

Registered number: 06758398

JEWELLERY QUARTER BULLION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2020



JEWELLERY QUARTER BULLION LIMITED

COMPANY INFORMATION

Directors	R Halliday-Stein A E Smiley K G Edelman
Registered number	06758398
Registered office	Centre City Tower Floor 16 7 Hill Street Birmingham B5 4UA
Independent auditor	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

JEWELLERY QUARTER BULLION LIMITED

CONTENTS

	Page
Group Strategic Report	1 - 2
Directors' Report	3 - 4
Independent Auditor's Report	5 - 8
Consolidated Statement of Comprehensive Income	9
Consolidated Statement of Financial Position	10
Company Statement of Financial Position	11 - 12
Consolidated Statement of Changes in Equity	13
Company Statement of Changes in Equity	14
Consolidated Statement of Cash Flows	15
Notes to the Financial Statements	16 - 34

JEWELLERY QUARTER BULLION LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2020

Introduction

The directors present their Strategic report for the year ended 30 April 2020.

Business review and future developments

The business has performed strongly in all areas during the year.

Turnover has increased from £125m to £209m
Operating profit rose substantially from £1.1m to £8.2m

The UK market has seen strong growth in both sales and profitability. Our sustained investment over the last 10 years in building our customer base and our commitment to exceptional customer service delivered both record repeat customer orders and new customers.

Our investment in International growth is starting to deliver material sales and a positive gross margin contribution. We are now very confident that we have a strong platform on which to accelerate our international expansion.

Our jewellery business continues to grow well. The sustained investment in both product, marketing and people is beginning to deliver very encouraging results and we look forward to continuing to build upon this success. Our commitment to providing high quality jewellery, fair pricing, exceptional customer service and next day delivery is clearly resonating with customers.

The Group remains focused on developing our brands, as well as the platform, infrastructure and our people in order to support our growth

The board looks forward with confidence to future progress.

Principal risks and uncertainties

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

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

Commodity price risk

The Group 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.

JEWELLERY QUARTER BULLION LIMITED

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2020

Covid-19

As with all sectors of the economy, the Group has seen the impact of Covid-19 which has led to a greater awareness and demand for precious metals. Given the significant investment made in our infrastructure, platform and people to date, we have been well placed to meet this increase in demand from the market both in the UK and internationally.

The online Jewellery business has also seen a considerable increase in consumer demand as sales have shifted online, an existing trend which has been accelerated by the impact of Covid-19.

Brexit

Given the success of our global expansion in recent years, we have inevitably been exposed to the evolving implications of Brexit. The continued uncertainty in the lead up to the UK's exit from the EU has driven significant order volumes from both repeat customers and a wave of new entrants to the market, raising awareness of our offering in the wider marketplace.

As with all companies who export into the EU, we have experienced logistical challenges, but are well placed to adapt to the new requirements and continue to grow in this important market for us.

Going Concern

As part of the going concern review, management have prepared profit and loss, balance sheet and cash flow forecasts for the group extending for a period of at least 12 months from the date of signing these financial statements.

The Group maintains high cash and stock balances, with limited exposure to external debt, and trading since 30th April 2020 remains very strong and ahead of forecasts.

The directors are confident that the Group is well structured and has sufficient resources to continue in operation for the foreseeable future and that, for this reason, the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate.

Financial key performance indicators

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

	2020	2019
Turnover	£210m	£126m
Gross margin	£15.6m	£7.0m
Profit before tax	£8.1m	£1.0m

This report was approved by the board on 28 April 2021 and signed on its behalf.



R Halliday-Stein
Director

JEWELLERY QUARTER BULLION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2020

The directors present their report and the financial statements for the year ended 30 April 2020.

Results and dividends

The profit for the year, after taxation, amounted to £6,679,140 (2019: £974,849).

Dividends of £1,000,000 (2019: £Nil) were declared during the year.

Directors

The directors who served during the year were:

R Halliday-Stein
A E Smiley
K G Edelman

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, 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 and profit or loss of the Company and Group 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;
- 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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Charitable contributions

The Group's charitable contributions during the year were £11,550 (2019: £275).

Matters covered in the strategic report

For a review of the business, including future developments, and details of principal risks and uncertainties please refer to the strategic report.

JEWELLERY QUARTER BULLION LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2020**

Post balance sheet events

On 3 November 2020, the board of directors declared a dividend of £2,500,000 in respect of the year ended 30 April 2021 to be paid on 12 November 2020, this is considered a non-adjusting event.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Auditor

The auditor, 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 28 April 2021 and signed on its behalf.

Rob Halliday-Stein

R Halliday-Stein
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JEWELLERY QUARTER BULLION LIMITED

Opinion

We have audited the financial statements of Jewellery Quarter Bullion Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 April 2020, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated and Company Statement of Changes in Equity 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 April 2020 and of the Group's 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 Group and the parent 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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Group's or the parent Company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Group's or the parent Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a Group and parent Company associated with these particular events.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JEWELLERY QUARTER BULLION LIMITED (CONTINUED)

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 Group's or the parent 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.

In our evaluation of the directors' conclusions, we considered the risks associated with the Group's or the parent Company's business model, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the Group's or the parent Company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects. .

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group and the parent Company will continue in operation.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. 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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JEWELLERY QUARTER BULLION LIMITED
(CONTINUED)**

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 Group 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 Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out 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, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JEWELLERY QUARTER BULLION LIMITED (CONTINUED)

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.

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.

Grant Thornton

Andrew Turner FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham

28 April 2021

JEWELLERY QUARTER BULLION LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2020**

	Note	2020 £	2019 £
Turnover	4	209,504,211	125,512,719
Cost of sales		(193,917,736)	118,474,175)
Gross profit		15,586,475	7,038,544
Distribution costs		(3,247,315)	(2,576,432)
Administrative expenses		(4,095,728)	(3,352,005)
Operating profit	5	8,243,432	1,110,107
Interest payable and expenses	9	(96,505)	(61,277)
Profit before tax		8,146,927	1,048,830
Tax on profit	10	(1,467,787)	(73,981)
Profit for the financial year		6,679,140	974,849
Profit for the year attributable to:			
Owners of the parent company		6,679,140	974,849
		6,679,140	974,849
Total comprehensive income attributable to:			

There was no other comprehensive income for 2020 (2019: £Nil).

The notes on pages 16 to 34 form part of these financial statements.

JEWELLERY QUARTER BULLION LIMITED
REGISTERED NUMBER:06758398

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	997,542	148,608
		<u>997,542</u>	<u>148,608</u>
Current assets			
Stocks	14	9,093,497	5,228,426
Debtors: amounts falling due within one year	15	1,490,490	1,642,757
Cash at bank and in hand	16	5,194,222	1,070,418
		<u>15,778,209</u>	<u>7,941,601</u>
Creditors: amounts falling due within one year	17	(4,384,211)	(1,841,086)
Net current assets		<u>11,393,998</u>	<u>6,100,515</u>
Total assets less current liabilities		<u>12,391,540</u>	<u>6,249,123</u>
Creditors: amounts falling due after more than one year		(463,686)	-
Provisions for liabilities			
Deferred tax	20	(14,229)	(14,638)
		<u>(14,229)</u>	<u>(14,638)</u>
Net assets		<u><u>11,913,625</u></u>	<u><u>6,234,485</u></u>
Capital and reserves			
Called up share capital	21	1	1
Share premium account	22	173,175	173,175
Profit and loss account	22	11,740,449	6,061,309
		<u><u>11,913,625</u></u>	<u><u>6,234,485</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Rob Halliday-Stein

R Halliday-Stein
Director

Date: 28 April 2021

Anthony Smiley

A E Smiley
Director

Date: 28 April 2021

The notes on pages 16 to 34 form part of these financial statements.

JEWELLERY QUARTER BULLION LIMITED
REGISTERED NUMBER:06758398

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	120,428	148,608
Investments	13	1	-
		<u>120,429</u>	<u>148,608</u>
Current assets			
Stocks	14	9,093,497	5,228,426
Debtors: amounts falling due within one year	15	1,917,243	1,642,757
Cash at bank and in hand	16	5,193,467	1,070,418
		<u>16,204,207</u>	<u>7,941,601</u>
Creditors: amounts falling due within one year	17	(4,341,857)	(1,841,086)
Net current assets		<u>11,862,350</u>	<u>6,100,515</u>
Total assets less current liabilities		<u>11,982,779</u>	<u>6,249,123</u>
Provisions for liabilities			
Deferred taxation	20	(14,229)	(14,638)
		<u>(14,229)</u>	<u>(14,638)</u>
Net assets		<u><u>11,968,550</u></u>	<u><u>6,234,485</u></u>

JEWELLERY QUARTER BULLION LIMITED
REGISTERED NUMBER:06758398

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 APRIL 2020

	Note	2020 £	2019 £
Capital and reserves			
Called up share capital	21	1	1
Share premium account	22	173,175	173,175
Profit and loss account brought forward		6,061,309	5,086,460
Profit for the year		6,734,065	974,849
Dividends paid		(1,000,000)	-
		<u>11,795,374</u>	<u>6,061,309</u>
Profit and loss account carried forward		<u>11,968,550</u>	<u>6,234,485</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Rob Halliday-Stein

R Halliday-Stein
Director

Date: 28 April 2021

Anthony Smiley

A E Smiley
Director

Date: 28 April 2021

The notes on pages 16 to 34 form part of these financial statements.

JEWELLERY QUARTER BULLION LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2020**

	Called up share capital	Share premium account	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 May 2019	1	173,175	6,061,309	6,234,485	6,234,485
Comprehensive income for the year					
Profit for the year	-	-	6,679,140	6,679,140	6,679,140
Total comprehensive income for the year	-	-	6,679,140	6,679,140	6,679,140
Dividends: Equity capital	-	-	(1,000,000)	(1,000,000)	(1,000,000)
Total transactions with owners	-	-	(1,000,000)	(1,000,000)	(1,000,000)
At 30 April 2020	1	173,175	11,740,449	11,913,625	11,913,625

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2018	1	173,175	5,086,460	5,259,636
Comprehensive income for the year				
Profit for the year	-	-	974,849	974,849
At 30 April 2019	1	173,175	6,061,309	6,234,485

The notes on pages 16 to 34 form part of these financial statements.

JEWELLERY QUARTER BULLION LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2019	1	173,175	6,061,309	6,234,485
Comprehensive income for the year				
Profit for the year	-	-	6,734,065	6,734,065
	-	-	6,734,065	6,734,065
Total comprehensive income for the year				
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(1,000,000)	(1,000,000)
	-	-	(1,000,000)	(1,000,000)
Total transactions with owners				
At 30 April 2020	1	173,175	11,795,374	11,968,550

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2019

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2018	1	173,175	5,086,460	5,259,636
Comprehensive income for the year				
Profit for the year	-	-	974,849	974,849
	-	-	974,849	974,849
Total comprehensive income for the year				
At 30 April 2019	1	173,175	6,061,309	6,234,485

The notes on pages 16 to 34 form part of these financial statements.

JEWELLERY QUARTER BULLION LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2020**

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	6,679,140	974,849
Adjustments for:		
Depreciation of tangible assets	68,545	79,480
Interest paid	96,505	61,277
Taxation charge	1,467,787	73,981
(Increase) in stocks	(3,865,071)	(368,031)
Decrease/(increase) in debtors	152,267	(216,343)
Increase in creditors	479,071	247,642
Corporation tax (paid)	(14,487)	(96,872)
Net cash generated from operating activities	<u>5,063,757</u>	<u>755,983</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(397,439)	(45,695)
Net cash from investing activities	<u>(397,439)</u>	<u>(45,695)</u>
Cash flows from financing activities		
Directors' loan paid	(353,375)	(440,874)
Loans paid	(13,960)	-
Interest paid	(96,505)	(61,277)
Dividends paid	(78,674)	-
Net cash used in financing activities	<u>(542,514)</u>	<u>(502,151)</u>
Net increase in cash and cash equivalents	<u>4,123,804</u>	<u>208,137</u>
Cash and cash equivalents at beginning of year	1,070,418	862,281
Cash and cash equivalents at the end of year	<u><u>5,194,222</u></u>	<u><u>1,070,418</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u><u>5,194,222</u></u>	<u><u>1,070,418</u></u>

JEWELLERY QUARTER BULLION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

1. Company information

Jewellery Quarter Bullion Limited is a private company limited by shares. The Company was incorporated in England and is registered in England and Wales. Its registered head office is located at Centre City Tower Floor 16, 7 Hill Street, Birmingham, B5 4UA.

The principal activity of the Company and Group 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 unless otherwise specified within these accounting policies 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.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No statement of cash flows has been presented for the parent company;
- No disclosures have been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.3 Going concern

As part of the going concern review, management have prepared profit and loss, balance sheet and cash flow forecasts for the group extending for a period of at least 12 months from the date of signing these financial statements.

The Group maintains high cash and stock balances, with limited exposure to external debt, and trading since 30th April 2020 remains very strong and ahead of forecasts.

The directors are confident that the Group is well structured and has sufficient resources to continue in operation for the foreseeable future and that, for this reason, the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 Group 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; at which point the risks and rewards, any movements in the value of the products are borne by the customer;
- the product has either been dispatched or the customer specifically requests delivery to be delayed and acknowledges the deferred delivery instructions;
- the amount of revenue can be measured reliably;
- it is probable that the Group 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.

2.5 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.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)
2.5 Tangible fixed assets (continued)

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 profit or loss.

2.6 Investment property

Investment property is initially measured at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit and loss.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first-in, first-out basis.

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.

2.9 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.

2.10 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 Consolidated 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 Group's cash management.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)**2.11 Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties 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 debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Consolidated Statement of Comprehensive Income.

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.

2.12 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.

2.13 Finance costs

Finance costs are charged to profit or loss 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.

2.14 Dividends

Equity dividends are recognised when they become legally payable.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.15 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss 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 Group in independently administered funds.

2.16 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 profit or loss in the year that the Group 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.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

2.19 Research and development

Expenditure on research and development is written off in the year in which it is incurred.

3. Judgments 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.

The directors have opted to not disclose an analysis of turnover by geographical location on the grounds this would be seriously prejudicial to the Group.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

5. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Research & development charged as an expense	411,662	362,689
Depreciation of fixed assets	68,545	79,480
Other operating lease rentals	116,896	110,254
	<u>697,103</u>	<u>552,423</u>

6. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	25,500	14,500
Taxation compliance services	6,750	3,100
Taxation advisory services	900	1,800
Assurance related services	3,000	4,500
Other accounting services	1,500	1,000
	<u>37,650</u>	<u>24,900</u>

7. Employees

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

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	2,235,038	1,813,232	2,235,038	1,813,232
Social security costs	210,098	183,859	210,098	183,859
Cost of defined contribution scheme	74,473	121,953	74,473	121,953
	<u>2,519,609</u>	<u>2,119,044</u>	<u>2,519,609</u>	<u>2,119,044</u>

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

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
	54	47	54	47
	<u>54</u>	<u>47</u>	<u>54</u>	<u>47</u>

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	272,541	251,889
Company contributions to defined contribution pension schemes	20,125	80,000
	<u>292,666</u>	<u>331,889</u>

During the year retirement benefits were accruing to 2 directors (2019: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £139,030 (2019: £159,100).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,125 (2019: £40,000).

9. Interest payable and similar expenses

	2020 £	2019 £
Directors' loan interest payable	45,264	43,159
Other interest payable	51,241	18,118
	<u>96,505</u>	<u>61,277</u>

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

10. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	1,459,818	80,297
Adjustments in respect of previous periods	8,378	(11,357)
Total current tax	<u>1,468,196</u>	<u>68,940</u>
Deferred tax		
Origination and reversal of timing differences	769	(1,247)
Adjustment in respect of previous periods	(2,595)	6,288
Effect of tax rate change in opening balance	1,417	-
Total deferred tax	<u>(409)</u>	<u>5,041</u>
Taxation on profit on ordinary activities	<u>1,467,787</u>	<u>73,981</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019: *lower than*) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>8,146,927</u>	<u>1,048,830</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	1,547,916	199,278
Effects of:		
Fixed asset differences	3,234	-
Expenses not deductible for tax purposes	11,118	1,759
Other permanent differences	-	(32,550)
Additional deduction for research and development expenditure	(101,681)	(89,584)
Adjustments to tax charge in respect of prior periods	8,378	(11,357)
Adjustments to deferred tax charge in respect of prior periods	(2,595)	6,288
Remeasurement of deferred tax for changes in tax rates	1,417	147
Total tax charge for the year	<u>1,467,787</u>	<u>73,981</u>

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

10. Taxation (continued)**Factors that may affect future tax charges**

The Finance Act 2020 maintained the main rate of corporation tax rate at 19% from 1 April 2020, overriding the Finance Act 2017 which had reduced the main rate to 17% from that date. Deferred tax balances at the year end have been recognised at a corporation tax rate of 19% (2019: 19%).

11. Tangible fixed assets**Group**

	Investment property £	Motor vehicles £	Fixtures & fittings £	Total £
Cost				
At 1 May 2019	-	4,350	607,138	611,488
Additions	877,114	-	40,365	917,479
At 30 April 2020	877,114	4,350	647,503	1,528,967
Depreciation				
At 1 May 2019	-	3,712	459,168	462,880
Charge for the year on owned assets	-	638	67,907	68,545
At 30 April 2020	-	4,350	527,075	531,425
Net book value				
At 30 April 2020	877,114	-	120,428	997,542
At 30 April 2019	-	638	147,970	148,608

The directors performed a valuation of the investment property at 30 April 2020 and determined that there has been no material change to the market value of the property in the current year.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

11. Tangible fixed assets (continued)**Company**

	Motor vehicles £	Fixtures & fittings £	Total £
Cost			
At 1 May 2019	4,350	607,138	611,488
Additions	-	40,365	40,365
At 30 April 2020	4,350	647,503	651,853
Depreciation			
At 1 May 2019	3,712	459,168	462,880
Charge for the year on owned assets	638	67,907	68,545
At 30 April 2020	4,350	527,075	531,425
Net book value			
At 30 April 2020	-	120,428	120,428
At 30 April 2019	638	147,970	148,608

12. Analysis of net debt

	At 1 May 2019 £	Cash flows £	Other non- cash changes £	At 30 April 2020 £
Cash at bank and in hand	1,070,418	4,123,804	-	5,194,222
Mortgage	-	13,960	(520,000)	(506,040)
	<u>1,070,418</u>	<u>4,137,764</u>	<u>(520,000)</u>	<u>4,688,182</u>

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

13. Fixed asset investments**Company**

	Investments in subsidiary companies £
Cost	
Additions	1
At 30 April 2020	<u>1</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
JQPM (2019) Limited	Centre City House, 7 Hill Street, Floor 16, Birmingham, B5 4UA	Letting of freehold property	Ordinary	100%

The aggregate of the share capital and reserves as at 30 April 2020 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
JQPM (2019) Limited	(54,924)	(54,925)

JQPM (2019) Limited (Company no: 12099791) is exempt from the requirements of an audit under section 479A of the Companies Act 2006 as Jewellery Quarter Bullion Limited has provided this company with a parental guarantee.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

14. Stocks

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Finished goods and goods for resale	9,093,497	5,228,426	9,093,497	5,228,426

The difference between purchase price or production cost of stocks and their replacement cost is not material.

The carrying value of stocks are stated net of impairment losses totalling £55,648 (2019: £Nil). Impairment losses totalling £Nil (2019: £Nil) were recognised in the profit and loss.

15. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	451,538	564,219	451,538	564,219
Amounts owed by group undertakings	-	-	435,081	-
Amounts owed by related parties	853,552	896,123	853,552	896,123
Other debtors	185,400	182,415	177,072	182,415
	1,490,490	1,642,757	1,917,243	1,642,757

An impairment loss of £Nil (2019: £Nil) was recognised against trade debtors.

Amounts owed by group undertakings and related parties are unsecured, interest free and are repayable on demand.

16. Cash and cash equivalents

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	5,194,222	1,070,418	5,193,467	1,070,418

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

17. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	717,781	437,191	717,781	437,191
Directors' loan accounts	1,266,230	698,279	1,266,230	698,279
Corporation tax	1,453,302	-	1,453,302	-
Other taxation and social security	492,403	287,412	492,403	287,412
Other creditors	161,933	162,293	161,933	162,293
Loans	42,354	-	-	-
Accruals and deferred income	250,208	255,911	250,208	255,911
	4,384,211	1,841,086	4,341,857	1,841,086

18. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £
Loans	463,686	-

The Group has balances which totalled £506,040 at 30 April 2020 (2019: £Nil) which are repayable at the latest by 03 September 2024. The loan bears interest on a floating rate basis at a rate of no less than 2.00% per annum and is secured against 41-49 High Street, Kings Heath, Birmingham, B14 7BH, the investment property held in JQPM (2019) Limited.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

19. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial assets				
Cash and cash equivalents	5,194,222	1,070,418	5,193,467	1,070,418
Financial assets that are debt instruments measured at amortised cost	1,477,525	1,634,379	1,908,706	1,634,379
	<u>6,671,747</u>	<u>2,704,797</u>	<u>7,102,173</u>	<u>2,704,797</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(2,902,192)	(1,553,674)	(2,396,152)	(1,553,674)

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

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

20. Deferred taxation**Group**

	2020 £	2019 £
At beginning of year	(14,638)	(9,597)
(Charged)/credited to profit or loss	409	(5,041)
At end of year	<u>(14,229)</u>	<u>(14,638)</u>

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

20. Deferred taxation (continued)**Company**

	2020 £	2019 £
At beginning of year	(14,638)	(9,597)
(Charged)/credited to profit or loss	409	(5,041)
At end of year	(14,229)	(14,638)

The provision for deferred taxation is made up as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Fixed asset timing differences	(14,229)	(14,638)	(14,229)	(14,638)

21. Share capital

	2020 £	2019 £
Shares classified as equity		
Allotted, called up and fully paid		
113,506 Ordinary shares of £0.00001 each	1	1

22. 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.

23. Capital commitments

At 30 April 2020 the Group had capital commitments of £Nil (2019: £Nil)

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

24. Pension commitments

The Group operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are administered by independent managements. The pension scheme charge represents contributions paid from the Group and amounted to £74,473 (2019: £121,953).

25. Commitments under operating leases

At 30 April 2020 the Group and Company had future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings 2020 £	<i>Land and buildings 2019 £</i>
Group		
Not later than 1 year	85,010	86,187
Between 2 and 5 years	-	85,010
	<u>85,010</u>	<u>171,197</u>

26. Share options

In April 2011, the Group 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 2020, 18,757 of these options had been exercised in total (2019: 18,757).

In December 2011, the Group 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. At 30 April 2020, 2,395 of these options had been exercised in total (2019: 2,395).

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

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

27. Related party transactions

Transactions with the directors

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

Mr R Halliday-Stein - £725,548 (2019: £Nil)

Mr A E Smiley - £195,778 (2019: £Nil)

Included in creditors is an amount of £696,657 due to R Halliday Stein at 30 April 2020 (2019: £259,868). Interest of £21,034 (2019: £20,844) was charged in the year on this director's loan account balance. Included in creditors is an amount of £569,573 due to A E Smiley at 30 April 2020 (2019: £438,411). Interest of £24,230 (2019: £22,315) was charged in the year on this director's loan account balance.

Related companies

The following companies are related parties due to common directorship or shareholdings held by Mr R Halliday-Stein (director of Jewellery Quarter Bullion Limited):

Online Advantage Limited (OLA)

Online Precision Limited (OPL)

Holosphere Limited (HL)

Smartinstall Limited (SL)

Swish Commercial Laundry Limited (SCL)

Inside Out Ventures Limited (IOV)

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

Sales and recharges during the year:

OLA £Nil (2019: £Nil)

HL £248,425 (2019: £243,158)

SL £19,500 (2019: £17,537)

SCL £610 (2019: £6,097)

IOV £26 (2019: £4,146)

The following balances were owed by as at 30 April 2020:

OLA £18,018 debtor (2019: £18,018 debtor)

HL £741,052 debtor (2019: £692,626 debtor)

SL £94,482 debtor (2019: £107,393 debtor)

SCL £Nil debtor (2019: £32,300 debtor)

IOV £Nil debtor (2019: £45,786 debtor)

During the period amounts owed from Swish Commercial Laundry and Inside Out were fully impaired as the businesses were no longer considered sustainable due to changes made by the government and therefore the amounts due from these companies were no longer considered recoverable.

Key management is considered to be the directors only and the remuneration of the directors is disclosed in note 8.

The Group has taken advantage of the exemption under section 33 of FRS 102 to not disclose transactions with wholly owned group members.

JEWELLERY QUARTER BULLION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

28. Post balance sheet events

On 3 November 2020, the board of directors declared a dividend of £2,500,000 in respect of the year ended 30 April 2021 to be paid on 12 November 2020, this is considered a non-adjusting event.

29. Controlling party

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