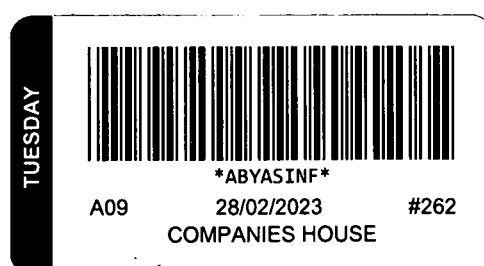


Registered number
05297666

Apex Jewellers Ltd
Report and Financial Statements
31 December 2021



Apex Jewellers Ltd
Report and accounts
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Apex Jewellers Ltd
Company Information

Director
Hiten Shah

Auditors
SMA Accountants
SMA House
172 Birmingham Rd
West Bromwich
B70 6QG

Bankers
HSBC
1 Centenary Square
Birmingham
B1 1HQ

Registered office
115 Vyse St
Birmingham
B18 6LP

Registered number
05297666

Apex Jewellers Ltd
Registered number:
Director's Report

05297666

The director presents his report and financial statements for the year ended 31 December 2021.

Principal activities

The company's principal activity during the year continued to be of selling jewellery in retail outlets and online marketplace.

Directors

The following persons served as directors during the year:

Hiten Shah

Disclosure of information to auditors

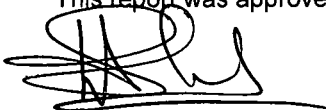
The director confirms that:

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

Auditor

The auditors, SMA (Accountants) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

This report was approved by the board on 27 February 2022 and signed on its behalf.



Hiten Shah
Director

Apex Jewellers Ltd
Statement of Director's Responsibilities

The director is responsible for preparing the report and 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 (Financial Reporting Standard 102 and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 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.

Apex Jewellers Ltd

Strategic Report

The results for the year and financial position of the company are shown in the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice)

The company's turnover increased by 20.01% to £13,464,510 for the 12 month period against the same period last year. The company's gross profit margin increased to 35.64% this year versus 34.87% last year, as a result of focusing more on higher margin products. Furthermore increasing the stock of these ranges leading to increase in stock of £1,158,572.

Next year will see a greater emphasis on increasing sales whilst maintaining margins and operating costs. The directorship will actively pursue higher sales targets through varied marketing and customer focus.

The Directors have considered events that existed at the reporting date when concluding that Covid-19 is a non-adjusting post balance sheet event.

This report was approved by the board on 27 February 2022 and signed on its behalf.



Hiten Shah
Director

Apex Jewellers Ltd
Independent auditor's report
to the member of Apex Jewellers Ltd

Opinion

We have audited the financial statements of Apex Jewellers Ltd for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (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 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.

In our opinion the financial statements:

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

Basis of opinion

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

Key audit matters

We have determined that there are no key audit matters to be communicated in our report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Apex Jewellers Ltd
Independent auditor's report
to the member of Apex Jewellers Ltd

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- 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; or

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 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.

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

Syed Ali FCCA
(Senior Statutory Auditor)
for and on behalf of
SMA Accountants
Accountants and Statutory Auditors
27 February 2022



SMA House
172 Birmingham Rd
West Bromwich

B70 6QG

Apex Jewellers Ltd
Income Statement
for the year ended 31 December 2021

	Notes	2021 £	2020 £
Turnover	2	13,464,510	10,757,897
Cost of sales		(8,666,277)	(7,006,620)
Gross profit		<u>4,798,233</u>	<u>3,751,277</u>
Distribution costs		(37,251)	(35,610)
Administrative expenses		(3,079,813)	(2,789,167)
Other operating income		420,283	604,903
Operating profit	3	2,101,452	1,531,403
Loss on sale of fixed assets		(7,540)	-
Interest receivable		53,888	-
Profit on ordinary activities before taxation		<u>2,147,800</u>	<u>1,531,403</u>
Tax on profit on ordinary activities	5	(395,341)	(298,967)
Profit for the financial year		<u>1,752,459</u>	<u>1,232,436</u>

Apex Jewellers Ltd
Statement of Financial Position
as at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	7	347,570	327,310
Current assets			
Stocks	8	10,290,138	9,664,002
Debtors	9	3,058,072	37,862
Cash at bank and in hand		609,827	666,489
		<u>13,958,037</u>	<u>10,368,353</u>
Creditors: amounts falling due within one year	10	(5,995,312)	(2,983,346)
Net current assets		<u>7,962,725</u>	<u>7,385,007</u>
Total assets less current liabilities		<u>8,310,295</u>	<u>7,712,317</u>
Creditors: amounts falling due after more than one year	11	(1,304,961)	(2,159,442)
Net assets		<u>7,005,334</u>	<u>5,552,875</u>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account	13	7,005,234	5,552,775
Total equity		<u>7,005,334</u>	<u>5,552,875</u>



Hiten Shah
Director

Approved by the board on 27 February 2022

Apex Jewellers Ltd
Statement of Changes in Equity
for the year ended 31 December 2021

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
At 1 January 2020	100	-	-	4,570,339	4,570,439
Profit for the financial year				1,232,436	1,232,436
Dividends				(250,000)	(250,000)
At 31 December 2020	<u>100</u>	<u>-</u>	<u>-</u>	<u>5,552,775</u>	<u>5,552,875</u>
 At 1 January 2021	 100	 -	 -	 5,552,775	 5,552,875
Profit for the financial year				1,752,459	1,752,459
Dividends				(300,000)	(300,000)
At 31 December 2021	<u>100</u>	<u>-</u>	<u>-</u>	<u>7,005,234</u>	<u>7,005,334</u>

Apex Jewellers Ltd
Statement of Cash Flows
for the year ended 31 December 2021

	Notes	2021 £	2020 £
Operating activities			
Profit for the financial year		1,752,459	1,232,436
Adjustments for:			
Loss on sale of fixed assets		7,540	-
Interest receivable		(53,888)	-
Tax on profit on ordinary activities		395,341	298,967
Depreciation		89,952	77,577
Increase in stocks		(626,136)	(346,313)
Increase in debtors		(3,020,210)	(37,862)
Increase/(decrease) in creditors		2,261,607	(2,410,213)
		<u>806,665</u>	<u>(1,185,408)</u>
Interest received		53,888	-
Corporation tax paid		(251,873)	(350,073)
Cash generated by/(used in) operating activities		<u>608,680</u>	<u>(1,535,481)</u>
Investing activities			
Payments to acquire tangible fixed assets		(137,752)	(34,000)
Proceeds from sale of tangible fixed assets		20,000	-
Cash used in investing activities		<u>(117,752)</u>	<u>(34,000)</u>
Financing activities			
Equity dividends paid		(300,000)	(250,000)
Repayment of loans		(247,590)	2,000,000
Cash (used in)/generated by financing activities		<u>(547,590)</u>	<u>1,750,000</u>
Net cash (used)/generated			
Cash generated by/(used in) operating activities		608,680	(1,535,481)
Cash used in investing activities		(117,752)	(34,000)
Cash (used in)/generated by financing activities		(547,590)	1,750,000
Net cash (used)/generated		<u>(56,662)</u>	<u>180,519</u>
Cash and cash equivalents at 1 January		<u>666,489</u>	<u>485,970</u>
Cash and cash equivalents at 31 December		<u>609,827</u>	<u>666,489</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>609,827</u>	<u>666,489</u>

Apex Jewellers Ltd
Notes to the Accounts
for the year ended 31 December 2021

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Fixtures, fittings, tools and equipment	20% reducing balance
---	----------------------

Investments

Investments in subsidiaries, associates and joint ventures are measured at cost less any accumulated impairment losses. Listed investments are measured at fair value. Unlisted investments are measured at fair value unless the value cannot be measured reliably, in which case they are measured at cost less any accumulated impairment losses. Changes in fair value are included in the profit and loss account.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Apex Jewellers Ltd
Notes to the Accounts
for the year ended 31 December 2021

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

Apex Jewellers Ltd
Notes to the Accounts
for the year ended 31 December 2021

2 Analysis of turnover	2021	2020
	£	£
Sale of goods	<u>13,464,510</u>	<u>10,757,897</u>
By geographical market:		
UK	<u>13,464,510</u>	<u>10,757,897</u>
3 Operating profit	2021	2020
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	89,952	92,721
Amortisation of goodwill	-	6,500
Carrying amount of stock sold	<u>8,351,774</u>	<u>8,241,945</u>
4 Staff costs	2021	2020
	£	£
Wages and salaries	1,178,972	1,062,210
Social security costs	44,111	62,084
Other pension costs	<u>19,406</u>	<u>18,968</u>
	<u>1,242,489</u>	<u>1,143,262</u>
5 Taxation	2021	2020
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	395,341	298,967
	<u>395,341</u>	<u>298,967</u>
Tax on profit on ordinary activities		
	<u>395,341</u>	<u>298,967</u>

Apex Jewellers Ltd
Notes to the Accounts
for the year ended 31 December 2021

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>2,147,800</u>	<u>1,531,403</u>
Standard rate of corporation tax in the UK	19%	19%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	408,082	290,967
Effects of:		
Expenses not deductible for tax purposes	622	39,342
Capital allowances for period in excess of depreciation	(13,363)	(31,342)
Current tax charge for period	<u>395,341</u>	<u>298,967</u>

6 Intangible fixed assets

£

Goodwill:

Cost

At 1 January 2021

65,000

At 31 December 2021

65,000

Amortisation

At 1 January 2021

65,000

At 31 December 2021

65,000

Carrying amount

At 31 December 2021

-

Goodwill is being written off in equal annual instalments over its estimated economic life of 10 years.

Apex Jewellers Ltd
Notes to the Accounts
for the year ended 31 December 2021

7 Tangible fixed assets

	Fixtures, fittings, tools and equipment At cost £
Cost or valuation	
At 1 January 2021	739,688
Additions	137,752
Disposals	<u>(34,000)</u>
At 31 December 2021	<u>843,440</u>
Depreciation	
At 1 January 2021	412,378
Charge for the year	89,952
On disposals	<u>(6,460)</u>
At 31 December 2021	<u>495,870</u>
Carrying amount	
At 31 December 2021	<u>347,570</u>
At 31 December 2020	<u>327,310</u>

8 Stocks	2021 £	2020 £
Finished goods and goods for resale	<u>10,290,138</u>	<u>9,664,002</u>

9 Debtors	2021 £	2020 £
Trade debtors	153,169	37,862
Other debtors	<u>2,904,903</u>	<u>-</u>
	<u>3,058,072</u>	<u>37,862</u>

10 Creditors: amounts falling due within one year	2021 £	2020 £
Bank loans	447,449	-
Trade creditors	4,093,051	1,824,390
Corporation tax	442,435	298,967
Other taxes and social security costs	558,581	277,250
Other creditors	<u>453,796</u>	<u>582,739</u>
	<u>5,995,312</u>	<u>2,983,346</u>

11 Creditors: amounts falling due after one year	2021 £	2020 £
Bank loans	1,304,961	2,000,000

Apex Jewellers Ltd
Notes to the Accounts
for the year ended 31 December 2021

Other creditors	-	159,442
	<u>1,304,961</u>	<u>2,159,442</u>

12 Share capital	Nominal value	2021 Number	2021 £	2020 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	-	<u>100</u>	<u>100</u>

Apex Jewellers Ltd
Notes to the Accounts
for the year ended 31 December 2021

13 Profit and loss account	2021	2020
	£	£
At 1 January	5,552,775	4,570,339
Profit for the financial year	1,752,459	1,232,436
Dividends	(300,000)	(250,000)
At 31 December	<u>7,005,234</u>	<u>5,552,775</u>

14 Dividends	2021	2020
	£	£
Dividends on ordinary shares (note 13)	<u>300,000</u>	<u>250,000</u>

15 Presentation currency

The financial statements are presented in Sterling.

16 Legal form of entity and country of incorporation

Apex Jewellers Ltd is a private company limited by shares and incorporated in England.

17 Principal place of business

The address of the company's principal place of business and registered office is: 115 Vyse St, Birmingham, B18 6LP