

REGISTERED NUMBER: 02675148 (England and Wales)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
FOR
JAMES JOHNSON & COMPANY LIMITED**

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FOR THE YEAR ENDED 30 JUNE 2023

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JAMES JOHNSON & COMPANY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2023**

DIRECTORS:

M P Craven
I Silk
Mrs. V Craven

REGISTERED OFFICE:

Unit C Sterling Works
Sterling Industrial Estate
Rainham Road South
Dagenham
Essex
RM10 8HR

REGISTERED NUMBER:

02675148 (England and Wales)

AUDITORS:

Haines Watts
Chartered Accountants and Statutory Auditors
The Lightbox
87 Castle Street
Reading
Berkshire
RG1 7SN

BALANCE SHEET
30 JUNE 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible assets	4		244,326		298,874
CURRENT ASSETS					
Debtors	5	2,755,176		2,877,723	
Cash at bank and in hand		3,493,315		1,279,511	
		6,248,491		4,157,234	
CREDITORS					
Amounts falling due within one year	6	3,114,001		1,392,906	
NET CURRENT ASSETS			3,134,490		2,764,328
TOTAL ASSETS LESS CURRENT LIABILITIES			3,378,816		3,063,202
CREDITORS					
Amounts falling due after more than one year	7		(224,534)		(323,461)
PROVISIONS FOR LIABILITIES			(42,947)		(51,697)
NET ASSETS			3,111,335		2,688,044
CAPITAL AND RESERVES					
Called up share capital	9		15,000		15,000
Retained earnings			3,096,335		2,673,044
SHAREHOLDERS' FUNDS			3,111,335		2,688,044

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 20 March 2024 and were signed on its behalf by:

M P Craven - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. STATUTORY INFORMATION

James Johnson & Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The financial statements have been prepared on a going concern basis. The Directors have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

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

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Grants received

Revenue grants received are recorded in the same period as the costs to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

2. ACCOUNTING POLICIES - continued

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:

S/term leasehold property - over the term of the lease

Plant & machinery - 10 years

Motor vehicles - 4 years

Fixtures and fittings - 10 years

Office equipment - 4 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loan 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.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

2. ACCOUNTING POLICIES - continued

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

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.

Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

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 shareholder at an annual general meeting.

Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Foreign currencies

Functional and presentational 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 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.

Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Pension costs

The company operates a defined contribution pension scheme. 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 the Statement of comprehensive income 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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 28 (2022 - 28) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

4. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 July 2022	206,811	694,586	139,804	172,469	1,213,670
Additions	-	22,329	18,359	-	40,688
Disposals	-	(98,018)	(78,300)	-	(176,318)
At 30 June 2023	<u>206,811</u>	<u>618,897</u>	<u>79,863</u>	<u>172,469</u>	<u>1,078,040</u>
DEPRECIATION					
At 1 July 2022	142,930	479,340	120,057	172,469	914,796
Charge for year	11,985	70,149	13,102	-	95,236
Eliminated on disposal	-	(98,018)	(78,300)	-	(176,318)
At 30 June 2023	<u>154,915</u>	<u>451,471</u>	<u>54,859</u>	<u>172,469</u>	<u>833,714</u>
NET BOOK VALUE					
At 30 June 2023	<u>51,896</u>	<u>167,426</u>	<u>25,004</u>	<u>-</u>	<u>244,326</u>
At 30 June 2022	<u>63,881</u>	<u>215,246</u>	<u>19,747</u>	<u>-</u>	<u>298,874</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	876,088	151,259
Amounts owed by group undertakings	201,258	201,282
Other debtors	1,677,830	2,525,182
	<u>2,755,176</u>	<u>2,877,723</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	613,623	836,425
Taxation and social security	489,896	85,778
Other creditors	2,010,482	470,703
	<u>3,114,001</u>	<u>1,392,906</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Other creditors	<u>224,534</u>	<u>323,461</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	227,457	207,733
Between one and five years	845,856	798,000
In more than five years	382,375	581,875
	<u>1,455,688</u>	<u>1,587,608</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022
			£	£
15,000	Ordinary	£1	<u>15,000</u>	<u>15,000</u>

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Martin Thomas FCCA (Senior Statutory Auditor)
 for and on behalf of Haines Watts

11. CONTINGENT LIABILITIES

There is an ongoing review by HMRC into the 2021 R+D claim made by the business. Whether this review will result in additional tax being paid is yet to be determined and the timescale for completion of the review is currently unknown. No provision has been made for this within the financial statements.

12. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with other wholly owned group companies.

At the balance sheet date, an amount of £30,882 (2022 - £2,789) was owed to the Company's pension scheme.

In addition, the Company occupied premises owned by certain directors or their pension scheme, on which rent of £204,400 (2022 - £194,576) was payable.

13. POST BALANCE SHEET EVENTS

Subsequent to the period end the shares in the company's immediate parent company were acquired by MC&VC Holdings Limited.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

14. CONTROLLING PARTY

The Company is a wholly owned subsidiary of MCPR Holdings Limited, a company registered in England and Wales.

The ultimate parent company is MC&VC Holdings Limited, a company registered in England and Wales.

By virtue of their equal interest in the issued share capital of MC&VC Holdings Limited, M Craven and V Craven share ultimate control.

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