Financial Statements
Jewellery Quarter Bullion Limited

For the Year Ended 30 April 2016

Registered number: 06758398

Company Information

Directors	R Halliday-Stein A E Smiley
Registered number	06758398
Registered office	Centre City Tower Floor 16 7 Hill Street Birmingham B5 4UA
Independent auditors	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor The Colmore Building 20 Colmore Circus Birmingham West Midlands B4 6AT
Bankers	Barclays Bank Plc Edgbaston Birmingham West Midlands B15 2TT

Contents

Strategic Report
For the Year Ended 30 April 2016

Introduction

The directors present their Strategic report for the year ended 30 April 2016.

Business review and future developments

The business has seen strong growth in the year, with turnover increasing 41% to £107.8m (2015: £76.2m) and profit before tax growth of 160% to £2.1m from £0.8m.

We continue to invest significantly in building our brand, and developing our infrastructure, platform and people in order to position the business for future growth. The board looks forward with confidence to future progress.

Principal risks and uncertainties

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

The main risks arising from the company'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 company trades only with creditworthy third parties, and these are monitored regularly. The company does not offer any credit terms to customers, reducing any credit risk.

Commodity price risk

The company 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.

Financial key performance indicators

The Directors monitor a range of key financial performance indicators, principally:

	2016	2015
Turnover	£108m	£76m
Gross Margin	£5.7m	£3.6m
Profit Before Tax	£2.1m	£0.8m

Strategic Report (continued)
For the Year Ended 30 April 2016

This report was approved by the board on 30th January 2017 and signed on its behalf.

R. Halliday

R Halliday-Stein
Director

Directors' Report

For the Year Ended 30 April 2016

The Directors present their report and the financial statements for the year ended 30 April 2016.

Results and dividends

The profit for the year, after taxation, amounted to £1,900,316 (2015 - £1,015,531).

Directors

The Directors who served during the year were:

R Halliday-Stein
A E Smiley

Charitable contributions

The company's charitable contributions during the year were £29,429 (2015: £423).

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, 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 that 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 Financial Reporting Standard 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 for the Company financial statements 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; and
- 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.

Matters covered in the strategic report

For a review of the business and details of financial risk objectives and policies please refer to the strategic report.

Directors' Report (continued)
For the Year Ended 30 April 2016

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30th January 2017 and signed on its behalf.

R. Halliday

R Halliday-Stein
Director

Grant Thornton

Independent Auditors' Report to the Members of Jewellery Quarter Bullion Limited

We have audited the financial statements of Jewellery Quarter Bullion Limited for the year ended 30 April 2016, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement on page 3, the Directors are 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 30 April 2016 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 the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements.

Grant Thornton

Independent Auditors' Report to the Members of Jewellery Quarter Bullion Limited (continued)

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.

Grant Thornton UK LLP

David White (Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Birmingham
Date: 30/1/17

Statement of Comprehensive Income
For the Year Ended 30 April 2016

	Note	2016 £	2015 £
Turnover	4	**107,773,199**	76,211,025
Cost of sales		**(102,121,478)**	(72,652,670)
Gross profit		**5,651,721**	3,558,355
Distribution costs		**(1,560,738)**	(1,094,536)
Administrative expenses		**(1,928,848)**	(1,622,425)
Operating profit	5	**2,162,135**	841,394
Interest receivable and similar income	9	**220**	5,956
Interest payable and expenses	10	**(19,197)**	(24,211)
Profit on ordinary activities before tax		**2,143,158**	823,139
Tax on profit	11	**(242,842)**	192,392
Profit on ordinary activities for the year		**1,900,316**	1,015,531

There were no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 11 to 24 form part of these financial statements.

Jewellery Quarter Bullion Limited

Registered number:06758398

Statement of Financial Position

As at 30 April 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	13		**147,577**		149,467
			147,577		149,467
Current assets					
Stocks	14	**1,942,882**		2,692,303	
Debtors: amounts falling due within one year	15	**552,931**		1,112,284	
Cash at bank and in hand	16	**679,838**		415,590	
		3,175,651		4,220,177	
Creditors: amounts falling due within one year	17	**(726,619)**		(974,364)	
Net current assets			**2,449,032**		3,245,813
Total assets less current liabilities			**2,596,609**		3,395,280
Provisions for liabilities					
Deferred tax	19	**(12,124)**		(18,986)	
			(12,124)		(18,986)
Net assets			**2,584,485**		3,376,294
Capital and reserves					
Called up share capital	20		**1**		1
Share premium account	21		**173,175**		115,300
Profit and loss account	21		**2,411,309**		3,260,993
			2,584,485		3,376,294

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30\1\17

R.Halliday

R Halliday-Stein
Director

A E Smiley
Director

The notes on pages 11 to 24 form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 April 2016

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2015	1	115,300	3,260,993	3,376,294
Comprehensive income for the year				
Profit for the year	-	-	1,900,316	1,900,316
Total comprehensive income for the year	-	-	1,900,316	1,900,316
Dividends: Equity capital	-	-	(2,750,000)	(2,750,000)
Issue of shares	-	57,875	-	57,875
Total transactions with owners	-	57,875	(2,750,000)	(2,692,125)
At 30 April 2016	1	173,175	2,411,309	2,584,485

Statement of Changes in Equity

For the Year Ended 30 April 2015

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2014	1	115,300	2,745,462	2,860,763
Comprehensive income for the year				
Profit for the year	-	-	1,015,531	1,015,531
Total comprehensive income for the year	-	-	1,015,531	1,015,531
Dividends: Equity capital	-	-	(500,000)	(500,000)
Total transactions with owners	-	-	(500,000)	(500,000)
At 30 April 2015	1	115,300	3,260,993	3,376,294

The notes on pages 11 to 24 form part of these financial statements.

Statement of Cash Flows
For the Year Ended 30 April 2016

	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year	**1,900,316**	1,015,531
Adjustments for:		
Depreciation of tangible assets	**65,760**	59,838
Interest paid	**19,197**	24,211
Interest received	**(220)**	(5,956)
Taxation charge/(credit)	**242,842**	(192,392)
Decrease/(increase) in stocks	**749,421**	(528,473)
(Increase) in debtors	**(76,805)**	(115,348)
(Decrease)/increase in creditors	**(421,114)**	538,233
Corporation tax received/(paid)	**559,823**	(89,632)
Net cash generated from operating activities	**3,039,220**	706,012
Cash flows from investing activities		
Purchase of tangible fixed assets	**(63,870)**	(21,277)
Interest received	**220**	5,956
Net cash from investing activities	**(63,650)**	(15,321)
Cash flows from financing activities		
Issue of ordinary shares	**57,875**	-
Dividends paid	**(2,750,000)**	(500,000)
Interest paid	**(19,197)**	(24,211)
Net cash used in financing activities	**(2,711,322)**	(524,211)
Net increase in cash and cash equivalents	**264,248**	166,480
Cash and cash equivalents at beginning of year	**415,590**	249,110
Cash and cash equivalents at the end of year	**679,838**	415,590
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**679,838**	415,590
	679,838	415,590

Notes to the Financial Statements
For the Year Ended 30 April 2016

1. Company information

The company is a private company limited by shares and is incorporated in England and Wales. The registered office is Centre City Tower Floor 16, 7 Hill Street, Birmingham, B5 4UA. The Principal activity of the company during the year was the sale and purchase of precious metals. The financial statements are presented in sterling (£).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 28.

FRS 102 has been applied from 1 May 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 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. This will typically be upon receipt of funds against a valid purchase order.
- 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.

Notes to the Financial Statements
For the Year Ended 30 April 2016

2. Accounting policies (continued)

2.3 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.

Depreciation is provided on the following basis:

Motor vehicles	- straight line 25%
Fixtures and equipment	- straight line 10 - 33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change 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.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price, less future costs expected to be incurred to completion and disposal. In determining the cost of stock, the closing gold, silver and platinum list price as at the balance sheet date is used.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.5 Debtors

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

2.6 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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and

Notes to the Financial Statements
For the Year Ended 30 April 2016

2. Accounting policies (continued)

2.7 Financial instruments (continued)

other third parties and loans to related parties.

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 payables or receivables, 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 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 Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 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.

2.9 Finance costs

Finance costs are charged to the Income Statement 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.

2.10 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 shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Notes to the Financial Statements
For the Year Ended 30 April 2016

2. Accounting policies (continued)

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. 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 payments 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Interest income

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

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

Notes to the Financial Statements
For the Year Ended 30 April 2016

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

4. Turnover

Turnover and profit on ordinary activities before taxation are attributable to the sale and purchase of precious metals.

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets	**65,760**	59,838
Operating lease - property	**42,937**	42,225
Defined contribution pension cost	**82,434**	79,948

Notes to the Financial Statements

For the Year Ended 30 April 2016

6. Auditors' remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	**14,500**	12,000
Non-audit services	**6,450**	4,900

7. Employees

Staff costs, including Directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	**976,244**	725,434
Social security costs	**98,654**	73,159
Cost of defined contribution scheme	**82,434**	79,948
	1,157,332	878,541

The average monthly number of employees, including the Directors, during the year was as follows:

	2016 No.	2015 No.
	25	23

8. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	**183,298**	152,954
Company contributions to defined contribution pension schemes	**53,075**	60,625
	236,373	213,579

During the year retirement benefits were accruing to 2 Directors (2015 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £87,580 (2015: £77,328).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £36,667 (2015: £43,333).

Notes to the Financial Statements
For the Year Ended 30 April 2016

9. Interest receivable

	2016 £	2015 £
Other interest receivable	**220**	5,956

10. Interest payable and similar charges

	2016 £	2015 £
Bank interest payable	**893**	7,451
On directors' loan account	**18,304**	16,760
	19,197	24,211

11. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	**302,803**	130,534
Adjustments in respect of previous periods	**(53,099)**	(319,267)
	249,704	(188,733)
Total current tax	**249,704**	(188,733)
Deferred tax		
Accelerated capital allowances	**(6,862)**	(3,659)
Total deferred tax	**(6,862)**	(3,659)
Taxation on profit/(loss) on ordinary activities	**242,842**	(192,392)

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.92%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	**2,143,158**	823,139
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.92%)	**428,611**	172,183
Effects of:		
Fixed asset differences	**310**	3,946
Expenses not deductible for tax purposes	**1,881**	10
Other permanent differences	**(74,085)**	-
Additional deduction for research and development expenditure	**(59,429)**	-
Adjustments to tax charge in respect of prior periods	**(53,099)**	(319,267)
Adjust closing deferred tax to average rate	**(1,347)**	-
Utilisation of tax losses and other deductions	-	(49,264)
Total tax charge for the year	242,842	(192,392)

12. Dividends

	2016 £	2015 £
Dividends paid	**2,750,000**	500,000

Notes to the Financial Statements

For the Year Ended 30 April 2016

13. Tangible fixed assets

	Motor vehicles	Fixtures & fittings	Total
	£	£	£
Cost			
At 1 May 2015	-	342,171	342,171
Additions	4,350	59,520	63,870
At 30 April 2016	4,350	401,691	406,041
Depreciation			
At 1 May 2015	-	192,704	192,704
Charge owned for the period	448	65,312	65,760
At 30 April 2016	448	258,016	258,464
Net book value			
At 30 April 2016	3,902	143,675	147,577
At 30 April 2015	-	149,467	149,467

14. Stocks

	2016	2015
	£	£
Finished goods and goods for resale	1,942,882	2,692,303

Stock recognised in cost of sales during the year as an expense was £102,121,478 (2015 - £72,652,670).

An impairment loss of £NIL (2015 - £NIL) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

Notes to the Financial Statements

For the Year Ended 30 April 2016

15. Debtors

	2016 £	2015 £
Trade debtors	**400,890**	316,829
Tax recoverable	**57,876**	691,983
Other debtors	**94,165**	103,472
	552,931	1,112,284

An impairment charge of £Nil (2015: £Nil) was recognised against trade debtors.

16. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	**679,838**	415,590

17. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	**132,885**	329,736
Corporation tax	**300,381**	127,011
Taxation and social security	**165,780**	66,366
Other creditors	**32,189**	383,054
Accruals and deferred income	**95,384**	68,197
	726,619	974,364

Notes to the Financial Statements

For the Year Ended 30 April 2016

18. Financial instruments

	2016	2015
	£	£
Financial assets		
Cash and cash equivalents	**679,838**	415,590
Financial assets that are debt instruments measured at amortised cost	**428,326**	338,804
	1,108,164	754,394
Financial liabilities		
Financial liabilities measured at amortised cost	**(260,458)**	(780,987)
	(260,458)	(780,987)

Financial assets measured at amortised cost comprise trade debtors and amounts due from related parties.

Financial Liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

19. Deferred taxation

	2016	2015
	£	£
At beginning of year	(18,986)	(22,645)
Charged to the profit or loss	6,862	3,659
At end of year	**(12,124)**	**(18,986)**

The provision for deferred taxation is made up as follows:

	2016	2015
	£	£
Accelerated capital allowances	**(12,124)**	(18,986)
	(12,124)	(18,986)

Notes to the Financial Statements
For the Year Ended 30 April 2016

20. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
113,506 (2015 - 111,191) Ordinary shares shares of £0.00001 each	**1**	1

During the year 2,315 ordinary shares were issued at a purchase price of £25 per share.

21. Reserves

Share premium

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

Profit and loss account

Includes all current and prior period retained profits and losses.

22. Capital commitments

At 30 April 2016 the company had no capital commitments (2015: £nil)

23. Pension commitments

The company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are administered by independent managers. The pension scheme charge represents contributions paid from the company and amounted to £82,434 (2015: £79,948).

24. Commitments under operating leases

At 30 April 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings 2016 £	Land and buildings 2015 £
Less than 1 year	**42,819**	42,937
Between 2 and 5 years	**47,277**	90,096
	90,096	133,033

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For the Year Ended 30 April 2016

25. Share options

In April 2011, the company issued 21,110 share options to five employees, which vest in equal installments 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 2016, 17,777 of these options had been exercised in total (30 April 2015: 17,777).

In December 2011, the company 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. During the year, 2,315 options were exercised. On 30 April 2016, 2,395 of these options had been exercised (2015: 80).

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

Of the 29,888 share options issued, 26,963 had vested prior to the date of transition to FRS 102 and as a result there is no share based payment charge to account for on the grounds of materiality.

26. Related party transactions

Transactions with the directors

The directors of the company received dividends during the year as follows:

Mr R Halliday-Stein - £2,022,820 (2015: 374,734)
Mr A E Smiley - £539,409 (2015: 99,927)

Included in other creditors is an amount of £18,091 due to R Halliday Stein at 30 April 2016 (2015: £343,949). Interest of £15,056 (2015: £14,523) was charged in the year on this directors loan account balance.

During the year sales of £1,679,466 (2015: £Nil) were made to R Halliday-Stein and £436,361 (2015: £Nil) to A E Smiley at arm's length. The amounts due were settled through a reduction in the respective directors' loan account balances.

Included in other creditors is an amount of £6,400 due to A E Smiley at 30 April 2016 (2015: £2,237). Interest of £3,248 (2015: £2,237) was charged in the year on the directors loan account balance.

Related companies
The following companies are ultimately controlled by Mr R Halliday-Stein (director of Jewellery Quarter Bullion Limited):

Online Advantage Limited (OLA)
JQPM Limited (JQPM)
Online Precision Limited (OPL)

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

	2016 OLA £	2016 JQPM £	2015 OLA £	2015 JQPM £
Recharges of costs to the company	-	-	-	-
Short term loans from the company	-	-	-	-
Year-end debtor	17,878	-	17,878	-
Year-end creditor	-	1	-	65
	17,878	1	17,878	65

27. Controlling party

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

28. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.