

Company Registration No. 06758398 (England and Wales)

JEWELLERY QUARTER BULLION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021



JEWELLERY QUARTER BULLION LIMITED

COMPANY INFORMATION

Directors

Mr R Halliday-Stein
Mr A E Smiley
Mr K G Edelman

Company number

06758398

Registered office

Centre City Tower Floor 16
7 Hill Street
Birmingham
United Kingdom
B5 4UA

Auditor

Azets Audit Services
6th Floor, Bank House
8 Cherry Street
Birmingham
United Kingdom
B2 5AL

JEWELLERY QUARTER BULLION LIMITED

CONTENTS

	Page
Strategic report	1 - 4
Directors' report	5 - 6
Directors' responsibilities statement	7
Independent auditor's report	8 - 11
Group statement of comprehensive income	12
Group statement of financial position	13 - 14
Group statement of changes in equity	15
Group statement of cash flows	16
Notes to the group financial statements	17 - 37
Parent company statement of financial position	38 - 39
Parent company statement of changes in equity	40
Parent company statement of cash flows	41
Notes to the parent company financial statements	42 - 46

JEWELLERY QUARTER BULLION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The directors present the strategic report for the year ended 30 April 2021.

Review of the business, future developments and key performance indicators

The business performed strongly in all areas during the year ended 30 April 2021, including revenue and margin growth, enhancing our brand, building our client base and developing our technology platform.

	2021	2020
Turnover	£323m	£210m
Operating profit	£14.7m	£8.2m
Profit before tax	£14.6m	£8.1m

The company has continued to drive exceptional growth in the UK market during the year, building on our substantial customer base built over the last 12 years with strong new customer acquisition. The company's firm commitment to delivering exceptional customer service remains at the core of everything we do, and this has been the foundation for our sustained growth along with a deep understanding of building brands and an advanced platform to unpin them.

International markets have also performed well during the year overall, and the company continues to invest in both our people and our brands in this area. While Brexit has inevitably had an impact on the rate of growth in EU sales, the company has a strategy in place to mitigate these challenges and is committed to the long term development of these markets.

Our Jewellery business has delivered another year of strong growth, successfully leveraging the sustained investment in product, people and our brands. We look forward to continuing to build upon this success. Our commitment to providing high quality jewellery, fair pricing, exceptional customer service and next day delivery is clearly resonating with customers.

The board looks forward with confidence to future progress and remains focussed on developing our brands, as well as the platform, infrastructure and our people in order to support our growth.

JEWELLERY QUARTER BULLION LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Principal risks and uncertainties

The group's principle financial instruments comprise cash. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The Group does not enter into derivative transactions.

The main risks arising from the group's financial instruments are credit risk and commodity price risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

Credit risk

The Group trades only with creditworthy third parties, and these are monitored regularly. The Group does not offer any credit terms to customers, reducing any credit risk.

Commodity price risk

The Group does have exposure to the global market price of precious metals. This position is monitored constantly and the board does have a strategy in place to reduce this exposure if required.

Working capital, including precious metal stocks, is funded through internally generated funds and given the financial strength of the business it is well placed to mitigate this risk exposure.

Covid-19

As with all sectors of the economy, the Group has seen the impact of Covid-19 which has led to a greater awareness and demand for precious metals. Given the significant investment made in our infrastructure, platform and people to date, we have been well placed to meet this increase in demand from the market both in the UK and internationally.

The online Jewellery business has continued to grow strongly during the year, as many consumers have now moved online. While accelerated by Covid-19, this trend in the Jewellery sector has been growing in recent years, and presents a huge opportunity for the company in this major global marketplace.

Brexit

Sales into the EU have grown significantly over the last few years, following significant investment in our platform, people and brands.

Logistical constraints following the implementation of additional customs controls since 1st January 2021 have inevitably placed added pressure on our delivery partners. As a result, like many companies exporting from the UK, this has impacted our growth in this area in 2021. However, we continue to work with the evolving situation and the directors are confident these short term challenges are being addressed. The EU will continue to be a key export market for the company as we move forwards.

JEWELLERY QUARTER BULLION LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Going concern

The directors have prepared the financial statements on the going concern basis.

Management have prepared profit and loss, balance sheet and cash flow forecasts for the group and company extending for a period of at least 12 months from the date of approval of these financial statements which demonstrate that the group is able to meet its liabilities as they fall due for the foreseeable future.

The Group maintains high cash and stock balances, with limited exposure to external debt, and trading since 30th April 2021 remains profitable.

The outbreak of the COVID-19 pandemic has had a favourable impact upon the company as evidenced by the financial performance achieved to the year ended 30 April 2021, and as such no material uncertainty exists in relation to COVID-19.

The directors are confident that the Group is well structured and has sufficient resources to continue in operation for the foreseeable future and that, for this reason, the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate and that no material uncertainties are present related to going concern.

JEWELLERY QUARTER BULLION LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Promoting the success of the company and section 172(1) statement of the Companies Act 2006 (section 172)

The directors are committed to fulfilling their duties under section 172 in the way they consider, in good faith, is most likely to promote the success of the company for the benefit of its members as a whole.

The decision making process will always give appropriate consideration to the following (amongst other matters):

- a) the likely consequences of any decision in the long term,
- b) the interests of the company's employees,
- c) the need to foster the company's business relationships with suppliers, customers and others,
- d) the impact of the company's operations on the community and the environment,
- e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- f) the need to act fairly as between members of the company.

The directors are firmly focussed on the long term success of the company, and believe that positive engagement and consideration of all stakeholders is key to our ongoing sustainability and success. The company's team, suppliers and partners all play a vital part in maintaining our excellent reputation for high standards of business conducts, trust and integrity. It is these high standards that allow us to best serve our customers and the wider community.

Our employee safety and well-being remain a key priority and we have throughout the pandemic continued to implement all COVID-19 government guidelines in respect of working practices. The board recognises the commitment and flexibility that our employees have shown during prolonged periods of lockdown, with ongoing COVID-19 risk assessments, frequently changing government rules and working patterns, and have communicated regularly with all staff during the period.

Our customers and suppliers have also been impacted significantly during this period and we continue to work closely with them to support them as their demand and supply chains recover.

The Group continues to respect the communities in which it operates, seeking to minimise the environmental impact of our activities as far as possible.

The board of directors is committed to behaving responsibly and maintaining the reputation of the business through impeccable conduct and strong governance, with close day to day involvement in the running of the Group.

On behalf of the board



Mr R Halliday-Stein

Director

20/1/2022

JEWELLERY QUARTER BULLION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The directors present their annual report and financial statements for the year ended 30 April 2021.

Principal activities

The principal activity of the Group during the year was the sale and purchase of precious metals and management of an investment property portfolio.

Results and dividends

The results for the year are set out on page 12.

Ordinary dividends were paid amounting to £5,000,000. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R Halliday-Stein
Mr A E Smiley
Mr K G Edelman

Auditor

Azets Audit Services were appointed as auditor and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Energy and carbon report

The Company is committed to minimising its impact on the environment and to operate in a sustainable manner:

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The energy usage of the Company in the year ended 30 April 2021 was 51,791 kWh, which equated to 12.1 tCO₂e. This represents an intensity ratio of 0.04 tCO₂e per £m of turnover. Data was collected from utility providers.

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms 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 he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Charitable contributions

The Group's charitable contributions during the year were £50 (2020: £11,550)

JEWELLERY QUARTER BULLION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Matters covered in the strategic report

For a review of the business, including future developments, details of principle risks and uncertainties and financial risk management please refer to the strategic report.

On behalf of the board



Mr R Halliday-Stein
Director

Date: 20/1/2022

JEWELLERY QUARTER BULLION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 APRIL 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and parent company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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

JEWELLERY QUARTER BULLION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JEWELLERY QUARTER BULLION LIMITED

Opinion

We have audited the financial statements of Jewellery Quarter Bullion Limited (the 'company') and its subsidiaries (the 'group') for the year ended 30 April 2021 which comprise the group statement of comprehensive income, the group and company statement of financial position, the group and company statement of changes in equity, the group and company statement of cash flows and the group and company notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the company's affairs as at 30 April 2021 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and the company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance of the provisions of the Companies Act 2006; and
- the financial statements 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 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 and 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.

JEWELLERY QUARTER BULLION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF JEWELLERY QUARTER BULLION LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

JEWELLERY QUARTER BULLION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF JEWELLERY QUARTER BULLION LIMITED

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

JEWELLERY QUARTER BULLION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF JEWELLERY QUARTER BULLION LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Laura Hinsley FCCA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

Date: 21 January 2022

Chartered Accountants
Statutory Auditor

6th Floor, Bank House
8 Cherry Street
Birmingham
United Kingdom
B2 5AL

JEWELLERY QUARTER BULLION LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2021

	Notes	2021 £	2020 £
Revenue	4	322,852,719	209,504,207
Cost of sales		(297,355,842)	(193,917,736)
Gross profit		25,496,877	15,586,471
Other operating income		32,944	-
Distribution costs		(5,072,706)	(3,247,314)
Administrative expenses		(5,776,247)	(4,095,725)
Operating profit	5	14,680,868	8,243,432
Investment revenues		33,481	-
Finance costs	9	(173,766)	(96,505)
Profit before taxation		14,540,583	8,146,927
Income tax expense	10	(2,469,930)	(1,467,787)
Profit and total comprehensive income for the year		12,070,653	6,679,140

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

JEWELLERY QUARTER BULLION LIMITED

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2021

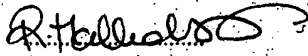
		2021	2020
	Notes	£	as restated £
Non-current assets			
Property, plant and equipment	12	262,995	120,428
Investment property	13	3,710,405	877,114
Other receivables	16	2,082,516	-
		<u>6,055,916</u>	<u>997,542</u>
Current assets			
Inventories	15	19,048,604	12,866,230
Trade and other receivables	16	1,912,761	1,490,490
Current tax recoverable		743,311	-
Cash and cash equivalents		3,496,361	5,194,222
		<u>25,201,037</u>	<u>19,550,942</u>
Current liabilities			
Trade and other payables	18	10,347,106	5,395,058
Current tax liabilities		-	1,453,302
Borrowings	19	1,387,314	1,308,584
		<u>11,734,420</u>	<u>8,156,944</u>
Net current assets		<u>13,466,617</u>	<u>11,393,998</u>
Non-current liabilities			
Borrowings	19	477,149	463,686
Deferred tax liabilities	21	27,956	14,229
		<u>505,105</u>	<u>477,915</u>
Net assets		<u>19,017,428</u>	<u>11,913,625</u>
Equity			
Called up share capital	23	1	1
Share premium account	24	206,325	173,175
Retained earnings		18,811,102	11,740,449
Total equity		<u>19,017,428</u>	<u>11,913,625</u>

JEWELLERY QUARTER BULLION LIMITED

GROUP STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 APRIL 2021

The financial statements were approved by the board of directors and authorised for issue on 20/1/2022 and are signed on its behalf by:



Mr R Halliday-Stein
Director


Mr A E Smiley
Director

JEWELLERY QUARTER BULLION LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2021

	Notes	Share capital £	Share premium account £	Retained earnings £	Total £
Balance at 1 May 2019		1	173,175	6,061,309	6,234,485
		1	173,175	6,061,309	6,234,485
Year ended 30 April 2020:					
Profit and total comprehensive income for the year		-	-	6,679,140	6,679,140
Dividends	11	-	-	(1,000,000)	(1,000,000)
Balance at 30 April 2020		1	173,175	11,740,449	11,913,625
Year ended 30 April 2021:					
Profit and total comprehensive income for the year		-	-	12,070,653	12,070,653
Issue of share capital	23	-	33,150	-	33,150
Dividends	11	-	-	(5,000,000)	(5,000,000)
Balance at 30 April 2021		1	206,325	18,811,102	19,017,428

JEWELLERY QUARTER BULLION LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	29	6,709,183		5,078,244	
Interest paid		(173,766)		(96,505)	
Tax paid		(4,652,816)		(14,487)	
Net cash inflow from operating activities		1,882,601		4,967,252	
Investing activities					
Purchase of property, plant and equipment		(230,308)		(397,439)	
Proceeds on disposal of property, plant and equipment		9,572		-	
Purchase of investment property		(2,833,291)		-	
Interest received		33,481		-	
Net cash used in investing activities		(3,020,546)		(397,439)	
Financing activities					
Proceeds from issue of shares		33,150		-	
Directors' loan paid		(121,086)		(353,375)	
Repayment of bank loans		(28,891)		(13,960)	
Dividends paid		(443,089)		(78,674)	
Net cash used in financing activities		(559,916)		(446,009)	
Net (decrease)/increase in cash and cash equivalents		(1,697,861)		4,123,804	
Cash and cash equivalents at beginning of year		5,194,222		1,070,418	
Cash and cash equivalents at end of year		<u>3,496,361</u>		<u>5,194,222</u>	

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Company information

Jewellery Quarter Bullion Limited is a private company limited by shares incorporated in England and Wales. The registered office is Centre City Tower Floor 16, 7 Hill Street, Birmingham, United Kingdom, B5 4UA. The company's principal activities and nature of its operations are disclosed in the directors' report.

The group consists of Jewellery Quarter Bullion Limited and all of its subsidiaries.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The Group has previously prepared their financial statements in accordance with United Kingdom Accounting Standards, including FRS102 and the Companies Act 2006. The Group has transition to IFRS, with the transition date being 1 May 2019. Please see note 31 for further details.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Jewellery Quarter Bullion Limited together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 30 April 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.3 Going concern

The directors have prepared the financial statements on the going concern basis.

Management have prepared profit and loss, balance sheet and cash flow forecasts for the group and company extending for a period of at least 12 months from the date of approval of these financial statements which demonstrate that the group and company is able to meet its liabilities as they fall due for the foreseeable future.

The Group and company maintains high cash and stock balances, with limited exposure to external debt, and trading since 30th April 2021 remains profitable.

The outbreak of the COVID-19 pandemic has had a favourable impact upon the group and company as evidenced by the financial performance achieved to the year ended 30 April 2021, and as such no material uncertainty exists in relation to COVID-19.

The directors are confident that the Group and company is well structured and has sufficient resources to continue in operation for the foreseeable future and that, for this reason, the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate and that no material uncertainties are present related to going concern.

1.4 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- group has completed the performance obligation to customers by transferring the significant risks and rewards of ownership to the buyer. This will typically be upon receipt of funds against a valid purchase order; at which point the risks and rewards transfer as any movements in the value of the products are borne by the customer;
- the transaction price can be measured reliably;

The nature, timing of satisfaction of performance obligations and significant payment terms of the group's major sources of revenue are as follows:

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures and fittings	Straight line 10 - 33%
Motor vehicles	Straight line 25%
Website	Straight line 10 - 33%

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.7 Non-current investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

1.8 Impairment of tangible and intangible assets

At each reporting end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

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

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial assets

Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the group's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The parent company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.12 Financial liabilities

The group recognises financial debt when the group becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that are managed together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled, or they expire.

1.13 Equity instruments

Equity instruments issued by the parent company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer payable at the discretion of the company.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

At inception, the group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies (Continued)

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Changes in accounting policies

Change in accounting policy

The Group has previously prepared their financial statements in accordance with United Kingdom Accounting Standards, including FRS102 and the Companies Act 2006. The Group has transitioned to IFRS, with the transition date being 1 May 2019. Please see note 31 for further details.

3 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

There are no material estimates and assumptions made in the financial statements.

4 Revenue

	2021 £	2020 £
Revenue analysed by class of business		
Sale of precious metals	322,852,719	209,504,207
	<u>322,852,719</u>	<u>209,504,207</u>
	2021 £	2020 £
Other significant revenue		
Interest income	33,481	-
	<u>33,481</u>	<u>-</u>
	2021 £	2020 £
Revenue analysed by geographical market		
United Kingdom	284,125,754	172,712,152
Rest of world	38,726,965	36,792,055
	<u>322,852,719</u>	<u>209,504,207</u>

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

5 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(14,603)	3,259
Fees payable to the company's auditor for the audit of the company's financial statements	75,000	25,500
Depreciation of property, plant and equipment	81,474	68,545
Profit on disposal of property, plant and equipment	(3,305)	-
Cost of inventories recognised as an expense	297,355,842	193,917,736
Research and development charged as an expense	497,112	411,662
Operating lease rentals	131,174	116,896

6 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	75,000	25,500
For other services		
Tax services	27,430	7,650
Other services	1,200	4,500
Total non-audit fees	28,630	12,150

7 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

2021 Number	2020 Number
68	54

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	2,933,778	2,235,038
Social security costs	271,752	210,098
Pension costs	66,195	74,473
	3,271,725	2,519,609

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

8 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	275,000	272,541
Company pension contributions to defined contribution schemes	10,083	20,125
	<u>285,083</u>	<u>292,666</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	130,000	139,030
Company pension contributions to defined contribution schemes	6,083	10,125
	<u>136,083</u>	<u>149,155</u>

Key management is considered to be the directors only and in addition to their remuneration shown above, social security payments were paid in respect of directors totalling £34,215.

9 Finance costs

	2021 £	2020 £
Interest on bank overdrafts and loans	<u>173,766</u>	<u>96,505</u>

10 Income tax expense

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	2,458,636	1,459,818
Adjustments in respect of prior periods	(2,433)	8,378
Total UK current tax	<u>2,456,203</u>	<u>1,468,196</u>
Deferred tax		
Origination and reversal of temporary differences	13,727	769
Changes in tax rates	-	1,417
Adjustment in respect of prior periods	-	(2,595)
	<u>13,727</u>	<u>(409)</u>
Total tax charge	<u>2,469,930</u>	<u>1,467,787</u>

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

10 Income tax expense

(Continued)

The charge for the year can be reconciled to the profit per the income statement as follows:

	2021 £	2020 £
Profit before taxation	14,540,583	8,146,927
Expected tax charge based on a corporation tax rate of 19.00% (2020: 19.00%)	2,762,711	1,547,916
Effect of expenses not deductible in determining taxable profit	59,741	11,118
Adjustment in respect of prior years	(16,635)	8,378
Research and development tax credit	(122,787)	(101,681)
Deferred tax adjustments in respect of prior years	-	(2,595)
Fixed asset differences	-	3,234
Remeasurement of deferred tax for changes in tax rates	-	1,417
Deduction for share options exercised	(213,100)	-
Taxation charge for the year	2,469,930	1,467,787

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. The UK deferred tax liability as at 30 April 2021 was calculated at 19% (2020: 19%). An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future assessment of deferred tax balances accordingly.

11 Dividends

	2021 Total £	2020 Total £
Amounts recognised as distributions:		
Final dividend paid	5,000,000	1,000,000

12 Property, plant and equipment

	Fixtures and fittings £	Motor vehicles £	Website £	Total £
Cost				
At 1 May 2019	434,287	4,350	172,851	611,488
Additions	36,407	-	3,917	40,324
At 30 April 2020	470,694	4,350	176,768	651,812
Additions	61,874	128,035	40,399	230,308
Disposals	(30,524)	(4,350)	-	(34,874)
At 30 April 2021	502,044	128,035	217,167	847,246

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

12 Property, plant and equipment

(Continued)

	Fixtures and fittings £	Motor vehicles £	Website £	Total £
Accumulated depreciation and impairment				
At 1 May 2019	376,831	3,712	82,337	462,880
Charge for the year	43,507	638	24,359	68,504
At 30 April 2020	420,338	4,350	106,696	531,384
Charge for the year	49,524	6,080	25,870	81,474
Eliminated on disposal	(24,257)	(4,350)	-	(28,607)
At 30 April 2021	445,605	6,080	132,566	584,251
Carrying amount				
At 30 April 2021	56,439	121,955	84,601	262,995
At 30 April 2020	50,356	-	70,072	120,428
At 30 April 2019	57,456	638	90,514	148,608

13 Investment property

	2021 £	2020 £
Cost		
At 1 May 2020	877,114	-
Additions	2,833,291	877,114
At 30 April 2021	3,710,405	877,114

The directors have assessed the market values of acquired investment properties, and determined that given the recent purchase of the investment properties concerned, the market value is materially the same as cost.

14 Subsidiaries

Details of the company's subsidiaries at 30 April 2021 are as follows:

Name of undertaking	Registered office	Principal activities	Class of shares held	% Held Direct
JQPM (2019) Limited	Center City House, 7 Hill Street, Floor 16, Birmingham, B5 4UA	Letting of freehold property	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

14 Subsidiaries

(Continued)

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
JQPM (2019) Limited	(71,695)	(16,771)

15 Inventories

	2021 £	2020 £
Finished goods	19,048,604	12,866,230

The difference between purchase price or production cost of stocks and their replacement cost is not material.

The carrying value of stocks are stated net of impairment losses totalling £71,434 (2020:£55,648).

Included within inventories are amounts totalling £5,141,248 (2020: £3,772,733) pertaining to inventory accounted for in accordance with IFRS15 B66-B68 where the Group has an obligation to repurchase inventory sold to a counter-party before the year end.

16 Trade and other receivables

	Current		Non-current	
	2021 £	2020 £	2021 £	2020 £
Trade receivables	355,772	451,538	-	-
Amounts owed by related parties	-	-	2,082,516	-
Amounts owed by related parties	1,398,622	853,552	-	-
Prepayments	158,367	185,400	-	-
	<u>1,912,761</u>	<u>1,490,490</u>	<u>2,082,516</u>	<u>-</u>

Non-current amounts owed by related parties are secured against investment property, accrue interest at 2% per annum and are repayable on 31 August 2040.

Current amounts owed by related parties are unsecured, interest free and are repayable on demand.

17 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date. The Group only enters into basic financial instruments which are shown in the receivables and payables notes.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

18 Trade and other payables

	2021 £	2020 £
Trade payables	457,922	717,781
Accruals	975,577	250,208
Social security and other taxation	927,979	492,403
Other payables	7,985,628	3,934,666
	<u>10,347,106</u>	<u>5,395,058</u>

Included within other payables are amounts totalling £5,141,248 (2020: £3,772,733) pertaining to inventory accounted for in accordance with IFRS15 B66-B68 where the Group has an obligation to repurchase inventory sold to a counter-party before the year end.

19 Borrowings

	Current		Non-current	
	2021 £	2020 £	2021 £	2020 £
Borrowings held at amortised cost:				
Bank loans	-	42,354	477,149	463,686
Directors' loans	<u>1,387,314</u>	<u>1,266,230</u>	<u>-</u>	<u>-</u>

The group has bank loans which totalled £477,149 at 30 April 2021 (2020: £506,040) which are repayable at the latest by 03 September 2024. The loan bears interest on a floating rate basis at a rate of no less than 2.00% per annum and is secured against 41-49 High Street, Kings Heath, Birmingham, B14 7BH, the investment property held in JQPM (2019) Limited.

20 Financial instruments

(a) Fair values of financial instruments

The directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

The Group only enters into basic financial instruments which are shown in the receivables and payables notes.

	Group		Company	
Loans and receivables	2021 £	2020 £	2021 £	2020 £
Cash and cash equivalents	3,496,361	5,194,222	3,486,887	5,193,467
Trade and other receivables	<u>3,836,910</u>	<u>1,305,090</u>	<u>7,214,084</u>	<u>1,740,171</u>
Total loans and receivables	<u>7,333,271</u>	<u>6,499,312</u>	<u>10,700,971</u>	<u>6,933,638</u>
Total financial assets	<u>7,333,271</u>	<u>6,499,312</u>	<u>10,700,971</u>	<u>6,933,638</u>

The carrying value of the above financial assets is the same as their fair value.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

20 Financial instruments

(Continued)

Financial liabilities measured at amortised cost	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade and other payables	9,419,127	4,902,655	9,413,743	4,902,655
Borrowings	1,387,314	1,308,584	1,387,314	1,266,230
Total financial liabilities measured at amortised cost	10,806,441	6,211,239	10,801,057	6,168,885
Total financial liabilities	10,806,441	6,211,239	10,801,057	6,168,885
Total financial instruments	(3,473,170)	288,074	(100,086)	764,754

The carrying value of the above financial liabilities is the same as their fair value.

b) Estimation of fair values

The following methods and assumptions were used to estimate the fair values shown above:

Trade and other receivables/payables

The fair value of receivables and payables is deemed to be the same as the book value.

Cash and cash equivalents

The fair value is deemed to be the same as the carrying amount due to the short maturity of these instruments.

Other loans

The fair value is based on the book value as the interest rate charged reflects the fair value of the borrowings.

c) Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Exposure to credit risk

The maximum exposure to credit risk at the balance sheet date by class of financial instrument was:

	Group and company	
	2021	2020
	£	£
Trade receivables	355,772	451,538

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

20 Financial instruments

(Continued)

d) Liquidity risk Financial risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:

Non-derivative financial liabilities	2021		2020	
	Contractual 1 Year or less cash flows*		Contractual 1 Year or less cash flows*	
	2021 £	2021 £	2020 £	2020 £
Trade and other payables	9,419,127	9,419,127	4,902,655	4,902,655
	<u>9,419,127</u>	<u>9,419,127</u>	<u>4,902,655</u>	<u>4,902,655</u>

* Carrying amount

e) Market risk Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments

Market risk - Commodity price risk Group

The Group does have exposure to the global market price of precious metals. This position is monitored constantly and the board does have a strategy in place to reduce this exposure if required.

Working capital, including precious metal stocks, is funded through internally generated funds and given the financial strength of the business it is well placed to mitigate this risk exposure.

Market risk - Interest rate risk Financial risk management

At the balance sheet date the Group is not exposed to interest rate fluctuations.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and movements thereon during the current and prior reporting period.

	ACAs £	Other short term timing £	Total £
Deferred tax liability at 1 May 2019	14,638	-	14,638
Deferred tax movements in prior year			
Charge/(credit) to profit or loss	(409)	-	(409)
Deferred tax liability at 1 May 2020	14,229	-	14,229
Deferred tax movements in current year			
Charge/(credit) to profit or loss	28,684	(14,957)	13,727
Deferred tax liability at 30 April 2021	42,913	(14,957)	27,956

22 Retirement benefit schemes

Defined contribution schemes

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £66,195 (2020 - £74,473).

23 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
<i>Issued and fully paid</i>				
of 0.001p each	114,832	113,506	1	1

During the year, 1,326 share options were exercised leading to the issuing of 1,326 ordinary shares of £0.0001 each. The exercise price of £25 has led to additional share premium totalling £33,150.

24 Share premium account

	2021 £	2020 £
At the beginning of the year	173,175	173,175
Issue of new shares	33,150	-
At the end of the year	206,325	173,175

Includes any premiums received on issue of share capital. Any transaction cost associated with the issuing of shares are deducted from share premium.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 APRIL 2021**

25 Capital risk management

The group is not subject to any externally imposed capital requirements.

26 Share options

In April 2011, the group issued 21,110 share options to five employees, which vest equal instalments annually over three years with an exercise price of £10.20. The share options will be settled through the transfer of existing ordinary shares. At 30 April 2021, 19,999 of these options had been exercised in total (2020: 18,757).

In December 2011, the group issued a further 8,778 share options to three employees with the same conditions and an exercise price of £25 per share. The share options will be settled through the allotment of new ordinary share capital. At 30 April 2021, 3,721 of these options had been exercised in total (2020: 2,395).

The options issued by the group are not subject to the achievement of performance conditions.

27 Related party transactions

Other transactions with related parties

Transactions with directors

The directors of the group received dividends during the year totalling £5,000,000.

Included in creditors is an amount of £474,438 due to R Halliday-Stein at 30 April 2021 (2020: £696,657). Interest of £41,514 (2020: £21,034) was charged in the year on this director's loan account balance. Included in creditors is an amount of £912,875 due to A E Smiley at 30 April 2021 (2020: £569,573). Interest of £29,436 (2020: £24,230) was charged in the year on this director's loan account balance.

Related companies

The following companies are related parties due to common directorship or shareholdings held by Mr R Halliday-Stein and/or A Smiley (directors of Jewellery Quarter Bullion Limited):

Online Advantage Limited (OLA)
Online Precision Limited (OPL)
Holosphere Limited (HL)
Smartinstall Limited (SL)
Swish Commercial Laundry Limited (SCL)
Inside Out Ventures Limited (IOV)
Charward Limited (CL)
Henlade Limited (HNL)
Mount Somerset Limited (MSL)
Fourplus Immersive Ltd (FIL)

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

27 Related party transactions

(Continued)

During the period the following transactions took place with the above companies.

Sales/(purchases) during the year:

OLA £Nil (2020: £Nil)

OPL £Nil (2020: £Nil)

HL £453,856 (2020: £248,425)

SL (£43,817) (2020: £19,500)

SCL £Nil (2020: £610)

IOV £Nil (2020: £26)

CL £Nil (2020: £Nil)

FIL £98 (2020: £Nil)

Advances/Repayments during the year:

MSL £38,761 (2020: £Nil)

HL £2,378,350 advanced and £300,000 repaid (2020: £Nil).

The following balances were outstanding as at 30 April 2021:

OLA £18,018 debtor (2020: £18,018 debtor)

OPL £13 debtor (2020: £Nil)

HL £1,194,907 debtor (2020: £741,052 debtor)

SL £87,368 debtor (2020: £94,482 debtor)

HNL £2,082,516 debtor (2020: £Nil)

MSL £38,761 debtor (2020: £Nil)

FIL £98 debtor (2020: £Nil)

Key management is considered to be the directors only and the remuneration of the directors is disclosed in note 8.

28 Controlling party

The Group is ultimately controlled by Mr R Halliday-Stein, a Director and majority shareholder of the Group.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

29 Cash generated from operations

	2021	2020
	£	As restated £
Profit for the year after tax	12,070,653	6,679,140
Adjustments for:		
Taxation charged	2,469,930	1,467,787
Finance costs	173,766	96,505
Investment income	(33,481)	-
Gain on disposal of property, plant and equipment	(3,305)	-
Depreciation and impairment of property, plant and equipment	81,474	68,545
Movements in working capital:		
Increase in inventories	(6,182,373)	(5,366,625)
(Increase)/decrease in trade and other receivables	(2,504,786)	152,267
Increase in trade and other payables	637,305	1,980,625
Cash generated from operations	6,709,183	5,078,244

30 Transition adjustments

Reconciliation of equity

	1 May 2019	30 April 2020
	£	£
Equity as previously reported	6,234,485	11,913,625

Reconciliation of profit for the financial period

	2020
	£
Profit as previously reported and after transition	6,679,140

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

30 Transition adjustments

(Continued)

Reconciliation of equity

Notes	At 1 May 2019			At 30 April 2020		
	Previously reported	Effect of transition	As restated	Previously reported	Effect of transition	As restated
	£	£	£	£	£	£
Fixed assets						
Property, plant and equipment	148,608	-	148,608	120,428	-	120,428
Investment properties	-	-	-	877,114	-	877,114
	<u>148,608</u>	<u>-</u>	<u>148,608</u>	<u>997,542</u>	<u>-</u>	<u>997,542</u>
Current assets						
Inventories	5,228,426	2,271,179	7,499,605	9,093,497	3,772,733	12,866,230
Trade and other receivables	1,642,757	-	1,642,757	1,490,490	-	1,490,490
Bank and cash	1,070,418	-	1,070,418	5,194,222	-	5,194,222
	<u>7,941,601</u>	<u>2,271,179</u>	<u>10,212,780</u>	<u>15,778,209</u>	<u>3,772,733</u>	<u>19,550,942</u>
Creditors due within one year						
Borrowings	(698,279)	-	(698,279)	(1,308,584)	-	(1,308,584)
Taxation	(279,034)	-	(279,034)	(1,453,302)	-	(1,453,302)
Other payables	(863,773)	(2,271,179)	(3,134,952)	(1,622,325)	(3,772,733)	(5,395,058)
	<u>(1,841,086)</u>	<u>(2,271,179)</u>	<u>(4,112,265)</u>	<u>(4,384,211)</u>	<u>(3,772,733)</u>	<u>(8,156,944)</u>
Net current assets	<u>6,100,515</u>	<u>-</u>	<u>6,100,515</u>	<u>11,393,998</u>	<u>-</u>	<u>11,393,998</u>
Total assets less current liabilities	<u>6,249,123</u>	<u>-</u>	<u>6,249,123</u>	<u>12,391,540</u>	<u>-</u>	<u>12,391,540</u>
Creditors due after one year						
Borrowings	-	-	-	(463,686)	-	(463,686)
Provisions for liabilities						
Deferred tax	(14,638)	-	(14,638)	(14,229)	-	(14,229)
Net assets	<u>6,234,485</u>	<u>-</u>	<u>6,234,485</u>	<u>11,913,625</u>	<u>-</u>	<u>11,913,625</u>
Equity						
Share capital	1	-	1	1	-	1
Share premium	173,175	-	173,175	173,175	-	173,175
Profit and loss	6,061,309	-	6,061,309	11,740,449	-	11,740,449
Total equity	<u>6,234,485</u>	<u>-</u>	<u>6,234,485</u>	<u>11,913,625</u>	<u>-</u>	<u>11,913,625</u>

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 APRIL 2021**

30 Transition adjustments

(Continued)

Notes to reconciliations

IFRS15

Where the Group has an obligation to repurchase inventory sold to a counter-party before the year end, IFRS15 paragraphs B66-B68 require the asset to continue being recognised, with a corresponding financial liability recognised at a total equally the consideration received from the customer. Inventories and other payables have therefore been restated at 30 April 2020 and 1 May 2019.

JEWELLERY QUARTER BULLION LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2021

		2021	2020
	Notes	£	as restated £
Non-current assets			
Property, plant and equipment	33	262,995	120,428
Investments	34	1	1
Other receivables	36	2,082,516	-
		<u>2,345,512</u>	<u>120,429</u>
Current assets			
Inventories	35	19,048,604	12,866,230
Trade and other receivables	36	5,254,260	1,917,243
Current tax recoverable		743,311	-
Cash and cash equivalents		3,486,887	5,193,467
		<u>28,533,062</u>	<u>19,976,940</u>
Current liabilities			
Trade and other payables	38	10,374,180	5,395,058
Current tax liabilities		-	1,453,302
Borrowings	37	1,387,314	1,266,230
		<u>11,761,494</u>	<u>8,114,590</u>
Net current assets		<u>16,771,568</u>	<u>11,862,350</u>
Non-current liabilities			
Deferred tax liabilities	39	27,956	14,229
Net assets		<u>19,089,124</u>	<u>11,968,550</u>
Equity			
Called up share capital	40	1	1
Share premium account		206,325	173,175
Retained earnings		18,882,798	11,795,374
Total equity		<u>19,089,124</u>	<u>11,968,550</u>


As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £12,087,424 (2020 - £6,734,064 profit)

JEWELLERY QUARTER BULLION LIMITED

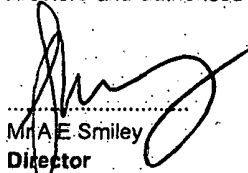
COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 APRIL 2021

The financial statements were approved by the board of directors and authorised for issue on 20/1/2022 and are signed on its behalf by:



Mr R Halliday-Stein
Director



Mr A E Smiley
Director

Company Registration No. 06758398

JEWELLERY QUARTER BULLION LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	Share capital £	Share premium account £	Retained earnings £	Total £
Balance at 1 May 2019		1	173,175	6,061,309	6,234,485
Year ended 30 April 2020:					
Profit and total comprehensive income for the year		-	-	6,734,065	6,734,065
Dividends		-	-	(1,000,000)	(1,000,000)
Balance at 30 April 2020		1	173,175	11,795,374	11,968,550
Year ended 30 April 2021:					
Profit and total comprehensive income for the year		-	-	12,087,424	12,087,424
Issue of share capital	40	-	33,150	-	33,150
Dividends		-	-	(5,000,000)	(5,000,000)
Balance at 30 April 2021		1	206,325	18,882,798	19,089,124

JEWELLERY QUARTER BULLION LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2021

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	43	3,827,897		5,259,422	
Interest paid		(163,383)		(89,533)	
Tax paid		(4,652,816)		(6,516)	
Net cash (outflow)/inflow from operating activities		(988,302)		5,163,373	
Investing activities					
Purchase of property, plant and equipment		(230,308)		(40,324)	
Proceeds on disposal of property, plant and equipment		9,572		-	
Interest received		33,481		-	
Net cash used in investing activities		(187,255)		(40,324)	
Financing activities					
Proceeds from issue of shares		33,150		-	
Directors' loan paid		(121,084)		-	
Dividends paid		(443,089)		(1,000,000)	
Net cash used in financing activities		(531,023)		(1,000,000)	
Net (decrease)/increase in cash and cash equivalents		(1,706,580)		4,123,049	
Cash and cash equivalents at beginning of year		5,193,467		1,070,418	
Cash and cash equivalents at end of year		3,486,887		5,193,467	

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

31 Accounting policies

Company information

Jewellery Quarter Bullion Limited is a private company limited by shares incorporated in England and Wales. The registered office is Centre City Tower Floor 16, 7 Hill Street, Birmingham, United Kingdom, B5 4UA. The company's principal activities and nature of its operations are disclosed in the directors' report.

31.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The company applies accounting policies consistent with those applied by the group. To the extent that an accounting policy is relevant to both group and parent company financial statements, please refer to the group financial statements for disclosure of the relevant accounting policy.

31.2 Going concern

The directors have prepared the financial statements on the going concern basis.

Management have prepared profit and loss, balance sheet and cash flow forecasts for the group extending for a period of at least 12 months from the date of approval of these financial statements which demonstrate that the group is able to meet its liabilities as they fall due for the foreseeable future.

The Group maintains high cash and stock balances, with limited exposure to external debt, and trading since 30th April 2021 remains very strong and ahead of forecasts.

The outbreak of the COVID-19 pandemic has had a favourable impact upon the company as evidenced by the financial performance achieved to the year ended 30 April 2021, and as such no material uncertainty exists in relation to COVID-19.

The directors are confident that the Group is well structured and has sufficient resources to continue in operation for the foreseeable future and that, for this reason, the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate and that no material uncertainties are present related to going concern.

32 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2021 Number	2020 Number
68	54
<u>68</u>	<u>54</u>

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

32 Employees

(Continued)

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	2,933,778	2,235,038
Social security costs	271,752	210,098
Pension costs	66,195	74,473
	<u>3,271,725</u>	<u>2,519,609</u>

33 Property, plant and equipment

	Fixtures and fittings £	Motor vehicles £	Website £	Total £
Cost				
At 1 May 2019	434,287	4,350	172,851	611,488
Additions	36,407	-	3,917	40,324
At 30 April 2020	470,694	4,350	176,768	651,812
Additions	61,874	128,035	40,399	230,308
Disposals	(30,524)	(4,350)	-	(34,874)
At 30 April 2021	<u>502,044</u>	<u>128,035</u>	<u>217,167</u>	<u>847,246</u>
Accumulated depreciation and impairment				
At 1 May 2019	376,831	3,712	82,337	462,880
Charge for the year	43,507	638	24,359	68,504
At 30 April 2020	420,338	4,350	106,696	531,384
Charge for the year	49,524	6,080	25,870	81,474
Eliminated on disposal	(24,257)	(4,350)	-	(28,607)
At 30 April 2021	<u>445,605</u>	<u>6,080</u>	<u>132,566</u>	<u>584,251</u>
Carrying amount				
At 30 April 2021	<u>56,439</u>	<u>121,955</u>	<u>84,601</u>	<u>262,995</u>
At 30 April 2020	<u>50,356</u>	<u>-</u>	<u>70,072</u>	<u>120,428</u>
At 30 April 2019	<u>57,456</u>	<u>638</u>	<u>90,514</u>	<u>148,608</u>

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

34 Investments

	Current 2021 £	2020 £	Non-current 2021 £	2020 £
Investments in subsidiaries	-	-	1	1

Fair value of financial assets carried at amortised cost

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Investment in subsidiary undertakings

Details of the company's principal operating subsidiaries are included in note 14.

35 Inventories

	2021 £	2020 As restated £
Finished goods	19,048,604	12,866,230

The difference between purchase price or production cost of stocks and their replacement cost is not material.

The carrying value of stocks are stated net of impairment losses totalling £71,434 (2020: £55,648). Impairment losses totalling £15,786 (2020: £Nil) were recognised in the profit and loss.

Included within inventories are amounts totalling £5,141,248 (2020: £3,772,733) pertaining to inventory accounted for in accordance with IFRS15 B66-B68 where the Group has an obligation to repurchase inventory sold to a counter-party before the year end.

36 Trade and other receivables

	Current 2021 £	2020 £	Non-current 2021 £	2020 £
Trade receivables	355,771	451,538	-	-
Amounts owed by related parties	-	-	2,082,516	-
Other receivables	4,775,797	1,288,633	-	-
Prepayments	122,692	177,072	-	-
	5,254,260	1,917,243	2,082,516	-

Included within current other receivables are amounts owed by related parties totalling £1,339,166 (2020 - £853,552), and amounts owed by group undertakings totalling £3,377,859 (2020 - £435,081). Amounts due are interest free, unsecured and repayable on demand.

Non-current amounts owed by related parties are secured against investment property, accrue interest at 2% per annum and are repayable on 31 August 2040.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

37 Borrowings

	2021 £	2020 £
Borrowings held at amortised cost:		
Directors' loans	1,387,314	1,266,230

38 Trade and other payables

	2021 £	2020 As restated £
Trade payables	452,538	717,781
Accruals	975,577	250,208
Social security and other taxation	960,437	492,403
Other payables	7,985,628	3,934,666
	10,374,180	5,395,058

Included within other payables are amounts totalling £5,141,248 (2020: £3,772,733) pertaining to inventory accounted for in accordance with IFRS15 B66-B68 where the Group has an obligation to repurchase inventory sold to a counter-party before the year end.

39 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs £	Other short term timing £	Total £
Deferred tax liability at 1 May 2019	14,638	-	14,638
Deferred tax movements in prior year			
Charge/(credit) to profit or loss	(409)	-	(409)
Deferred tax liability at 1 May 2020	14,229	-	14,229
Deferred tax movements in current year			
Charge/(credit) to profit or loss	28,684	(14,957)	13,727
Deferred tax liability at 30 April 2021	42,913	(14,957)	27,956

40 Share capital

Refer to note 23 of the group financial statements.

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

41 Related party transactions

Related party disclosures included at note 27 apply to both group and company and so have not been replicated.

42 Financial instruments

Please see financial instrument disclosures at note 20.

43 Cash generated from operations

	2021 £	2020 As restated £
Profit for the year after tax	12,087,424	6,734,065
Adjustments for:		
Taxation charged	2,469,930	1,467,787
Finance costs	163,383	89,533
Investment income	(33,481)	-
Gain on disposal of property, plant and equipment	(3,305)	-
Depreciation and impairment of property, plant and equipment	81,474	68,504
Movements in working capital:		
Increase in inventories	(6,182,375)	(5,366,626)
Increase in trade and other receivables	(5,419,532)	(274,486)
Increase in trade and other payables	664,379	2,540,645
Cash generated from operations	3,827,897	5,259,422