

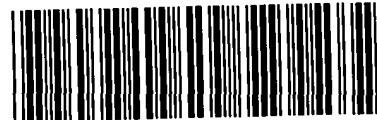
Company's Registered Number: 06268542

JCB CONSUMER PRODUCTS LIMITED

Report and financial statements
for the year ended

31 DECEMBER 2017

TUESDAY



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JCB CONSUMER PRODUCTS LIMITED

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JCB CONSUMER PRODUCTS LIMITED

DIRECTORS AND ADVISERS

Directors

Alice Bamford
Lady Bamford
Joseph Bamford

Secretary

Steve Ovens

Registered office

Lakeside Works
Rocester
Uttoxeter
Staffordshire
ST14 5JP

Auditors

Nexia Smith & Williamson Audit Limited
Chartered Accountants
25 Moorgate
London
EC2R 6AY

JCB CONSUMER PRODUCTS LIMITED

DIRECTORS' REPORT

The directors present their report and the accounts for the year ended 31 December 2017.

Activities

The principal activity of the company is the promotion of the JCB brand through a portfolio of licensees in various commercial markets.

Business review

The business continues to have a portfolio of licensees split into five broad categories; Kids, Work wear, Trade, DIY and Merchandising.

The number of licensee's year on year remains fairly constant, with the business establishing long term relationships with its key partners. These product categories are managed by the existing team of dedicated specialists who maintain regular communication flows with all licensees.

There has been growth in the Merchandising sector largely driven by the growth in the construction industry, but other sectors have either remained flat or reduced slightly versus the prior year. There have also been a number of key contracts cease during the year.

Overall, trading profit for 2017 was marginally down against the prior year, but the business remains in a strong position.

Directors

The directors of the company during the year were as follows:

Alice Bamford
Lady Bamford
Joseph Bamford

Disclosure of information to the auditors

In the case of each person who was a director at the time this report was approved:

- so far as that director was aware there was no relevant audit information of which the company's auditors were unaware; and
- that director had taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors were aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

The above report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Approved by the board of directors
and signed on behalf of the board


Lady Carole Bamford
Director

JCB CONSUMER PRODUCTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JCB CONSUMER PRODUCTS LIMITED

Opinion

We have audited the financial statements of Consumer Products Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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 directors' report, 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

JCB CONSUMER PRODUCTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JCB CONSUMER PRODUCTS LIMITED (continued)

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.

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, 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 or 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

JCB CONSUMER PRODUCTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JCB CONSUMER PRODUCTS LIMITED (continued)

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

Use of our report

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

Nexia Smith & Williamson

Keith Jackman
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

[Date]

22 November 2018

JCB CONSUMER PRODUCTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 DECEMBER 2017

	Notes	2017 £	2016 £
Turnover	1	2,932,520	3,153,590
Gross profit		2,932,590	3,153,590
Administrative expenses		(808,530)	(842,278)
Operating profit		2,123,990	2,329,312
Other income	5	2,147	4,123
Profit before taxation	6	2,126,137	2,333,435
Taxation	7	-	-
Total comprehensive income for the financial year		2,126,137	2,333,435

Profit and total comprehensive income for the financial year is attributable to the owners of the parent.

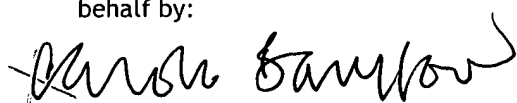
BALANCE SHEET as at 31 DECEMBER 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	8	6,385	11,933
Current assets			
Stocks	9	43,697	20,324
Debtors	10	15,412,577	13,308,662
Cash at bank and in hand		1,739,265	1,371,898
		17,195,539	14,700,884
Creditors: amounts falling due within one year	11	(889,381)	(526,411)
Net current assets		16,306,158	14,174,473
Net assets		16,312,543	14,186,406
Capital and reserves			
Share capital	12	1	1
Retained earnings		16,312,542	14,186,405
		16,312,543	14,186,406

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

20 November 2018

The financial statements were approved by the Board of Directors on and were signed on its behalf by:



Lady Bamford
Director

JCB CONSUMER PRODUCTS LIMITED

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2017

	Share capital £	Retained earnings £	Total equity £
Balance at 1 January 2016	1	11,852,970	11,852,971
Profit and total comprehensive income for the year	-	2,333,435	2,333,435
Balance at 31 December 2016	1	14,186,405	14,186,406
Profit and total comprehensive income for the year	-	2,126,137	2,126,137
Balance at 31 December 2017	1	16,312,542	16,312,543

JCB CONSUMER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2017

1 Accounting policies

The principal accounting policies are summarised below.

Basis of preparation

JCB Consumer Products Limited is a private limited company incorporated in England and Wales. The address of the registered office is Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP.

Going concern

The directors have not identified any material uncertainties that cast significant doubt over the company's ability to continue as a going concern. The company has adequate financial resources to pay its liabilities as they fall due. This is not expected to change in the near future. For these reasons, it is considered appropriate to use the going concern basis in preparing the accounts.

Revenue recognition

Revenue comprises royalty income receivable from licensees. Revenue is recognised on an accruals basis in accordance with the relevant licence agreements.

Taxation

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

The current tax charge is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences between taxable profits and total comprehensive income that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

JCB CONSUMER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

Taxation (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle on a net basis.

Fixed assets

Depreciation is provided on cost in equal instalments over the estimated useful lives of the assets concerned. Assets are depreciated on a straight line basis over three to five years.

Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Employee benefits

Short term employee benefits including holiday pay and annual bonuses are accrued as services are rendered. Contributions to defined contribution pension schemes are charged to profit or loss as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and those actually paid are shown as either accruals or prepayments in the balance sheet.

2 Key sources of estimation uncertainty and judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2017 (continued)

2 Key sources of estimation uncertainty and judgements (continued)

Judgements

Financial instruments classification

The classification of financial instruments as “basic” or “other” requires judgement as to whether all the applicable conditions for classification as basic are met. This includes consideration of the form of the instrument and its return.

Key sources of estimation uncertainty

Bad debt provisions

The trade debtor balances of £664,230 (2016: £586,936) are recorded in the company’s balance sheet. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

3 Directors’ emoluments

None of the directors received any emoluments for their services (2016: £nil).

JCB CONSUMER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2017 (continued)

4 Employee information

The average number of persons, including directors, employed by the company during the year was 8 (2016: 8).

	2017 £	2016 £
Staff costs for the above persons were:		
Wages and salaries	247,262	234,139
Social security costs	26,722	22,360
Pension costs	39,625	14,075
	<hr/>	<hr/>
	313,609	270,574
	<hr/>	<hr/>

5 Other income

	£	£
Sundry income	2,147	4,123
	<hr/>	<hr/>

6 Profit on ordinary activities before taxation is

stated after charging:

Services provided by the company's auditor and its associate

During the year the company obtained the following services and paid the following amounts:

	£	£
Auditor's remuneration for audit services	5,000	5,000
	<hr/>	<hr/>
Fees payable to the company's auditor and its associate for other services:		
- accounting	2,500	2,500
- tax services	4,000	4,000
	<hr/>	<hr/>
Total non-audit fees	6,500	6,500
	<hr/>	<hr/>

JCB CONSUMER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2017 (continued)

	2017	2016
7 Tax on profit on ordinary activities	£	£
(a) UK corporation tax at 19.25% (2016: 20.25%)		
Current	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
(b) Factors affecting tax charge for period		
	£	£
Profit on ordinary activities before tax	2,126,137	2,333,435
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK at 19.25% % (2016: 20%)	409,209	466,687
Effects of:		
Expenses not deductible for tax purposes	1,423	400
Group relief claimed	(410,123)	(466,167)
Deferred tax not recognised	(450)	(920)
Other short term timing differences	(59)	-
	<hr/>	<hr/>
Current tax charge for year	-	-
	<hr/>	<hr/>

JCB CONSUMER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2017 *(continued)*

8 Tangible fixed assets	Plant and machinery £
Cost	
At 1 January 2017	134,038
Additions	1,871
	<hr/>
	135,909
	<hr/>
Depreciation	
At 1 January 2017	122,105
Charge for the year	7,419
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At 31 December 2017	129,524
	<hr/>
Net book value	
At 31 December 2017	6,385
	<hr/>
At 31 December 2016	11,933
	<hr/>

JCB CONSUMER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2017 (continued)

9	Stocks	2017	2016
		£	£
	Finished goods	43,697	20,324
		<hr/>	<hr/>
10	Debtors	£	£
	Trade debtors	664,230	586,936
	Amounts owed by group undertakings	13,406,715	11,400,000
	Prepayments and accrued income	1,341,632	1,321,726
		<hr/>	<hr/>
		15,412,577	13,308,662
		<hr/>	<hr/>
11	Creditors: amounts falling due within one year	£	£
	Trade creditors	110,290	95,520
	Other creditors	278,167	200,310
	Accruals and deferred income	500,924	230,581
		<hr/>	<hr/>
		889,381	526,411
		<hr/>	<hr/>
		£	£
12	Called up share capital		
	Issued and fully paid		
	At 1 January 2017 and 31 December 2017	1	1
		<hr/>	<hr/>

13 Reserves

A description of each reserve is set out below.

Retained earnings

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

JCB CONSUMER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2017 (continued)

14 Related party transactions

During the year, the following transactions have been made with companies in which Lord Bamford and Lady Bamford are directors.

	2017 £	2016 £
- Sales		
JCB Service and subsidiaries	-	34,685
- Purchases		
JCB Service and subsidiaries	-	233,159
- Included in debtors are the following amounts:		
JCB Service and subsidiaries	16,281	32,073
JCB Power Products Limited	6,715	16,715
- Included in creditors are the following amounts:		
JCB Service and subsidiaries	148,865	205,474
JCB Power Products Limited	5,673	15,000

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the company. In the opinion of the board the company's key management are the directors of JCB Products Consumer Limited. Total compensation to key management personnel is £nil (2016: £nil).

The company is a subsidiary of BHoldings Limited, a company incorporated in England and Wales, which is ultimately controlled by Lady Carole Bamford.

15 Financial instruments

The company's financial instruments comprise cash and cash equivalents, amounts owed by group undertakings and items such as trade creditors and trade debtors which arise directly from its operations.

The company's operations expose it to a variety of financial risks including credit risk and liquidity risk. Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Credit risk

The company's credit risk is primarily attributable to its trade debtors. The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

The carrying amount of financial assets represents the maximum credit exposure.

Liquidity risk

The company holds sufficient financial resources to enable it to meet its obligations as they fall due. The company has no external debt.

The company's financial liabilities (none of which are derivative financial liabilities) comprise trade creditors, which are measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2017 (*continued*)

16 **Contingent liabilities**

There is a cross guarantee to the bank with BHoldings Limited and other subsidiaries in the group.