



Plummer Parsons
Chartered Accountants

LMG JEWELLERY LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Company Registration No. 03884829 (England and Wales)

THURSDAY



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COMPANIES HOUSE

Chartered Accountants
& Statutory Auditor

LMG JEWELLERY LIMITED

COMPANY INFORMATION

Director	Mr C M Bassett
Secretary	M Willoughby
Company number	03884829
Registered office	Technology Business Park Moy Avenue Eastbourne East Sussex BN22 8LD
Auditors	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Business address	Bath & West Buildings Lower Bristol Road Bath Avon BA2 3EG
Bankers	National Westminster Bank Plc 39 Milsom Street Bath Avon BA1 1DS

LMG JEWELLERY LIMITED

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LMG JEWELLERY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The director presents his report and financial statements for the year ended 31 December 2013.

Review of the business

The key financial highlights for the year are as follows:

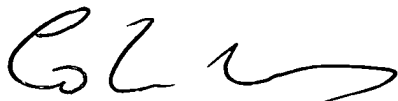
	2013 £	2012 £	2011 £	2010 £
Turnover	48,714,297	41,285,260	36,965,291	28,590,484
Turnover growth	18%	12%	29%	4%
Operating profit	1,940,676	830,333	851,856	569,883

The company has continued its good turnover growth in an insurance claims market which has been affected by increased theft claims for this category. This combined with operational controls, particularly around staff numbers has resulted in a robust performance for the year and is reflected in the cash reserves at the Balance sheet date.

However, we see that 2014 has already experienced a slow start in these claims as the industry is dealing with many flood and storm related claims which has had the potential effect of cash settling lower value jewellery claims as a result.

Throughout 2013 we continued to innovate in the validation and settlement of jewellery related claims together with continued upskilling of our staff and during 2014 and beyond we will continue to bring our extensive experience in valuations and validations to our clients.

On behalf of the board



Mr C M Bassett

Director

16 July 2014

LMG JEWELLERY LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The director presents his report and financial statements for the year ended 31 December 2013.

Principal activities and review of the business

The principal activity of the company continued to be that of independent validation, replacement and repair of insurance claims for the loss or damage of jewellery and other valuable collectibles together with third party valuations for the general public.

Results and dividends

The results for the year are set out on page 6.

The director does not recommend payment of an ordinary dividend.

Director

The following director has held office since 1 January 2013:

Mr C M Bassett

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

In accordance with the company's articles, a resolution proposing that Plummer Parsons be reappointed as auditors of the company will be put at a General Meeting.

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

LMG JEWELLERY LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

Statement of disclosure to auditors

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr C M Bassett

Director

16 July 2014

LMG JEWELLERY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LMG JEWELLERY LIMITED

We have audited the financial statements of LMG Jewellery Limited for the year ended 31 December 2013 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

Respective responsibilities of director and auditors

As explained more fully in the Director's Responsibilities Statement set out on pages 2 - 3, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

LMG JEWELLERY LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF LMG JEWELLERY LIMITED

Matters on which we are required to report by exception

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

Christopher Burgess FCA (Senior Statutory Auditor)
for and on behalf of Plummer Parsons

23 July 2014

Chartered Accountants
Statutory Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

LMG JEWELLERY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover	2	48,714,297	41,285,260
Cost of sales		(42,859,161)	(36,776,668)
Gross profit		5,855,136	4,508,592
Administrative expenses		(3,935,319)	(3,695,858)
Other operating income		20,859	17,599
Operating profit	3	1,940,676	830,333
Other interest receivable and similar income	4	1,880	11,996
Interest payable and similar charges	5	-	(2,461)
Profit on ordinary activities before taxation		1,942,556	839,868
Tax on profit on ordinary activities	6	(656,511)	(195,741)
Profit for the year	15	1,286,045	644,127

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

LMG JEWELLERY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	8		6,300		9,450
Current assets					
Stocks	9	1,192,411		1,152,153	
Debtors: amounts falling due within one year	10	9,149,904		8,115,717	
Debtors: amounts falling due after more than one year	10	3,069,399		3,128,540	
Cash at bank and in hand		2,416,922		137,981	
		<u>15,828,636</u>		<u>12,534,391</u>	
Creditors: amounts falling due within one year	11	<u>(10,878,506)</u>		<u>(10,342,014)</u>	
Net current assets			4,950,130		2,192,377
Total assets less current liabilities			4,956,430		2,201,827
Creditors: amounts falling due after more than one year	12		<u>(2,805,844)</u>		<u>(1,337,286)</u>
			<u>2,150,586</u>		<u>864,541</u>
Capital and reserves					
Called up share capital	14		25,456		25,456
Share premium account	15		410,300		410,300
Other reserves	15		88,440		88,440
Profit and loss account	15		1,626,390		340,345
Shareholders' funds	16		<u>2,150,586</u>		<u>864,541</u>

Approved by the Board and authorised for issue on 16 July 2014


Mr C M Bassett
Director

Company Registration No. 03884829

LMG JEWELLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT. Turnover for services provided is recognised when the company has fulfilled its significant obligations on each claim.

All turnover is accounted for on an accruals basis.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	25% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	25% straight line
Motor vehicles	25% straight line

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

LMG JEWELLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

3	Operating profit	2013	2012
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	3,150	3,149
	Operating lease rentals		
	- Plant and machinery	66,868	85,038
	- Other assets	181,750	182,572
		<u> </u>	<u> </u>
	Auditors' remuneration		
	Fees payable to the company's auditor for the audit of the company's annual accounts	5,360	5,250
	Taxation services	560	550
	Accountancy	405	400
		<u> </u>	<u> </u>
		6,325	6,200
		<u> </u>	<u> </u>
4	Investment income	2013	2012
		£	£
	Bank interest	1,880	11,996
		<u> </u>	<u> </u>
		1,880	11,996
		<u> </u>	<u> </u>
5	Interest payable	2013	2012
		£	£
	On bank loans and overdrafts	-	1,206
	Other interest	-	1,255
		<u> </u>	<u> </u>
		-	2,461
		<u> </u>	<u> </u>

LMG JEWELLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

6	Taxation	2013	2012
		£	£
	Domestic current year tax		
	U.K. corporation tax	444,180	195,741
	Adjustment for prior years	212,331	-
	Total current tax	<u>656,511</u>	<u>195,741</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,942,556</u>	<u>839,868</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2012 - 24.00%)	<u>446,788</u>	<u>201,568</u>
	Effects of:		
	Depreciation add back	724	756
	Capital allowances	(8,044)	(10,556)
	Adjustments to previous periods	212,331	-
	Other tax adjustments	4,712	3,973
		<u>209,723</u>	<u>(5,827)</u>
	Current tax charge for the year	<u>656,511</u>	<u>195,741</u>
7	Dividends	2013	2012
		£	£
	Ordinary interim paid	<u>-</u>	<u>1,800,000</u>

LMG JEWELLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

8 Tangible fixed assets

	Land and buildings Leasehold £	Computer equipment £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2013 & at 31 December 2013	216,544	1,279,431	85,123	12,599	1,593,697
Depreciation					
At 1 January 2013	216,544	1,279,431	85,123	3,149	1,584,247
Charge for the year	-	-	-	3,150	3,150
At 31 December 2013	216,544	1,279,431	85,123	6,299	1,587,397
Net book value					
At 31 December 2013	-	-	-	6,300	6,300
At 31 December 2012	-	-	-	9,450	9,450

9 Stocks

	2013 £	2012 £
Finished goods and goods for resale	1,192,411	1,152,153

LMG JEWELLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

10 Debtors	2013 £	2012 £
Trade debtors	6,060,337	4,882,172
Amounts owed by parent and fellow subsidiary undertakings	6,138,797	6,257,080
Other debtors	1,041	1,041
Prepayments and accrued income	19,128	103,964
	<u>12,219,303</u>	<u>11,244,257</u>

Amounts falling due after more than one year and included in the debtors above are:

	2013 £	2012 £
Amounts owed by group undertakings	<u>3,069,399</u>	<u>3,128,540</u>

11 Creditors: amounts falling due within one year	2013 £	2012 £
Trade creditors	5,544,940	5,527,934
Amounts owed to parent and fellow subsidiary undertakings	79,341	17,396
Corporation tax	444,180	198,013
Other taxes and social security costs	290,690	275,177
Other creditors	4,519,355	4,323,494
	<u>10,878,506</u>	<u>10,342,014</u>

LMG JEWELLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

12 Creditors: amounts falling due after more than one year	2013	2012
	£	£
Other creditors	2,726,502	1,319,889
Amounts owed to parent and fellow subsidiary undertakings	79,342	17,397
	<u>2,805,844</u>	<u>1,337,286</u>
Analysis of loans		
Wholly repayable within five years	2,805,844	1,337,286
	<u>2,805,844</u>	<u>1,337,286</u>
Loan maturity analysis		
In more than one year but not more than two years	2,726,502	1,319,889
In more than two years but not more than five years	79,342	17,397
	<u>2,805,844</u>	<u>1,337,286</u>
13 Pension and other post-retirement benefit commitments		
Defined contribution		
The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.		
	2013	2012
	£	£
Contributions payable by the company for the year	<u>47,824</u>	<u>47,824</u>
14 Share capital	2013	2012
	£	£
Allotted, called up and fully paid		
25,456 Ordinary Shares of £1 each	<u>25,456</u>	<u>25,456</u>

LMG JEWELLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

15 Statement of movements on reserves

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 January 2013	410,300	88,440	340,345
Profit for the year	-	-	1,286,045
	<u>410,300</u>	<u>88,440</u>	<u>1,626,390</u>
Balance at 31 December 2013	<u>410,300</u>	<u>88,440</u>	<u>1,626,390</u>

Other reserves

Capital redemption reserve

Balance at 1 January 2013 & at 31 December 2013	<u>88,440</u>
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16 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	1,286,045	644,127
Dividends	-	(1,800,000)
	<u>1,286,045</u>	<u>(1,155,873)</u>
Net addition to/(depletion in) shareholders' funds	864,541	2,020,414
Opening shareholders' funds	<u>2,150,586</u>	<u>864,541</u>
Closing shareholders' funds	<u>2,150,586</u>	<u>864,541</u>

17 Financial commitments

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014:

	Land and buildings		Other	
	2013 £	2012 £	2013 £	2012 £
Operating leases which expire:				
Between two and five years	181,750	-	-	61,275
In over five years	-	180,756	-	-
	<u>181,750</u>	<u>180,756</u>	<u>-</u>	<u>61,275</u>

LMG JEWELLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013 Number	2012 Number
Claims handlers	134	127
Management	12	11
	<u>146</u>	<u>138</u>

Employment costs

	2013 £	2012 £
Wages and salaries	3,739,252	3,529,344
Social security costs	321,712	308,946
Other pension costs	47,824	47,824
	<u>4,108,788</u>	<u>3,886,114</u>

19 Control

The parent and ultimate parent undertaking is Be Group Holdings (uk) Limited, a company incorporated in England & Wales.

The controlling party is the director C M Bassett.

20 Related party relationships and transactions

Other transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.