

JAMES BURDEN LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**



JAMES BURDEN LIMITED

COMPANY INFORMATION

Directors	T Hussey A T Burden J A Burden S Welch D Doyle M Ishfaq
Company secretary	M Ishfaq
Registered number	02702908
Registered office	40 West Market Building London Central Markets Smithfield London EC1A 9PS
Independent auditor	Crowe U.K. LLP Riverside House 40 - 46 High Street Maidstone Kent ME14 1JH

JAMES BURDEN LIMITED

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JAMES BURDEN LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 JANUARY 2021

Principal activities

The principal activity of the company during the year continues to be that of a wholesaler of poultry, game and meat products.

Business review

Like many businesses in 2020, James Burden was heavily impacted by Lockdowns, Covid infections to our employees and huge disruption to our supply chain from both Covid-19 and Brexit. Some of our key customer segments including the Restaurant Trade and the Events segment (Weddings, Sporting events etc) were completely closed for almost the entirety of the year.

As a result of this our Turnover decreased to £94.9m but gross margins did improve by 0.5% from 7.9% in 2020 to 8.4% in the year ending January 2021.

We did see strong demand from the 'Takeaway' sector, which benefited from the temporary shut down of the Restaurant sector and Companies like Deliveroo, Uber Eats and Just Eat really increased their customer footprint during the lockdown months.

Our Butchers sector also drove higher margins as people opted for better quality meat cuts to recreate an eating out experience at home to celebrate anniversaries, birthdays etc.

We have implemented new Brexit procedures for importing products from the EU, at the time of writing this review we have not had any import process failings to report.

Environmental Reporting

We operated an average of 8 delivery vehicles during the year with a combined CO2 output of 152.9m grammes.

Principal risks and uncertainties

James Burden Limited faces the following key risks:

- Euro exchange exposure arising from significant purchases of raw materials from Europe. This risk is managed by hedging the immediate exposure when considered necessary. Longer duration of hedging products cannot be used due to the fast moving market environment.
- In a fragmented market with many small companies there is always the risk of incurring bad debts. The company manages this risk by using credit risk insurance cover and also by ensuring that there is a good understanding of customers.
- COVID continues to be a risk to the company and broader economy. See the Directors' Report for further details on the impact of COVID on the business.

Financial key performance indicators

Financial key performance indicators are as follows:

JAMES BURDEN LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

	2021	2020
Gross margin percentage	8.4%	7.9%
Operating Profit percentage	2.0%	1.6%
Stock days	4.86	4.54
Debtor days	26.08	30.08
Creditor days	43.66	32.75

Future developments

The company continues to seek out opportunities to expand organically and by acquisition.

Directors' statement of compliance with duty to promote the success of the Company

Section 172 of the Companies Act 2006 requires a director to act in a way he or she considers, in good faith, would be most likely to promote the success of the group (and company) for the benefit of its members as a whole. In doing this, section 172 requires a director to have regard, among other matters, to: the likely consequences of any decisions in the long term; the interests of the company's employees; the need to foster the company's business relationships with suppliers, clients, joint arrangement partners and others; the impact of the company's operations on the community and the environment; the desirability of the company maintaining a reputation for high standards of business conduct; and the need to act fairly with members of the company.

The Directors give careful consideration to the factors set out above in discharging their duties under section 172. The stakeholders we consider in this regard are the people who work for us, our clients and those in the supply chain with whom we engage, our owners, joint arrangement partners, regulatory bodies and those that live in the societies within which we operate. The Directors recognise that building strong relationships with our stakeholders will help us to deliver our strategy in line with our long-term values and operate the business in a sustainable way. We are committed to doing business responsibly and thinking for the long term.

The directors regularly receive reports from management on issues concerning clients, the environment, suppliers, employees, joint operation partners and other stakeholders which it takes into account in its discussion and in its decision-making process under section 172.

This report was approved by the board and signed on its behalf.



.....
T Hussey
Director

Date: 20/10/2021

JAMES BURDEN LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2021

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

Directors' Responsibilities Statement

The directors are responsible for preparing the Strategic Report, 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 year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £1,527,464 (2020 - £1,874,176).

During the year a dividend of £313,125 was paid. The directors do not recommend a payment of a final dividend for the year ended 31 January 2021 (2020: £743,959).

Directors

The directors who served during the year were:

T Hussey
A T Burden
J A Burden
S Welch
P Barbour (resigned 20 October 2020)
D Doyle
M Ishfaq
J Griffin (appointed 1 November 2020, resigned 17 February 2021)

JAMES BURDEN LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

Going concern

After reviewing the Company's forecasts and projections, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company is funded via a centralised financing facility held by the parent company, V C MP Bidco Limited. V C MP Bidco have provided the company with a letter of support outlining their intention to continue supporting the company via this facility. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Financial instruments

The directors have taken advantage of the exemption provided in section 3.3 of FRS 102 not to disclose details of the company's financial instruments on the basis that they are disclosed in the consolidated financial statements of the parent company - Burden Group Holdings Limited.

Engagement with suppliers, customers and others

Employees

Directors receive monthly updates on various staff metrics. The Directors are committed to a healthy workforce with focus on mental health and wellbeing, developing a culture of inclusion, ensuring training and development opportunities and providing and keeping staff informed of key issues through our communications network. We look to attract and retain staff via our recruitment and development strategies.

Clients

As well as the Directors receiving updates from senior management on the group's interaction with clients, members of the Board of Directors regularly meet client representatives to maintain relationships and understand the specific needs of the client.

Suppliers

We have consistent standards and procedures for the onboarding and use of external suppliers. We require suppliers to meet our compliance and financial stability requirements around health and safety where appropriate. Payment on time is of paramount importance.

Community and the environment

We continue to embed community and volunteering within our business, supporting local communities and larger charities.

The company fully recognises the importance of its environmental responsibilities, monitors and controls its impact on the environment and implements policies aimed at reducing any damage that might be caused by the group's activities. James Burden Limited operates fully in accordance with these policies.

Matters covered in the strategic report

Information required to be shown in the Directors' Report, which includes the Business Review, Principal Risks and Uncertainties and Future Developments are shown in the Strategic Report in accordance with S414c (ii) of the Companies Act 2006.

JAMES BURDEN LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

Covid 19 Considerations

We continue to operate strict guidelines on how we work in a Covid world, we operate regular employee testing and continue to separate staff in key functions.

We do come in contact with the public at Smithfield Market and have regular briefings and communications on the latest protocols with all staff involved with the Market.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....
T Hussey
Director

Date: 20/10/2021

JAMES BURDEN LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF JAMES BURDEN LIMITED

Opinion

We have audited the financial statements of James Burden Limited (the 'Company') for the year ended 31 January 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

JAMES BURDEN LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF JAMES BURDEN LIMITED (CONTINUED)

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.

Opinion 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 Company and its 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

JAMES BURDEN LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF JAMES BURDEN LIMITED (CONTINUED)

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.

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management.

Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

JAMES BURDEN LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF JAMES BURDEN LIMITED
(CONTINUED)**

Mark Sisson

Mark Sisson (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Senior Statutory Auditor

Riverside House
40 - 46 High Street
Maidstone

Kent

ME14 1JH

Date: 26 October 2021

JAMES BURDEN LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2021**

	Note	2021 £	2020 £
Turnover	4	94,858,049	115,897,040
Cost of sales		(86,878,689)	106,734,265
GROSS PROFIT		7,979,360	9,162,775
Distribution costs		(1,413,387)	(1,665,470)
Administrative expenses		(4,849,598)	(5,639,859)
Other operating income	5	198,461	-
OPERATING PROFIT	6	1,914,836	1,857,446
Interest receivable and similar income	10	683	11,133
Interest payable and expenses	11	(223)	(309)
PROFIT BEFORE TAX		1,915,296	1,868,270
Tax on profit	12	(387,832)	5,906
PROFIT FOR THE FINANCIAL YEAR		1,527,464	1,874,176

There was no other comprehensive income for 2021 (2020:£NIL).


The notes on pages 13 to 27 form part of these financial statements.

JAMES BURDEN LIMITED
REGISTERED NUMBER: 02702908

BALANCE SHEET
AS AT 31 JANUARY 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Intangible assets	14	629,391	740,460
Tangible assets	15	203,360	259,502
		<u>832,751</u>	<u>999,962</u>
CURRENT ASSETS			
Stocks	16	1,156,999	1,328,535
Debtors: amounts falling due within one year	17	25,164,889	26,922,970
Cash at bank and in hand	18	1,016,162	616,731
		<u>27,338,050</u>	<u>28,868,236</u>
Creditors: amounts falling due within one year	19	(12,414,950)	(15,320,087)
NET CURRENT ASSETS		<u>14,923,100</u>	<u>13,548,149</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>15,755,851</u>	<u>14,548,111</u>
PROVISIONS FOR LIABILITIES			
Deferred tax	20	(8,360)	(14,959)
		<u>(8,360)</u>	<u>(14,959)</u>
NET ASSETS		<u><u>15,747,491</u></u>	<u><u>14,533,152</u></u>
CAPITAL AND RESERVES			
Called up share capital	21	1,000	1,000
Profit and loss account		15,746,491	14,532,152
		<u>15,747,491</u>	<u>14,533,152</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20/10/2021



 T Hussey
 Director

The notes on pages 13 to 27 form part of these financial statements.

JAMES BURDEN LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 February 2020	1,000	14,532,152	14,533,152
Profit for the year	-	1,527,464	1,527,464
Total comprehensive income for the year	-	1,527,464	1,527,464
Dividends	-	(313,125)	(313,125)
At 31 January 2021	1,000	15,746,491	15,747,491

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 February 2019	1,000	13,401,935	13,402,935
Profit for the year	-	1,874,176	1,874,176
Total comprehensive income for the year	-	1,874,176	1,874,176
Dividends	-	(743,959)	(743,959)
At 31 January 2020	1,000	14,532,152	14,533,152

The notes on pages 13 to 27 form part of these financial statements.

JAMES BURDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

1. General information

The company is a private company, limited by shares, incorporated in England and Wales (registered number 02702908).

The principal activity of the company during the year continues to be that of a wholesaler of poultry, game and meat products.

The address of the registered office and principal place of business is:
40 West Market Building,
London Central Markets, Smithfield,
London, EC1A 9PS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Burden Group Holdings Limited as at 31 January 2021 and these financial statements may be obtained from Companies House.

2.3 Going concern

After reviewing the Company's forecasts and projections, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company is funded via a centralised financing facility held by the parent company, V C MP Bidco Limited. V C MP Bidco have provided the company with a letter of support outlining their intention to continue supporting the company via this facility. The company therefore continues to adopt the going concern basis in preparing its financial statements..

JAMES BURDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. This is either at point of sale or point of despatch, depending on when the goods are provided to the customer. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life, estimated at 10 years.

Goodwill impairment

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2.7 Operating leases: the Company as lessee

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

JAMES BURDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

JAMES BURDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Leasehold property	- over the period of the lease
Plant & machinery	- 5 - 25% straight line
Motor vehicles	- 25 - 33% straight line
Fixtures & fittings	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

JAMES BURDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.15 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.17 Financial instruments

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

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

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

2.18 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

JAMES BURDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgements in applying accounting policies and key sources of estimation

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Debtors provision

The risk of debtor default is assessed by reference to overdue amounts and recent payment history. If there is a deemed material risk of non-payment a provision is made.

Stock provision

Non-moving, slow moving and short dated stocks are assessed at the balance sheet date and if it is deemed that there is a material risk that some or all of the stock cannot be sold, then a provision is made.

4. Turnover

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	94,858,049	115,897,040
	<u>94,858,049</u>	<u>115,897,040</u>

JAMES BURDEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

5. Other operating income

Government grants are in relation to the COVID 19 furlough scheme

	2021	2020
	£	£
Government grants receivable	198,461	-

6. Operating profit

The operating profit is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	112,933	136,645
Amortisation of intangible assets, including goodwill	111,069	111,069
Exchange differences	37,384	44,049
Other operating lease rentals	942,633	980,491

7. Auditor's remuneration

	2021	2020
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	19,650	19,060

Fees payable to the Company's auditor in respect of:

Taxation compliance services	4,950	4,790
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JAMES BURDEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

8. Staff Costs

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	5,786,665	6,214,285
Social security costs	671,193	749,144
Cost of defined contribution scheme	181,680	182,203
	<u>6,639,538</u>	<u>7,145,632</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Office and management	12	20
Sales and distribution	94	100
	<u>106</u>	<u>120</u>

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	681,064	695,277
Company contributions to defined contribution pension schemes	31,735	-
	<u>712,799</u>	<u>695,277</u>

During the year retirement benefits were accruing to 1 director (2020 - NIL) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £314,065 (2020 - £386,094).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,867 (2020 - £NIL).

10. Interest receivable

	2021 £	2020 £
Other interest receivable	<u>683</u>	<u>11,133</u>

JAMES BURDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

11. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	223	77
Interest on overdue tax	-	232
	<u> </u>	<u> </u>

12. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	394,431	-
Adjustments in respect of previous periods	-	(126)
Total current tax	<u>394,431</u>	<u>(126)</u>
Deferred tax		
Origination and reversal of timing differences	(8,359)	2,720
Adjustments in respect of prior periods	-	(8,500)
Effect of tax rate change on opening balance	1,760	-
Total deferred tax	<u>(6,599)</u>	<u>(5,780)</u>
Taxation on profit/(loss) on ordinary activities	<u>387,832</u>	<u>(5,906)</u>

JAMES BURDEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>1,915,296</u>	<u>1,868,270</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	363,906	354,971
Effects of:		
Expenses not deductible for tax purposes	828	2,784
Differences due to deferred tax rate being lower than standard corporation tax rate	-	(320)
Depreciation on non-qualifying fixed assets	21,338	21,270
Adjustments to tax charge in respect of prior periods	-	(8,626)
Adjust deferred tax to standard CT rate	1,760	-
Group relief	-	(375,985)
Total tax charge for the year	<u><u>387,832</u></u>	<u><u>(5,906)</u></u>

Factors that may affect future tax charges

Increases in tax rates may impact on future tax charges.

13. Dividends

	2021 £	2020 £
Dividends paid	<u><u>313,125</u></u>	<u><u>743,959</u></u>

JAMES BURDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

14. Intangible assets

	Goodwill £
Cost	
At 1 February 2020	1,110,690
At 31 January 2021	<u>1,110,690</u>
Amortisation	
At 1 February 2020	370,230
Charge for the year on owned assets	111,069
At 31 January 2021	<u>481,299</u>
Net book value	
At 31 January 2021	<u>629,391</u>
At 31 January 2020	<u>740,460</u>

JAMES BURDEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

15. Tangible fixed assets

	Leasehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 February 2020	179,485	576,397	250,830	594,747	1,601,459
Additions	-	2,885	50,793	18,338	72,016
Disposals	-	-	(45,673)	-	(45,673)
At 31 January 2021	179,485	579,282	255,950	613,085	1,627,802
Depreciation					
At 1 February 2020	179,485	530,906	110,098	521,469	1,341,958
Charge for the year on owned assets	-	17,510	57,638	37,785	112,933
Disposals	-	-	(30,449)	-	(30,449)
At 31 January 2021	179,485	548,416	137,287	559,254	1,424,442
Net book value					
At 31 January 2021	-	30,866	118,663	53,831	203,360
At 31 January 2020	-	45,492	140,732	73,278	259,502

16. Stocks

	2021 £	2020 £
Finished goods and goods for resale	1,156,999	1,328,535

Included in the stock figure is a provision of £25,000 (2020- £NIL) for slow-moving and obsolete stock.

JAMES BURDEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

17. Debtors

	2021	2020
	£	£
Trade debtors	6,776,947	9,552,238
Amounts owed by group undertakings	17,768,340	16,697,418
Other debtors	475,668	506,166
Prepayments and accrued income	143,934	167,148
	<u>25,164,889</u>	<u>26,922,970</u>

18. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	<u>1,016,162</u>	<u>616,731</u>

19. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	10,392,286	9,576,596
Amounts owed to group undertakings	-	4,069,657
Other taxation and social security	813,543	147,450
Other creditors	23,118	25,929
Accruals and deferred income	1,186,003	1,500,455
	<u>12,414,950</u>	<u>15,320,087</u>

JAMES BURDEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

20. Deferred taxation

	2021	2020
	£	£
At beginning of year	(14,959)	(20,739)
Charged to the profit or loss	6,599	5,780
At end of year	<u>(8,360)</u>	<u>(14,959)</u>

The provision for deferred taxation is made up as follows:

	2021	2020
	£	£
Accelerated capital allowances	(11,156)	(17,655)
Other timing differences	2,796	2,696
	<u>(8,360)</u>	<u>(14,959)</u>

21. Share capital

	2021	2020
	£	£
Allotted, called up and fully paid		
1,000 (2020 - 1,000) Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

22. Contingent liabilities

The company is party to a cross guarantee given in respect of commercial finance facilities accorded to the group. At 31 January 2021 amounts of £1,709,071 (2020 - £7,023,847) were outstanding under these arrangements.

The commercial finance facility is held by V C MP Bidco Limited, the intermediate parent company, and therefore, the portion relating to this company is included within intercompany creditors at the year end.

23. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. Contributions totalling £22,396 (2020 - £25,406) were payable to the fund at the balance sheet date.

JAMES BURDEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

24. Commitments under operating leases

At 31 January 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Land & Buildings		
Not later than 1 year	610,106	610,106
Later than 1 year and not later than 5 years	638,422	1,224,028
	<u>610,106</u>	<u>1,224,028</u>
	2021 £	2020 £
Plant & Machinery		
Not later than 1 year	179,513	152,703
Later than 1 year and not later than 5 years	249,672	209,717
	<u>179,513</u>	<u>209,717</u>

25. Related party transactions

James Burden Limited has taken advantage of the exemption available to them under FRS 102 paragraph 33.1A from disclosing transactions with other wholly owned group undertakings.

26. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is The Burden Group Limited which owns 100% of the issued share capital of the company. The ultimate UK parent undertaking of the Burden Group Limited is VC Capital Limited which owns the entire share capital of The Burden Group Limited. The ultimate controlling party is considered to be Patrick Murphy.

At the year end the company is consolidated into the accounts of Burden Group Holdings Limited. Copies of these accounts are available from Companies House.