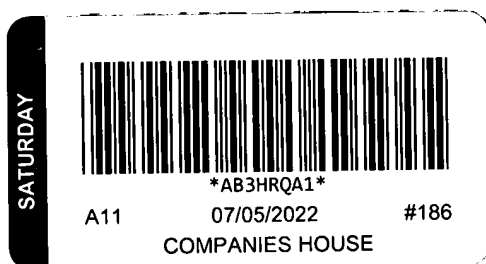


# James Kent Consolidated Limited

## REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

2 January 2022



Company Registration No. 07052616

# James Kent Consolidated Limited

## CONTENTS

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DIRECTORS AND ADVISORS	1
STRATEGIC REPORT	2
DIRECTORS' REPORT	4
DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS	5
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAMES KENT CONSOLIDATED LIMITED	6
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	9
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	10
COMPANY STATEMENT OF FINANCIAL POSITION	11
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	12
COMPANY STATEMENT OF CHANGES IN EQUITY	13
CONSOLIDATED STATEMENT OF CASHFLOW	14
ACCOUNTING POLICIES	15
NOTES TO THE FINANCIAL STATEMENTS	20

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# James Kent Consolidated Limited

## DIRECTORS AND ADVISORS

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### DIRECTORS

JMA Fendek  
A Fendek  
DH Mayer  
MK Jones  
M Jones

### SECRETARY

JMA Fendek

### REGISTERED OFFICE

Fountain Street  
Fenton  
Stoke-on-Trent  
Staffordshire  
ST4 2HB

### AUDITORS

RSM UK Audit LLP  
Chartered Accountants  
Festival Way  
Stoke-on-Trent  
Staffordshire  
ST1 5BB

### BANKERS

National Westminster Bank PLC  
1 Upper Market Square  
Hanley  
Stoke-on-Trent  
Staffordshire  
ST1 1NS

### INSURANCE BROKERS

Clear Insurance Management Ltd  
South Lodge  
Cranford Manor  
Kenilworth Road  
Leamington Spa  
Warwickshire  
CV32 6RG

HSBC Bank plc  
2 Etruria  
Office Village  
Forge Lane  
Stoke-on-Trent  
Staffordshire  
ST1 5RQ

### LAWYERS

FBC Manby Bowdler  
George House  
St John's Square  
Wolverhampton  
WV2 4BZ

### PENSION ADVISORS

Liberty Chartered Financial Planners  
Lake View House  
Wilton Drive  
Warwick  
CV34 6RG

# James Kent Consolidated Limited

## STRATEGIC REPORT

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The directors have pleasure in submitting their Strategic Report for James Kent Consolidated Limited for the 364 day period ended 2 January 2022.

### REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS

The principal activity of the Group is the manufacture and supply of speciality technical glasses, refractory coatings and frits, the development and production of glass ceramics and the manufacture of colour and pigments.

During the prior year the Group was impacted by Covid-19 which saw a decline in turnover a certain sectors impacted by the pandemic, while the Group was able to continue operating during this period, this decline in sales resulted in a reduced Gross profit and net profit. In 2021 fewer lockdowns occurred and trade started to return to pre Covid-19 levels, as such increasing turnover in the current year.

Although there has been an increase in trade continued pressure has been noted on gross profit margin mainly attributable to the significant increases in utility costs towards the end of 2021.

The increase in turnover of £1,138,201 was seen across all entities in the group both in the UK and overseas, with the largest being In James Kent Ceramic Materials Limited. While sales have not yet fully returned to pre-pandemic levels we are seeing activity starting to return to normal levels as customers have adapted to the pandemic. The increase in sales has been coupled with a reduction in margin from 28.4% to 27.9% due to fixed costs not being absorbed within sales and increasing utility costs.

Cost savings continue to be made with administrative costs reducing by £34,226 and additional income being received in the year mainly on storage fees of £18,968.

Despite the above matters the Directors are pleased that the Group has been able to report a profit before tax for the year of £647,711 and has continued to support its staff during the pandemic. We are confident the Group is well placed to meet demand as it grows following the latest lockdown.

The Group has continued to invest in the future with capital expenditure of £19,378 and research and development spend of £173,891 (3 January 2021: £134,395). Additional investments have been made of £80,770 during the year.

The cash position of the group has decreased slightly in the period by £60,128 primarily due to continued loan repayment, reducing the groups debt levels and dividend payments in the year. Stock trade debtors and Trade creditors have increased due to the higher trading levels than in the current year at period end, this is primarily due to higher ordering levels than in the prior year due to impacts from Covid-19 lockdowns in late 2020. The directors are satisfied with the Group's financial performance.

### RISKS AND UNCERTAINTIES

The board and management of the Group manage the risks and uncertainties facing the Group on a continual basis. The principal risks and uncertainties are considered to be in areas affecting steel supply and demand in new, and traditional markets and the global economy generally which may have an effect on the products and services provided, together with fluctuations in the energy market prices, exchange rates and trading levels of certain key customers.

The Board is of the opinion that there are sufficient controls and procedures in place to monitor, control, and react accordingly to the risks and challenges that are presented and monitor those risks at board meetings.

# James Kent Consolidated Limited

## STRATEGIC REPORT

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### FINANCIAL RISKS

The board use management accounts and various financial reports to ensure that the following are reviewed, and they are made aware of any risk arising in any of the following areas:

**Price** – The board continually monitor prices, taking into account the cost of raw materials and consumables. This ensures that products continue to be competitive in the market.

**Credit** – Robust credit control procedures are in place to ensure that all amounts due are paid promptly. A dedicated team use systems and procedures to diligently chase all outstanding monies and ensure that no significant bad debts occur.

**Liquidity** - Due to the nature of the business in which it operates, and prudent history of management, funding has been secured and linked to both trade and asset-base of the Group. The stringent credit control procedures that are employed and the tight management of Group cash flows support this. Appropriate action is taken to minimise risk.

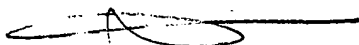
### IMPACT OF COVID-19

The Covid-19 pandemic has resulted in some challenges to the group, however our principal place of business remained open throughout. The Group is mindful of the welfare of its staff and continues to adhere to all applicable Government guidance. While the pandemic has impacted trading levels the directors are confident trade is starting to return to pre-pandemic levels and the group continues to operate profitably during this time.

### FUTURE DEVELOPMENTS

The Group will continue to offer the wide range of products and services currently provided to customers. Ways will be looked at to further develop current product ranges so that they may evolve along with customer needs. Investment in research and development ensures new products and initiatives are developed for the different markets the Group caters for.

By order of the board



**JMA Fendek**  
Director

29th April 2022

# James Kent Consolidated Limited

## DIRECTORS' REPORT

---

The directors submit their report and the audited financial statements of James Kent Consolidated Limited for the 364 day period ended 2 January 2022.

The "Review Of Business, Future Developments, Key Performance Indicators, Financial Instruments and Risk and Uncertainties" sections required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 have been included in the separate Strategic Report in accordance with section 414C(11) of the Companies Act 2006.

### PRINCIPAL ACTIVITIES

The principal activity and nature of operations of the Company is to rent the property and provide management services to its subsidiaries. The principal activities and nature of operations of the Group during the period were the manufacture and supply of speciality technical glasses, refractory coatings and frits; the development and production of glass ceramics and the manufacture of colour and pigments.

### REVIEW OF THE BUSINESS

The Group's trading profit for the period after taxation, was £647,711 (3 January 2021: £409,670). The directors consider that the Group continues to perform at a satisfactory level, given the slowdown in the steel industry.

During the period the Group paid a dividend of £443,186 (3 January 2021: £522,851). The directors propose a dividend post the period end of £nil (3 January 2021: £34,043).

### RESEARCH AND DEVELOPMENT

Research and Development is considered key to securing long term growth and the Group continues to invest in this area enabling the development of innovative and excellent quality products. Research and Development costs are recorded and expensed through the Statement of Comprehensive Income totalling £173,891 (3 January 2021: £134,395).

### DIRECTORS

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

JMA Fendek

MK Jones

A Fendek

M Jones

DH Mayer

T Mayer (Resigned 13 January 2021)

### AUDITORS

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

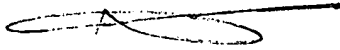
The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

# James Kent Consolidated Limited

## DIRECTORS' REPORT

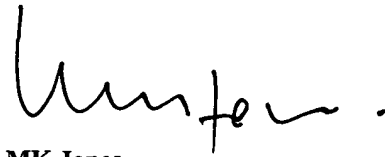
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By order of the board



**JMA Fendek**  
Director

29th April 2022



**MK Jones**  
Director

29th April 2022

# James Kent Consolidated Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. 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 Group and the Company and of the profit or loss of the Group for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent; and
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAMES KENT CONSOLIDATED LIMITED

## Opinion

We have audited the financial statements of James Kent Consolidated Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 2 January 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of cashflow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and of the parent company's affairs as at 2 January 2022 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 and parent 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

In auditing the financial statements, we have concluded that the directors' 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 or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAMES KENT CONSOLIDATED LIMITED

## **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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' responsibilities statement set out on page 6, 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 group's and the parent 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 group or the parent 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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAMES KENT CONSOLIDATED LIMITED

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and compliance with the Regulation, Evaluation, Authorisation and Restriction of Chemicals (REACH). We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls, revenue recognition, overhead absorption in stock and stock provisions as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. Audit procedures performed over the revenue recognition included testing the operating effectiveness of controls, performing cut off tests, and analytical procedures to cover all revenue assertions. Procedures over the overhead absorption in stock included of test of details and a challenge of the estimates applied by management. The audit procedures on stock provisions included challenging judgments and estimates applied in the methodology adopted in establishing the stock provision and performing tests of detail.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

### 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.

*RSM UK Audit LLP*

ADAM KRUPSKI (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Festival Way  
Stoke-on-Trent  
Staffordshire  
ST1 5BB

*4 May*

2022

# James Kent Consolidated Limited

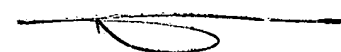
## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the 364 day period ended 2 January 2022

	Note	364 day period ended 2 January 2022 £	371 day period ended 3 January 2021 £
TURNOVER	2	6,979,596	5,841,395
Cost of sales		(5,032,465)	(4,181,485)
GROSS PROFIT		1,947,131	1,659,910
Distribution costs		(67,689)	(63,772)
Administrative expenses		(984,220)	(1,018,446)
Other income		108,626	89,658
OPERATING PROFIT		1,003,848	667,350
Interest receivable and similar income	3	6,227	26
Interest payable and similar expenses	4	(99,948)	(113,758)
PROFIT BEFORE TAXATION	2-8	910,127	553,618
Taxation	9	(262,416)	(143,948)
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME		647,711	409,670

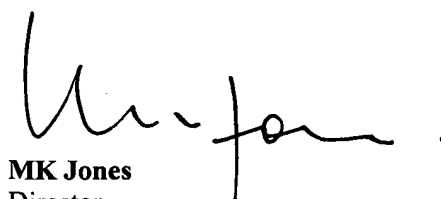
**James Kent Consolidated Limited**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
as at 2 January 2022

	Note	At 2 January 2022 £	At 3 January 2021 £
<b>FIXED ASSETS</b>			
Intangible assets - negative goodwill	11	-	-
- positive goodwill	11	17,964	35,900
- licenses	11	47,597	54,923
Tangible assets	12	3,065,163	3,222,517
Investment	13	357,780	277,010
		<b>3,488,504</b>	<b>3,590,350</b>
<b>CURRENT ASSETS</b>			
Stock	14	930,667	848,336
Debtors	15	1,052,594	664,643
Cash at bank and in hand		1,214,246	928,060
		<b>3,197,507</b>	<b>2,441,039</b>
<b>CREDITORS: Amounts falling due within one year</b>	16	<b>(1,401,789)</b>	<b>(926,936)</b>
<b>NET CURRENT ASSETS</b>		<b>1,795,718</b>	<b>1,514,103</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>5,284,222</b>	<b>5,104,453</b>
<b>CREDITORS: Amounts falling due after more than one year</b>	17	<b>(608,729)</b>	<b>(734,000)</b>
<b>PROVISIONS FOR LIABILITIES</b>	18	<b>(618,697)</b>	<b>(518,182)</b>
<b>NET ASSETS</b>		<b>4,056,796</b>	<b>3,852,271</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	320,000	320,000
Revaluation reserve		1,196,192	1,196,192
Profit and loss account		2,540,604	2,336,079
<b>TOTAL EQUITY</b>		<b>4,056,796</b>	<b>3,852,271</b>

The financial statements on pages 10 to 39 were approved by the board and authorised for issue on *29th April* 2022 and are signed on its behalf by:



**JMA Fendek**  
Director



**MK Jones**  
Director

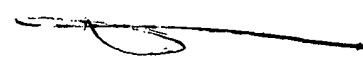
Company Registration No. 07052616

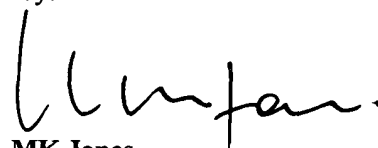
**James Kent Consolidated Limited**  
**COMPANY STATEMENT OF FINANCIAL POSITION**  
as at 2 January 2022

	Note	At 2 January 2022 £	At 3 January 2021 £
<b>FIXED ASSETS</b>			
Intangible assets	11	65,561	90,823
Tangible assets	12	2,743,301	2,842,123
Investments	13	1,974,620	1,893,850
		<u>4,783,482</u>	<u>4,826,796</u>
<b>CURRENT ASSETS</b>			
Stock	14	-	-
Debtors	15	12,523	21,055
Cash at bank and in hand		241,951	217,253
		<u>254,474</u>	<u>238,308</u>
<b>CREDITORS: Amounts falling due within one year</b>	16	<u>(519,922)</u>	<u>(557,105)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(265,448)</u>	<u>(318,797)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,518,034</u>	<u>4,507,999</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	17	(608,729)	(734,000)
<b>PROVISIONS FOR LIABILITIES</b>	18	(386,548)	(304,748)
<b>NET ASSETS</b>		<u>3,522,757</u>	<u>3,469,251</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	320,000	320,000
Revaluation reserve		267,607	275,316
Profit and loss account		2,935,150	2,873,935
<b>TOTAL EQUITY</b>		<u>3,522,757</u>	<u>3,469,251</u>

The Company's profit for the year and total comprehensive income for the period was £496,692 (3 January 2021: £523,149).

The financial statements on pages 10 to 39 were approved by the board and authorised for issue on 29th April 2022 and are signed on its behalf by:

  
**JMA Fendek**  
Director

  
**MK Jones**  
Director

Company Registration No. 07052616

**James Kent Consolidated Limited**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**for the 364 day period ended 2 January 2022**

	Note	Share Capital £	Revaluation reserve £	Profit and loss account £	Total £
Balance at 29 December 2019		320,000	1,196,192	2,449,260	<b>3,965,452</b>
Profit for the period		-	-	409,670	<b>409,670</b>
Total comprehensive income for the period		-	-	409,670	<b>409,670</b>
<i>Transactions with owners</i>					
Dividends	10	-	-	(522,851)	<b>(522,851)</b>
Total transactions with owners		-	-	(522,851)	<b>(522,851)</b>
Balance at 3 January 2021		320,000	1,196,192	2,336,079	<b>3,852,271</b>
Profit for the period		-	-	647,711	<b>647,711</b>
Total comprehensive income for the period		-	-	647,711	<b>647,711</b>
<i>Transactions with owners</i>					
Dividends	10	-	-	(443,186)	<b>(443,186)</b>
Total transactions with owners		-	-	(443,186)	<b>(443,186)</b>
Balance at 2 January 2022		320,000	1,196,192	2,540,604	<b>4,056,796</b>

**James Kent Consolidated Limited**  
**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**for the 364 day period ended 2 January 2022**

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	Note	Share Capital £	Revaluation reserve £	Profit and loss account £	Total £
Balance at 29 December 2019		320,000	283,025	2,865,928	<b>3,468,953</b>
Profit for the period		-	-	523,149	<b>523,149</b>
Total comprehensive income for the period		-	-	523,149	<b>523,149</b>
Reserve transfer		-	(7,709)	7,709	-
<i>Transactions with owners</i>					
Dividends	10	-	-	(522,851)	<b>(522,851)</b>
Total transactions with owners		-	-	(522,851)	<b>(522,851)</b>
Balance at 3 January 2021		320,000	275,316	2,873,935	<b>3,469,251</b>
Profit for the period		-	-	496,692	<b>496,692</b>
Total comprehensive income for the period		-	-	496,692	<b>496,692</b>
Reserve transfer		-	(7,709)	7,709	-
<i>Transactions with owners</i>					
Dividends	10	-	-	(443,186)	<b>(443,186)</b>
Total transactions with owners		-	-	(443,186)	<b>(443,186)</b>
Balance at 2 January 2022		320,000	267,607	2,935,150	<b>3,522,757</b>



**James Kent Consolidated Limited**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**at 2 January 2022**

	Note	2022	2021
		£	£
<b>OPERATING ACTIVITIES</b>			
Cash generated from operations	21	1,166,565	868,626
Interest received		6,227	26
Interest paid		(89,482)	(113,758)
Income taxes paid		(79,822)	(51,262)
		<u>1,003,488</u>	<u>703,632</u>
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>1,003,488</b>	<b>703,632</b>
<b>INVESTING ACTIVITIES</b>			
Deferred consideration on prior acquisitions		-	(12,469)
Purchase of Investments		(80,770)	(86,930)
Purchase of tangible fixed assets		(19,378)	(70,786)
Proceeds on disposal of tangible fixed assets		-	1,500
		<u>(100,148)</u>	<u>(168,685)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(100,148)</b>	<b>(168,685)</b>
<b>FINANCING ACTIVITIES</b>			
Dividends paid		(443,186)	(522,851)
Repayment of borrowings		(164,000)	(164,000)
Net movement in invoice discounting creditor		(9,968)	91,776
		<u>(617,154)</u>	<u>(595,075)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(617,154)</b>	<b>(595,075)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>286,186</b>	<b>(60,128)</b>
<b>CASH AND CASH EQUIVALENTS AT START OF YEAR</b>		<b>928,060</b>	<b>988,188</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>1,214,246</b>	<b>928,060</b>

# James Kent Consolidated Limited

## ACCOUNTING POLICIES

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### GENERAL INFORMATION

James Kent Consolidated Limited ("the Company") is a private Company limited by shares, domiciled and incorporated in England.

The address of the Company's registered office and principal place of business is Fountain Street, Fenton, Stoke on Trent, Staffordshire, ST4 2HB.

The Group consists of James Kent Consolidated Limited and all of its subsidiaries.

The Company's and the Group's principal activities are included in the directors' report.

### BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 including the provisions of the Large and Medium Sized Companies and Group (Accounts and Reports) Regulations 2008, and under the historical cost convention modified to include the revaluation of freehold properties.

### BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of James Kent Consolidated Limited and its subsidiary undertakings. Subsidiaries acquired are consolidated using the purchase method and their results are incorporated from the date that control passes. The difference between the cost of acquisition of shares in the subsidiary and the fair value of the identifiable assets, liabilities and contingent liabilities acquired is capitalised as purchased goodwill or negative goodwill and amortised through the profit and loss account over its estimated economic life or matched to the life of the assets where it relates to negative goodwill. Provision is made for any impairment. All subsidiaries have period ends of 2 January 2022.

All intra-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The cost of a business combination is the fair value at the acquisition date, of the assets given, equity instruments issued and liabilities incurred or assumed, plus directly attributable costs.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

### REDUCED DISCLOSURES – COMPANY ONLY

The company has taken advantage of the exemptions from disclosing the following information in its company only accounts, as permitted by the reduced disclosure regime within FRS 102:-

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

### COMPANY STATEMENT OF COMPREHENSIVE INCOME

As permitted by s408 Companies Act 2006, the Company has not presented its own statement of comprehensive income as it prepares group accounts and the company's individual statement of financial position shows the company's profit or loss for the financial year.

# James Kent Consolidated Limited

## ACCOUNTING POLICIES

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### GOING CONCERN

The Group meets its day-to-day working capital requirements through an invoice discounting facility that was agreed on October 2011 and thereafter was on a rolling basis with three months' notice together with its existing cash reserves and banking facilities including an available overdraft which is renewed annually in July. Management do not foresee any reason the overdraft would not be renewed going forward.

Based on forecasts prepared, the directors expect the Company and Group to continue to be profitable and to continue to generate positive cash flows for the foreseeable future. The Group have continued to trade and operate during the COVID-19 pandemic albeit at a reduced level. Forecasts are prepared up to 31 May 2023 taking account of possible changes in trading performance, show that the Company and the Group is able to operate within the current level of the invoice discounting facility and bank facilities. The forecasts and projections utilised have accounted for expected ongoing impacts in trade and cashflows as a result of the covid-19 pandemic.

The directors, having assessed the forecasts and information available have determined it appropriate to adopt the going concern basis of accounting in preparing the annual financial statements.

### FUNCTIONAL AND PRESENTATIONAL CURRENCY

The consolidated financial statements are presented in sterling which is also the functional currency of the Group.

### DIVIDENDS

Dividends are recognised as liabilities once they are no longer at the discretion of the Company.

### TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:-

Land and buildings are accounted for separately even when acquired together.

Freehold buildings	-	2.5% per annum
Plant and machinery	-	10% per annum on cost
Fixtures, fittings, tools and equipment	-	25% per annum on cost
Adaptation costs	-	5% per annum

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

### REVALUATION OF PROPERTIES

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity, such gains and loss are recognised in profit or loss.

### RESEARCH AND DEVELOPMENT

All research and other development costs are written off as incurred.

### INTANGIBLE FIXED ASSETS – GOODWILL

Goodwill is capitalised and written off evenly over 5-10 years as in the opinion of the directors, this represents the period over which the goodwill is expected to give rise to economic benefits. Amortisation is included within Administration expenses.

# James Kent Consolidated Limited

## ACCOUNTING POLICIES

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### INTANGIBLE FIXED ASSETS – GOODWILL (continued)

Negative goodwill arises when the cost of a business combination is less than that of the fair value of the interest in the identifiable assets, liabilities and contingent liabilities acquired. The amount up to the fair value of the non-monetary assets acquired is credited to profit or loss in the period in which those non-monetary assets are recovered. Negative goodwill in excess of the fair values of the non-monetary assets acquired is credited to profit or loss in the periods expected to benefit of 8 years.

#### *Other intangible assets*

Intangible assets purchased other than in a business combination are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Licenses	-	10% per annum straight line
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Amortisation is revised prospectively for any significant change in useful life or residual value.

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

### INVESTMENTS

In the separate accounts of the Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in profit or loss.

### STOCKS AND WORK IN PROGRESS

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average cost basis and for finished goods and work in progress, includes direct labour costs and overheads appropriate to the stage of manufacture.

At each reporting date, the Group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

### LEASED ASSETS AND OBLIGATIONS

All leases are “operating leases” and the annual rentals are charged to the statement of comprehensive income on a straight line basis over the lease term.

### PENSION COSTS

The Group operates a defined contribution scheme. The amount charged to the statement of comprehensive income represents the contributions payable to the scheme in respect of the accounting period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

### FOREIGN CURRENCIES

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

# James Kent Consolidated Limited

## ACCOUNTING POLICIES

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### FOREIGN CURRENCIES (Continued)

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

### TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the Group to consume substantially all of its economic benefits), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

#### *Sale of speciality technical glasses, refractory coatings and frits*

Turnover is recognised when it and the associated costs can be measured reliably, future economic benefits are probable, and the risks and rewards of ownership have been transferred to the customer. Sales of speciality technical glasses, refractory coatings and frits are recognised when goods are delivered and legal title has passed and the Group has no continuing managerial involvement associated with ownership or effective control of the goods sold. This is generally when goods have been checked and accepted by the customer.

### GOVERNMENT GRANTS

Government grants, including those in relation to the Coronavirus Job Retention Scheme (CJRS) are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as Other Operating income over the periods when the related costs are incurred.

# James Kent Consolidated Limited

## ACCOUNTING POLICIES

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### FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### *Financial assets*

##### *Trade, group and other debtors*

Trade, group and other debtors (including accrued income) which are receivable within one year are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss. No provisions were held at the period ends.

#### *Financial liabilities and equity*

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

##### *Equity instruments*

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

##### *Trade, group and other creditors*

Trade, group and other creditors (including accruals) payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

#### *Derecognition of financial assets and liabilities*

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### *Deferred consideration*

Deferred consideration relates to amounts due on former acquisitions payable by the Group to third parties on an agreed basis.

### PROFIT AND LOSS RESERVE

The cumulative profit and loss net of distributions to owners.

### REVALUATION RESERVES

The cumulative revaluation gains and losses in respect of land and buildings except revaluation gains and losses recognised in profit and loss.

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

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### 1 ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### *Critical accounting estimates and assumptions*

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The directors consider that accounting estimates and assumptions made do not have a significant risk of causing a material difference to the carrying amounts of assets and liabilities within the next financial year.

#### *Critical areas of judgement*

The realisable value of stock is calculated using long established and well tested methodologies that take into account the changes in market dynamics, expected obsolescence, technical upgrades and disposal costs.

The land and buildings are valued at the open market value of the freehold interest, free from encumbrance. This estimate is based on the market knowledge of the valuer at the date of valuation and may be impacted by local market conditions and demand for such properties.

The investments held are assessed for impairment where there is an indicator of impairment each year. The assessment of impairment takes into consideration factors such as the recent prices paid for shares in the investment by third parties and trading activity against performance.

### 2 TURNOVER

An analysis of the Group's turnover by class of business is as follows:

	<b>364 day period ended 2 January 2022 £</b>	<b>371 day period ended 3 January 2021 £</b>
Sale of goods	<b>6,979,596</b>	<b>5,841,395</b>

An analysis of the geographical location of the Group's turnover is as follows:

	<b>364 day period ended 2 January 2022 £</b>	<b>371 day period ended 3 January 2021 £</b>
United Kingdom	<b>2,372,310</b>	<b>1,816,581</b>
Rest of the World	<b>4,607,286</b>	<b>4,024,814</b>
	<b>6,979,596</b>	<b>5,841,395</b>

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 3 INTEREST RECEIVABLE AND SIMILAR INCOME

	364 day period ended 2 January 2022 £	371 day period ended 3 January 2021 £
Bank interest	26	26
Foreign exchange gains	6,201	-
	<u>6,227</u>	<u>26</u>

### 4 INTEREST PAYABLE AND SIMILAR EXPENSES

	364 day period ended 2 January 2022 £	371 day period ended 3 January 2021 £
On bank loans and overdrafts	9,103	12,206
Invoice discounting charges	5,325	3,872
Foreign exchange losses	-	21,127
On directors' loan accounts	85,520	76,553
	<u>99,948</u>	<u>113,758</u>

### 5 EMPLOYEES

The average number of persons employed by the Group during the period (including directors) were as follows:

	364 day period ended 2 January 2022 Number	371 day period ended 3 January 2021 Number
Production	31	34
Administration	15	15
Directors	5	6
	<u>51</u>	<u>55</u>

The average number of persons employed by the Company during the period (including directors) was 10 (3 January 2021: 11).



# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 5 EMPLOYEES (continued)

The aggregate payroll costs of these persons were as follows:

	GROUP		COMPANY	
	364 day period ended 2 January 2022 £	371 day period ended 3 January 2021 £	364 day period ended 2 January 2022 £	371 day period ended 3 January 2021 £
Staff costs for the above persons:				
Wages and salaries	1,282,293	1,178,981	136,178	134,106
Social security costs	120,917	196,354	7,471	12,146
Other pension costs	400,079	388,549	213,469	227,851
	<u>1,803,289</u>	<u>1,763,884</u>	<u>357,118</u>	<u>374,103</u>

### 6 DIRECTORS' REMUNERATION

	364 day period ended 2 January 2022 £	371 day period ended 3 January 2021 £
Emoluments	59,771	74,446
Contributions to money purchase pension schemes	150,465	150,555
	<u>210,236</u>	<u>225,001</u>
	364 day period ended 2 January 2022 Number	371 day period ended 3 January 2021 Number
Retirement benefits are accruing to the following number of directors under:		
Money purchase pension schemes	5	6

### 7 PENSION COMMITMENTS

The Group contributes to employees' personal pension plans whose assets are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group and amounted to £400,079 (3 January 2021: £388,549). Included in accruals are contributions of £39,017 payable to plans at the period end (3 January 2021: £32,084).

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

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### 8 PROFIT BEFORE TAXATION

	364 day period ended 2 January 2022 £	371 day period ended 3 January 2021 £
Profit before taxation is stated after charging/(crediting):		
COVID-19 CJRS government support	(68,182)	(69,224)
Depreciation of tangible fixed assets:		
Owned	174,207	176,816
Amortisation of intangible fixed assets	7,326	7,687
Amortisation of goodwill	17,936	37,280
Profit on disposal of tangible fixed assets	2,525	(1,500)
Research and development expenditure	173,891	134,395
Exchange (gains)/losses	(6,201)	21,127
Operating lease rentals	43,662	46,229
Auditors' remuneration – audit services	32,000	29,000
Stock impairment recognised in cost of sales	(4,517)	(51,130)

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 9 TAXATION

	364 day period ended 2 January 2022 £	371 day period ended 3 January 2021 £
Current tax:		
UK corporation tax on profits of the period	161,901	105,668
Adjustments in respect of prior periods	-	1,818
Total current tax	161,901	107,486
Deferred tax:		
Origination and reversal of timing differences	(31,386)	(23,878)
Adjustments in respect of prior periods	-	3,687
Effect of tax rate change	131,901	56,653
Total deferred taxation	100,515	36,462
Tax on profit	262,416	143,948
Factors affecting tax charge for the year:	364 day period ended 2 January 2022 £	371 day period ended 3 January 2021 £
The tax assessed for the year is higher (2021: higher) than the average standard rate of corporation tax in the UK 19% (2021: 19%). The differences are explained below:		
Profit before tax	910,127	553,618
Profit before tax multiplied by the average standard rate of corporation tax in the UK 19% (2021: 19%)	172,924	105,187
Effects of:		
Expenses not deductible in determining taxable profit	564	615
Rate difference on deferred tax	115,711	56,653
Research and development relief	(43,740)	(35,054)
Adjustments in respect of previous periods	-	5,505
Other timing differences	16,957	11,042
Tax expense	262,416	143,948

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

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### 9 TAXATION (Continued)

The standard rate of corporation tax in the United Kingdom for the year was 19% (2021: 19%). An increase in the UK corporation tax rate was announced in the 2021 Budget which would increase the rate to 25% from 1 April 2023. Existing temporary differences on which deferred tax has been provided may therefore unwind in future periods subject to this increased rate. The rate change has been included in Finance Bill 2021 and was substantively enacted on 24 May 2021 and therefore deferred tax will be calculated using the 25% corporation tax rate. Deferred tax has therefore been provided at a rate of 25% (2021: 19%).

### 10 DIVIDENDS

Dividends amounting to £443,186 were paid in the year at 163.4p per share and (3 January 2021: £522,851 were paid in the year at 214.7p per share).

### 11 INTANGIBLE FIXED ASSETS

GROUP	Positive goodwill £	Negative goodwill £	Licenses £
<i>Cost</i>			
At beginning and end of the period	270,066	(107,427)	73,462
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Amortisation</i>			
At beginning of period	234,166	(107,427)	18,539
Charge in the period	17,936	-	7,326
	<u>          </u>	<u>          </u>	<u>          </u>
At end of period	252,102	(107,427)	25,865
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Carrying amount</i>			
At 2 January 2022	17,964	-	47,597
	<u>          </u>	<u>          </u>	<u>          </u>
At 3 January 2021	35,900	-	54,923
	<u>          </u>	<u>          </u>	<u>          </u>

The directors consider the economic life of the positive goodwill arising on acquisition to be 5-10 years.

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

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### 11 INTANGIBLE FIXED ASSETS (continued)

COMPANY	Positive goodwill £	Licenses £	Total £
<i>Cost</i>			
At beginning and end of period	76,630	73,462	150,092
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Amortisation</i>			
At beginning of period	40,730	18,539	59,269
Charge in the period	17,936	7,326	25,262
	<u>          </u>	<u>          </u>	<u>          </u>
At end of period	58,666	25,865	84,531
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Carrying amount</i>			
<b>At 2 January 2022</b>	<b>17,964</b>	<b>47,597</b>	<b>65,561</b>
	<u>          </u>	<u>          </u>	<u>          </u>
At 3 January 2021	35,900	54,923	90,823
	<u>          </u>	<u>          </u>	<u>          </u>

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 12 TANGIBLE FIXED ASSETS

GROUP	Freehold land and buildings £	Adaptation costs £	Plant and machinery £	Fixtures, fittings, tools and equipment £	Total £
<i>Cost or valuation</i>					
At beginning of period					
- Cost	918,994	323,960	1,605,939	115,141	2,964,034
- Valuation	1,870,000	-	-	-	1,870,000
Additions	9,048	-	10,330	-	19,378
Disposals	-	-	(2,000)	(1,035)	(3,035)
At end of period	2,798,042	323,960	1,614,269	114,106	4,850,377
COST	928,042	323,960	1,614,269	114,106	2,980,377
VALUATION	1,870,000	-	-	-	1,870,000
<i>Depreciation</i>					
At beginning of period	202,806	128,230	1,202,731	77,750	1,611,517
Charged in the period	41,172	16,153	103,999	12,883	174,207
On disposals	-	-	(510)	-	(510)
At end of period	243,978	144,383	1,306,220	90,633	1,785,214
<i>Carrying amount</i>					
At 2 January 2022	2,554,064	179,577	308,049	23,473	3,065,163
At 3 January 2021	2,586,188	195,730	403,208	37,391	3,222,517

Included in freehold land and buildings is £1,146,872 (3 January 2021: £1,146,872) which relates to land and is not depreciated.

Adaptation costs have been separately classified in the notes to the financial statements. These adaptation costs relate to specialised work in respect of the freehold buildings required for the specific purpose of the trade of the business, in particular in respect of the Grinding Mill and Electric Melting utilised in the trade.

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 12 TANGIBLE FIXED ASSETS (continued)

Particulars relating to revalued assets are given below:	At 2 January 2022 £	At 3 January 2021 £
<b>LAND AND BUILDINGS</b>		
Historical cost of revalued assets	751,952	751,952
Aggregate depreciation based on historical cost	(229,532)	(210,775)
	<hr/>	<hr/>
Historical cost net book value	522,420	541,177
	<hr/>	<hr/>

On 18 November 2018 the freehold land and buildings of the James Kent Consolidated Limited Group were revalued by chartered surveyors, Butters John Bee. The open market value of the freehold interest in the property free from encumbrance, with the benefit of full possession is £2,550,000. The valuation had been carried out in accordance with the guidance notes issued by The Royal Institute of Chartered Surveyors for Asset Valuations.

The directors have taken the decision not to increase the carrying value of the property to the updated valuation as the carrying value is still deemed to be the most appropriate by management.

COMPANY	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Total £
<i>Cost or valuation</i>				
At beginning of period	2,648,239	651,629	78,569	3,378,437
Additions	9,048	10,030	-	19,378
	<hr/>	<hr/>	<hr/>	<hr/>
At end of period	2,657,287	661,959	78,569	3,397,815
	<hr/>	<hr/>	<hr/>	<hr/>
COST	918,662	661,959	78,569	1,614,190
VALUATION	1,783,625	-	-	1,783,625
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At beginning of period	178,129	315,977	42,208	536,314
Charge for the period	37,662	67,639	12,899	118,200
	<hr/>	<hr/>	<hr/>	<hr/>
At end of period	215,791	383,616	55,107	654,514
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Carrying amount</i>				
At 2 January 2022	2,441,496	278,343	23,462	2,743,301
	<hr/>	<hr/>	<hr/>	<hr/>
At 3 January 2021	2,470,110	335,652	36,361	2,842,123
	<hr/>	<hr/>	<hr/>	<hr/>

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

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### 12 TANGIBLE FIXED ASSETS (continued)

On 18 November 2018 the investment property of the James Kent Consolidated Limited Group was revalued by the chartered surveyors, Butters John Bee. The open market value of the freehold interest in the property free from encumbrance, with the benefit of full possession is £2,550,000. The valuation has been carried out in accordance with the guidance notes issued by The Royal Institute of Chartered Surveyors for Asset Valuations.

Of the total valuation of £2,550,000; £2,409,245 has been allocated to James Kent Consolidated Limited being the estimated value of the property held in this Company. The directors have reassessed this position and consider the value continues to be appropriate.

The directors have taken the decision not to increase the carrying value of the property to the updated valuation as the carrying value is still deemed to be the best estimated value of the property held by the Company.

Particulars relating to revalued assets are given below:	At 2 January 2022 £	At 3 January 2021 £
LAND AND BUILDINGS		
Historical cost of revalued assets	1,420,896	1,420,896
Aggregate depreciation based on historical cost	(78,039)	(69,919)
	<hr/>	<hr/>
Historical cost net book value	1,342,857	1,350,977
	<hr/>	<hr/>



# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 13 INVESTMENTS

GROUP	Other investments £
At beginning of period	277,010
Additions	80,770
	<hr/>
At end of period	357,780
	<hr/>
<i>Impairment</i>	
At beginning and end of period	-
	<hr/>
<i>Carrying amount</i>	
<b>At end of period</b>	<b>357,780</b>
	<hr/>
At beginning of period	277,010
	<hr/>

The addition in the year relates to the acquisition of additional shares in Biomin Technologies Limited

COMPANY	Shares in subsidiary undertakings £	Investments £	Total £
<i>Cost</i>			
At beginning of period	1,695,844	277,010	1,972,854
Additions	-	80,770	80,770
	<hr/>	<hr/>	<hr/>
At end of period	1,695,844	357,780	2,053,624
	<hr/>	<hr/>	<hr/>
<i>Impairment</i>			
At beginning and end of period	79,004	-	79,004
	<hr/>	<hr/>	<hr/>
<i>Carrying amount</i>			
<b>At end of period</b>	<b>1,616,840</b>	<b>357,780</b>	<b>1,974,620</b>
	<hr/>	<hr/>	<hr/>
At beginning of period	1,616,840	277,010	1,893,850
	<hr/>	<hr/>	<hr/>

The addition in the year relates to the acquisition of additional shares in Biomin Technologies Limited.

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 13 INVESTMENTS (Continued)

The Company holds more than 20% of the equity of the following subsidiary undertakings and associated company:

	<i>Class of holding</i>	<i>Percentage</i>	<i>Principal activity</i>
James Kent (Ceramic Materials) Limited	Ordinary	100%	Manufacture and supply of speciality technical glasses, refractory coatings and frits.
Cera Dynamics Limited	Ordinary	100%	Development and production of glass ceramics and technical glasses.
KMCI limited	Ordinary	100%	A general commercial Company and manufacturer of colours and pigments.
Martin Colour Company Limited	Ordinary	100%	A supplier of ceramic colours and colouring oxides
James Kent Group Limited	Ordinary	100%	Dormant
PE Hines Limited	Ordinary	100%	A supplier of raw materials for the ceramic, paint and construction industries

The registered address of the subsidiary entities is Fountain Street, Fenton, Stoke-on-Trent, Staffordshire, ST4 2HB.

### 14 STOCKS

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2</b>	<b>3</b>	<b>2</b>	<b>3</b>
	<b>January</b>	<b>January</b>	<b>January</b>	<b>January</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Raw materials	311,793	212,397	-	-
Work in progress	31,070	42,240	-	-
Finished goods	587,804	593,699	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	930,667	848,336	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 15 DEBTORS

	GROUP		COMPANY	
	2	3	2	3
	January	January	January	January
	2022	2021	2022	2021
	£	£	£	£
<i>Amounts due in less than one year:</i>				
Trade debtors	948,581	562,707	-	8,160
Amounts due from Group companies	-	-	2,286	6,997
Other debtors	16,317	32,131	1,231	5,898
Prepayments	87,696	69,805	9,006	-
	<u>1,052,594</u>	<u>664,643</u>	<u>12,523</u>	<u>21,055</u>

### 16 CREDITORS: Amounts falling due within one year

	GROUP		COMPANY	
	2	3	2	3
	January	January	January	January
	2022	2021	2022	2021
	£	£	£	£
Bank loan (see note 17)	164,000	168,167	164,000	168,167
Trade creditors	348,010	155,347	-	-
Amounts owed to Group undertakings	-	-	39,752	159,350
Amounts due to invoice discounter	195,372	205,340	-	-
Other taxation and social security costs	46,281	64,535	1,360	870
Corporation tax	136,484	54,405	45,891	57,748
Other creditors	86,604	56,796	22,348	1,800
Accruals and deferred income	229,827	95,037	51,360	41,861
Directors' loans	195,211	127,309	195,211	127,309
	<u>1,401,789</u>	<u>926,936</u>	<u>519,922</u>	<u>557,105</u>

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

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### 17 CREDITORS: Amounts falling due after more than one year

	GROUP		COMPANY	
	2	3	2	3
	January	January	January	January
	2022	2021	2022	2021
	£	£	£	£
Bank loans	13,153	172,986	13,153	172,986
Directors loans	595,576	561,014	595,576	561,014
	<hr/>	<hr/>	<hr/>	<hr/>
	608,729	734,000	608,729	734,000
	<hr/>	<hr/>	<hr/>	<hr/>

The bank loans are repayable on a monthly basis and incur interest at rates of 2% and 2.43% above base rate. The base rate at the period end was 0.75%. The bank loans are repayable in April 2023 and March 2024.

National Westminster Bank Plc holds an all unscheduled debenture incorporating a fixed charge by way of legal mortgage on all freehold and leasehold property owned by the Group and Company (including land); and a first legal charge on the freehold and leasehold properties of the Group and Company not effectively mortgaged, all fixtures and fittings and all fixed plant and machinery.

HSBC Bank plc hold a debenture dated 18 August 2010 over the assets of the Group and Company.

HSBC Invoice Finance (UK) Limited hold a fixed and floating charge on all the assets of the Group dated 10 November 2010.

HSBC Bank plc also has a charge over contract monies.

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 18 PROVISION FOR LIABILITIES

GROUP	Deferred taxation £
At beginning of period	518,182
Charge in period	100,515
<b>At end of period</b>	<b>618,697</b>

Deferred taxation is disclosed in the financial statements as follows:

	2 January 2022	3 January 2021
Provisions for liabilities	<b>(618,697)</b>	(518,182)

The amounts provided and unprovided for deferred taxation are set out below:

	2 January 2022		3 January 2021	
	Provided £	Unprovided £	Provided £	Unprovided £
Difference between accumulated depreciation and amortisation and capital allowances	527,953	-	326,916	-
Valuation of land and buildings	100,498	-	197,362	-
Other timing differences	(9,754)	(36,070)	(6,096)	(27,413)
	<b>618,697</b>	<b>(36,070)</b>	518,182	(27,413)

The deferred tax asset of £36,070 (3 January 2021: £27,413) is not recognised due to uncertainty over the timing of its recovery.

COMPANY	Deferred taxation £
At beginning of period	304,748
Charge in period	81,800
<b>At end of period</b>	<b>386,548</b>

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

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### 18 PROVISION FOR LIABILITIES (continued)

The amounts provided and unprovided for deferred taxation are set out below:

	2 January 2022		3 January 2021	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Difference between accumulated depreciation and amortisation and capital allowances	259,096	-	207,884	-
Valuation of land and buildings	127,452	-	96,864	-
Other timing differences	-	(36,070)	-	(27,413)
	<u>386,548</u>	<u>(36,070)</u>	<u>304,748</u>	<u>(27,413)</u>

The deferred tax asset of £36,070 (3 January 2021: £27,413) is not recognised in the accounts due to uncertainty over the timing of when it will be recovered.

### 19 CALLED UP SHARE CAPITAL

	2 January 2022	3 January 2021
Allotted, called up and fully paid:		
128,000 ordinary A shares of £1	128,000	128,000
112,000 ordinary B shares of £1	112,000	112,000
80,000 ordinary C shares of £1	80,000	80,000
	<u>320,000</u>	<u>320,000</u>

The A, B and C ordinary shares have different rights attaching as detailed in the Articles of Association.

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

### 20 COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

GROUP	2 January 2022	3 January 2021
Amounts due:		
Within one year	35,170	43,993
In the second to fifth years inclusive	29,892	44,779
	<u>65,061</u>	<u>88,772</u>

### 21 a) RECONCILIATION OF PROFIT AFTER TAX TO NET CASH GENERATED FROM OPERATIONS

	2022 £000	2021 £000
Profit after tax	647,711	409,670
Depreciation of tangible fixed assets	174,207	176,816
Amortisation of intangible fixed assets	25,262	44,967
Loss/(profit) on disposal of fixed assets	2,525	(1,500)
Interest receivable and similar income	(6,227)	(26)
Interest payable and similar expenses	99,948	113,758
Taxation	262,416	143,948
Operating cash flows before movement in working capital	<u>1,205,842</u>	<u>887,633</u>
(Increase)/decrease in stocks	(82,331)	32,673
(Increase)/decrease in debtors	(387,951)	172,213
Increase/(decrease) in creditors	<u>431,005</u>	<u>(223,893)</u>
CASH GENERATED FROM OPERATIONS	<u>1,166,565</u>	<u>868,626</u>

### b) CONSOLIDATED ANALYSIS OF CHANGES IN NET DEBT

	At 3 January 2021 £	Cash flow £	At 2 January 2022 £
<i>Assets:</i>			
Cash at bank	928,060	286,186	1,214,246
<i>Liabilities:</i>			
Bank loans due within one year	(168,167)	4,167	(164,000)
Amounts due to invoice discounter	(205,340)	9,968	(195,372)
Bank loans due after one year	(172,986)	159,833	(13,153)
NET FUNDS	<u>381,567</u>	<u>460,154</u>	<u>841,721</u>

# James Kent Consolidated Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the 364 day period ended 2 January 2022

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### 22 CONTINGENT LIABILITIES

#### *Company*

The Company is a member of a VAT Group. At 2 January 2022 the VAT exposure of the VAT Group excluding that of the Company was £52,025 (3 January 2021: £97,547).

National Westminster Bank Plc holds an all unscheduled debenture incorporating a fixed charge by way of legal mortgage on all freehold and leasehold property owned by the Company (including land); and a first legal charge on the freehold and leasehold properties of the Company not effectively mortgaged, all fixtures and fittings and all fixed plant and machinery.

The Company has a signed cross guarantee to secure the bank indebtedness with National Westminster Bank Plc to James Kent (Ceramic Materials) Limited, KMCI Limited, James Kent Consolidated Limited, Cera Dynamics Limited, Martin Colour Company Limited, P.E. Hines Limited and James Kent Group Limited. At the period end this was £nil (3 January 2021: £nil).

HSBC Invoice Finance (UK) Limited hold a fixed and floating charge on all the assets of the Company dated 10 November 2010. HSBC Bank plc hold a debenture dated 18 August 2010 over the assets of the Company. HSBC Bank plc also has a charge over contract monies.

The Company has signed a multilateral cross guarantee to secure the bank indebtedness with HSBC Bank Plc with KMCI Limited, James Kent Consolidated, Cera Dynamics Limited, James Kent Group Limited, Martin Colour Company Limited and P.E. Hines Limited. The exposure at the period end was £50,583 (3 January 2021: £65,725).

### 23 RELATED PARTY TRANSACTIONS

The following directors and shareholders of the Company have loaned money to the Company and Group during the period. The amount outstanding at 2 January 2022 is:

	As at 3 January 2021	Maximum Amount	As at 2 January 2022
	£	£	£
Directors loan accounts	688,323	790,787	790,787

Interest is levied on these loans at a rate of 10% on short term loans and 12% on long term loans resulting in a charge of £85,520 (3 January 2021: £76,553).

During the year one of the directors and shareholders passed away and the amounts payable to this individual are now due to their estate. The balance outstanding at the year end is £24,141 which include £5,233 of interest due on the overdue balances.

The company purchased services from close family members of a director. These transactions totalled £625 (3 January 2021: £560) and there was no outstanding balance at the year end (3 January 2021: £nil).

The group made sales to a company, which they are a director of, in the period amounting to £147,915 (3 January 2021: £112,710) and the Company made an admin recharge of £36,000 (3 January 2021: £29,900). The total amount due to the Company and Group at the period end was £51,807 (3 January 2021: £8,265), of which £379 (3 January 2021: £8,160) was owed to the Company. In addition the Company acquired share capital in the entity of £80,770 (3 January 2021: £86,930) during the period.



**James Kent Consolidated Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the 364 day period ended 2 January 2022**

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**24 CONTROLLING PARTY**

There is no ultimate controlling party.