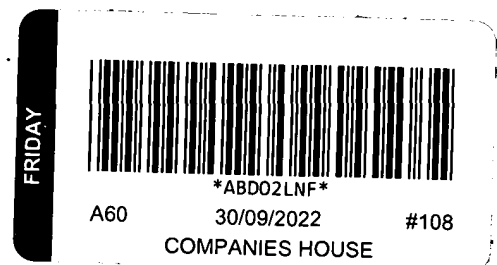


# BKJ Holdings Limited

Registered number: 10768301

## Annual report and financial statements

For the year ended 31 December 2021



---

**BKJ HOLDINGS LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	B Johnson K A Johnson
<b>Registered number</b>	10768301
<b>Registered office</b>	15 Clover Nook Road Cotes Park Industrial Estate Somercotes Alfreton Derbyshire DE55 4RF
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor 6 Dominus Way Mendian Business Park Leicester LE19 1RP

---

**BKJ HOLDINGS LIMITED**

---

---

**CONTENTS**

---

	Page
Group strategic report	1 – 3
Directors' report	4 – 5
Independent auditor's report	6 – 9
Consolidated profit and loss account	10
Consolidated balance sheet	11
Company balance sheet	12
Consolidated statement of changes in equity	13
Company statement of changes in equity	14
Consolidated statement of cash flows	15 – 16
Consolidated analysis of net funds	16
Notes to the financial statements	17 – 35

---

## BKJ HOLDINGS LIMITED

---

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### Introduction

The Directors present their strategic report for BKJ Holdings Limited for the year ended 31 December 2021.

#### Principal activity

The principal activity of the Group during the year continued to be that of civil engineering and property development.

The principal activity of the Company during the year continued to be that of a holding company and the provision of management services to its group companies.

#### Business review and key performance indicators

The year under review continued to be challenging given the ongoing global and domestic economic landscape and the adverse impact this in turn is having on the Group's markets. To combat these prevailing conditions, the Board have continued to focus on a strategy of only undertaking high quality, profitable work to ensure the continued strength of its output, and the business itself for the long term.

Turnover in 2021 has increased by 35% on the previous year to £20,711,349 (2020: £15,341,698), whilst gross margins fell by 2.5 points to 16.7%. The Group continued to focus on winning and delivering profitable contracts. However, unexpected and uncontrollable inflationary cost pressures and the well documented supply challenges for raw materials and labour have eroded originally budgeted margins.

The Board have continued to maintain a tight control on overhead expenditure but the Group has unfortunately experienced a significant bad debt during the year given the demise of one of its customer contractors, Morgan Beaumont, which has adversely impacted on profitability during the period under review.

Despite all of these challenges, the Board are pleased to report the Group has remained profitable and cash generative.

The business has responded to the challenges in the current market by continuing to focus on delivering profitable contracts which allow flexibility in pricing models to mitigate the impact of inflationary pressures, and innovatively securing up supply chain challenges in both raw material and labour. As a result, the Group is in an enviable position to continue to deliver excellent service to its customers and reporting continued profitability in the future.

The Board consider that sustained cash generation and the existence of no significant long term debt in the Group to be the foundation on which the success of the business has been built to date and will be the cornerstone of its future development.

At the year end the Group's shareholders' funds had increased to £6,992,129 (2020: £6,331,729). Consequently, the Board believe the Group's financial position to be strong, particularly with net current assets of £4,258,075 (2020: £3,712,246) at the year end.

#### Strategy and future developments

At present, the Group's market place remains competitive and challenged. This is particularly due to the general macroeconomic climate. However, as a result of a planned on-going strategy of investment in the successful development of the Group's customer base and its dedication to high service levels, the Board continue to be optimistic for the businesses future prospects for the long term.

---

**BKJ HOLDINGS LIMITED**

---

---

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**Principal risks and uncertainties**

The Board recognise that there are a number of risks and uncertainties faced by the Group which may affect performance. The Board meet regularly to review these risks and where necessary incorporate processes in order to minimise these risks.

**Coronavirus and the COVID-19 pandemic**

The Board has and are continuing to fully assess the impact of the outbreak of COVID-19 on all areas of its business. This includes ongoing and continuing discussions with all of the business' key stakeholders. As part of this process, the Directors have been assessing the likely trading levels of the Group for the foreseeable future and evaluating if the business has adequate financial and non-financial resources available to continue to trade profitably, without significant disruption, and meet its liabilities as and when they fall due.

**Liquidity risk**

The Group finances its operations primarily via its retained earnings. At the year end the Group's only external financing obligations relate to hire purchase agreements and a bank loan.

**Receivables credit risk**

The Group's credit risk predominantly arises from trade receivables. The exposure to this risk is reduced by the fact that invoices to customers are raised on a monthly basis based on the value of work completed.

**Post balance sheet events**

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide. The Directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event with the greatest impact expected to be from the indirect economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessments.

**Invasion of Ukraine and Russian sanctions**

The Group does not operate in either Ukraine or Russia and no key suppliers or customers are located in either country. The Board's assessment of this highly tragic geopolitical situation is that the business is not directly impacted at present, albeit as with all UK businesses and households they are similarly impacted by the general inflationary cost pressure that presently exists in the UK economy. The Board will continue to keep this situation under review and only work on profitable contracts that allow pricing flexibility to ensure budgeted margins can be maintained.

**Going concern**

After reviewing the Group's forecasts and projections, the Directors have a reasonable expectation that the Group can remain a viable, going concern for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

---


**BKJ HOLDINGS LIMITED**

---

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

This report was approved by the Board and signed on its behalf.

  
Kyle Johnson [Sep 28, 2022 18:36 GMT+1]

**K A Johnson**  
Director

Date: Sep 28, 2022

---

**BKJ HOLDINGS LIMITED**

---

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

The Directors present their report and the financial statements for the year ended 31 December 2021.

**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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 ("FRS 102") 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Group's 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;
- 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 to 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.

**Results and dividends**

The profit for the year, after taxation, amounted to £731,280 (2020 - £1,538,079).

Dividends of £70,880 were paid during the year (2020 - £80,880).

**Directors**

The Directors who served during the year were:

B Johnson  
K A Johnson

**Going concern**

After reviewing the Group's forecasts and projections, the Directors have reasonable expectation that the Group can remain a viable, going concern for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing the financial statements.

---

**BKJ HOLDINGS LIMITED**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**Matters covered in the strategic report**

As permitted by Paragraph 1A of Schedule 7 of the Large and Medium sized companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the director's report have been omitted as they are included in the strategic report on pages 1-3. These matters relate to the business review, principal risks and uncertainties and future developments.

**Disclosure of information to auditor**


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

- so far as the Directors are 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 ought to have been taken as Directors in order to be 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, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

  
\_\_\_\_\_  
Kyle Johnson [Sep 28, 2022 18:56 GMT+1]

**K A Johnson**  
Director

Date: Sep 28, 2022



---

## BKJ HOLDINGS LIMITED

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BKJ HOLDINGS LIMITED

---

#### Opinion

We have audited the financial statements of BKJ Holdings Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated and company statement of changes in equity, the consolidated statement of cash flows, the consolidated analysis of net funds and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 31 December 2021 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.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

---

**BKJ HOLDINGS LIMITED**

---

---

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BKJ HOLDINGS LIMITED**

---

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**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.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Group and of 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.

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, 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.

**Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 4, 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 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.

---

## BKJ HOLDINGS LIMITED

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BKJ HOLDINGS LIMITED

---

#### 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Group and the Parent Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Group or the Parent Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Group or the Parent Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

---

**BKJ HOLDINGS LIMITED**

---

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BKJ HOLDINGS LIMITED**


---

**Auditor's responsibilities for the audit of the financial statements (continued)**

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

**Use of the audit 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.

  
Paul Johnson (Sep 28, 2022 18:21 GMT+1)

Paul Johnson (Senior Statutory Auditor)

for and on behalf of

Mazars LLP  
Chartered Accountants and Statutory Auditor  
6 Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP

Date: Sep 29, 2022

---

**BKJ HOLDINGS LIMITED**

---

---

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

	Note	2021 £	2020 £
Turnover	4	20,711,349	15,341,698
Cost of sales		(17,250,612)	(12,390,210)
<b>Gross profit</b>		<b>3,460,737</b>	<b>2,951,488</b>
Administrative expenses		(2,434,281)	(1,028,359)
Other operating income	5	35,128	37,650
<b>Operating profit</b>	6	<b>1,061,584</b>	<b>1,960,779</b>
Interest receivable and similar income	10	142	426
Interest payable and similar expenses	11	(40,340)	(21,992)
<b>Profit before tax</b>		<b>1,021,386</b>	<b>1,939,213</b>
Tax on profit	12	(290,106)	(401,134)
<b>Profit for the financial year</b>		<b>731,280</b>	<b>1,538,079</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent		731,280	1,538,079

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated profit and loss account.


The notes on pages 17 to 35 form part of these financial statements.

**BKJ HOLDINGS LIMITED**  
**REGISTERED NUMBER: 10768301**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	14	968,114	1,136,482
Tangible assets	15	3,119,823	2,557,867
		<u>4,087,937</u>	<u>3,694,349</u>
<b>Current assets</b>			
Stocks	17	1,174,355	2,231,114
Debtors	18	3,776,827	3,865,498
Cash at bank and in hand	19	2,176,528	1,697,790
		<u>7,127,710</u>	<u>7,794,402</u>
Creditors: Amounts falling due within one year	20	(2,869,635)	(4,082,156)
<b>Net current assets</b>		<u>4,258,075</u>	<u>3,712,246</u>
<b>Total assets less current liabilities</b>		<u>8,346,012</u>	<u>7,406,595</u>
Creditors: Amounts falling due after more than one year	21	(1,136,995)	(974,783)
<b>Provisions for liabilities</b>			
Deferred tax	24	(216,888)	(100,083)
<b>Net assets</b>		<u>6,992,129</u>	<u>6,331,729</u>
<b>Capital and reserves</b>			
Called up share capital	25	100	100
Share premium account	26	3,429,900	3,429,900
Profit and loss account	26	3,562,129	2,901,729
		<u>6,992,129</u>	<u>6,331,729</u>

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

  
 K A Johnson (Sep 28, 2022 12:56 GMT+1)

**K A Johnson**  
 Director

Date: Sep 28, 2022


The notes on pages 17 to 35 form part of these financial statements.

**BKJ HOLDINGS LIMITED**  
**REGISTERED NUMBER: 10768301**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	1,768,120	1,809,104
Investments	16	6,908,762	6,908,762
		<u>8,676,882</u>	<u>8,717,866</u>
<b>Current assets</b>			
Debtors	18	1,276,500	-
Cash at bank and in hand	19	119,315	15,292
		<u>1,395,815</u>	<u>15,292</u>
Creditors: Amounts falling due within one year	20	(6,534,380)	(5,232,952)
<b>Net current liabilities</b>		<u>(5,138,565)</u>	<u>(5,217,660)</u>
<b>Total assets less current liabilities</b>		<u>3,538,317</u>	<u>3,500,206</u>
<b>Provisions for liabilities</b>			
Deferred taxation	24	(22,793)	(12,635)
<b>Net assets</b>		<u><u>3,515,524</u></u>	<u><u>3,487,571</u></u>
<b>Capital and reserves</b>			
Called up share capital	25	100	100
Share premium account	26	3,429,900	3,429,900
Profit and loss account brought forward		57,571	55,238
Profit for the year		98,833	83,213
Dividends		(70,880)	(80,880)
		<u>85,524</u>	<u>57,571</u>
<b>Profit and loss account carried forward</b>		<u><u>3,515,524</u></u>	<u><u>3,487,571</u></u>

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

  
 Kyle Johnson (Sep 28, 2022 18:58 GMT+1)

**K A Johnson**  
 Director

Date: **Sep 28, 2022**

The notes on pages 17 to 35 form part of these financial statements.

---

**BKJ HOLDINGS LIMITED**

---

---

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2021	100	3,429,900	2,901,729	6,331,729
Profit for the year	-	-	731,280	731,280
Dividends	-	-	(70,880)	(70,880)
At 31 December 2021	<u>100</u>	<u>3,429,900</u>	<u>3,562,129</u>	<u>6,992,129</u>

---

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

---

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2020	100	3,429,900	1,444,530	4,874,530
Profit for the year	-	-	1,538,079	1,538,079
Dividends	-	-	(80,880)	(80,880)
At 31 December 2020	<u>100</u>	<u>3,429,900</u>	<u>2,901,729</u>	<u>6,331,729</u>

The notes on pages 17 to 35 form part of these financial statements.



---

**BKJ HOLDINGS LIMITED**

---

---

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2021	100	3,429,900	57,571	3,487,571
Profit for the year	-	-	98,833	98,833
Dividends	-	-	(70,880)	(70,880)
At 31 December 2021	100	3,429,900	85,524	3,515,524

---

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

---

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2020	100	3,429,900	55,238	3,485,238
Profit for the year	-	-	83,213	83,213
Dividends	-	-	(80,880)	(80,880)
At 31 December 2020	100	3,429,900	57,571	3,487,571

The notes on pages 17 to 35 form part of these financial statements.

---

**BKJ HOLDINGS LIMITED**

---

---

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	731,280	1,538,079
<b>Adjustments for:</b>		
Amortisation of intangible assets	168,368	168,368
Depreciation of tangible assets	254,131	160,139
(Profit)/loss on disposal of tangible assets	(19,413)	13,229
Interest paid	40,340	21,992
Interest received	(142)	(426)
Taxation charge	290,106	401,134
Decrease in stocks	1,056,759	378,770
Increase in debtors	88,671	(1,467,990)
(Decrease)/increase in creditors	(1,011,781)	374,604
Corporation tax paid	(365,119)	(153,517)
<b>Net cash generated from operating activities</b>	<b>1,233,200</b>	<b>1,434,382</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(597,268)	(1,254,833)
Sale of tangible fixed assets	111,609	-
Interest received	142	426
Hire purchase contract interest paid	(13,122)	(13,519)
<b>Net cash from investing activities</b>	<b>(498,639)</b>	<b>(1,267,926)</b>
<b>Cash flows from financing activities</b>		
New secured loan	-	1,000,000
Repayment of loans	(55,019)	(6,853)
New/(repayment) of hire purchase contracts	(102,706)	(42,332)
Dividends paid	(70,880)	(80,880)
Interest paid	(27,218)	(8,473)
<b>Net cash used in financing activities</b>	<b>(255,823)</b>	<b>861,462</b>
<b>Net increase in cash and cash equivalents</b>	<b>478,738</b>	<b>1,027,918</b>
Cash and cash equivalents at beginning of year	1,697,790	669,872
<b>Cash and cash equivalents at the end of year</b>	<b>2,176,528</b>	<b>1,697,790</b>

---

**BKJ HOLDINGS LIMITED**

---

---

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

	2021 £	2020 £
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>2,176,528</u>	<u>1,697,790</u>

---

**CONSOLIDATED ANALYSIS OF NET FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

	At 1 January 2021 £	Cash flows £	New hire purchase contracts £	At 31 December 2021 £
Cash at bank and in hand	1,697,790	478,738	-	2,176,528
Bank loan	(993,147)	55,019	-	(938,128)
Hire purchase contracts	(95,723)	102,706	(311,015)	(304,032)
Finance leases	-	-	-	-
	<u>608,920</u>	<u>636,463</u>	<u>(311,015)</u>	<u>934,368</u>

The notes on pages 17 to 35 form part of these financial statements.

---

## BKJ HOLDINGS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1. General information

BKJ Holdings Limited is a private company, limited by shares, incorporated in England and Wales. The Company number is 10768301. The registered office is 15 Clover Nook Road, Cotes Park Industrial Estate, Summercotes, Alfreton, Derbyshire, DE55 4RF.

The principal activity of the Company during the year continued to be that of a holding company and the provision of management services to its group companies. The principal activity of the Group during the year continued to be that of civil engineering and property development.

The functional currency of the Group and Company is Pounds Sterling as this is the currency of the primary economic environment in which the Group and Company operates. Monetary amounts in these financial statements are rounded to the nearest Pound (£).

The following principal accounting policies have been applied:

#### 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 accounting estimates. It also requires Group management to exercise judgement 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 profit and loss account in these financial statements.

##### 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 balance sheet, 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 profit and loss account from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### 2.3 Going concern

After reviewing the Group's forecasts and projections, the Directors have reasonable expectation that the Group can remain a viable, going concern for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**2. Accounting policies (continued)**

**2.4 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover 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 turnover is recognised:

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.5 Long term contracts**

Turnover and profits on long term contracts are recognised in proportion to the stage of completion reached when the outcome of the contract can be assessed with reasonable certainty.

Amounts recoverable of contracts are included within debtors and are stated at cost plus attributable profit less any foreseeable losses.

Payments received in excess of amounts recoverable are included within creditors.

**2.6 Interest income**

Interest income is recognised in the consolidated profit or loss using the effective interest method.

**2.7 Government grants**

The UK government has offered a range of financial support packages to help companies, including government backed financing arrangements, furlough schemes, deferment of VAT payments and, for some sectors, business rates holidays. Of the offered schemes, the Group used the furlough scheme. The income from the furlough scheme has been recognised within 'Other operating income'. They are recognised when the entity has reasonable assurance that they will comply with the conditions attaching the grant, and that the grant will be received.

**2.8 Finance costs**

Finance costs are charged to the consolidated 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

---

2. Accounting policies (continued)

2.9 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the consolidated profit and loss account over its useful economic life.

All intangible assets are considered to have a finite useful life. A reliable estimate of the useful life is deemed to be ten years.

2.10 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.

Depreciation is provided on the following annual basis:

Freehold property	-	4% straight line
Plant and machinery	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	15% reducing balance

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 consolidated profit or loss.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Stocks

Stocks, including land held for development, are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Where the Group undertakes property developments, work in progress includes the attributable costs after deducting amounts taken to cost of sales, less progress payments received and receivable.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**2. Accounting policies (continued)**

**2.13 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.14 Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

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.

**2.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.16 Hire purchase contracts**

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets and depreciated over their useful lives. Obligations under such contracts are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**2.17 Financial instruments**

The Group only enters into basic financial instrument 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, loans to related parties and investments in ordinary shares.

**2.18 Pensions**

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 the consolidated profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**2.19 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

---

2. Accounting policies (continued)

2.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated 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 balance sheet 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 balance sheet 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 balance sheet date.



---

**BKJ HOLDINGS LIMITED**

---

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical judgements in applying the entity's accounting policies**

None

**(b) Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(i) Long term contracts**

Judgements and estimates in connection with the recognition of revenue and associated profit on long term contracts are outlined in note 2.5.

**(ii) Impairment of debtors including retention's**

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

**4. Turnover**

All turnover arose within the United Kingdom.

Turnover is entirely attributable to the principal activity of the Group.

**5. Other operating income**

	2021 £	2020 £
Coronavirus Job Retention Scheme Income	35,128	37,650

---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**6. Operating profit**

The operating profit is stated after (crediting)/charging:

	2021 £	2020 £
Depreciation on owned assets	186,838	134,443
Depreciation on assets under hire purchase contracts	67,293	25,696
Amortisation of goodwill	168,368	168,368
(Profit)/loss on disposal of tangible fixed assets	(19,413)	13,229
Exceptional costs - bad debts	1,035,964	266,655
	<u>1,338,040</u>	<u>508,391</u>

**7. Auditor's remuneration**

	2021 £	2020 £
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	<u>22,000</u>	<u>19,000</u>
Fees payable to the Group's auditor in respect of:		
All other services	<u>19,600</u>	<u>14,000</u>

---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**8. Employees**

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	324,701	294,679	19,102	21,630
Social security costs	26,120	32,957	-	-
Cost of defined contribution scheme	217,023	16,193	-	-
	<u>567,844</u>	<u>343,829</u>	<u>19,102</u>	<u>21,630</u>

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

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Directors	2	2	2	2
Administrative	7	7	-	-
	<u>9</u>	<u>9</u>	<u>2</u>	<u>2</u>

**9. Directors' remuneration**

	2021 £	2020 £
Directors' emoluments	22,547	21,630
Company contributions to defined contribution pension schemes	111,102	-
	<u>133,649</u>	<u>21,630</u>

During the year retirement benefits were accruing to 1 Director (2020 – NIL) in respect of defined contribution pension schemes.

**10. Interest receivable**

	2021 £	2020 £
Bank interest	<u>142</u>	<u>426</u>

---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**11. Interest payable and similar expenses**

	2021 £	2020 £
Bank interest	27,218	8,473
Hire purchase contracts	13,122	13,519
	<u>40,340</u>	<u>21,992</u>

**12. Taxation**

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	175,869	367,701
Adjustments in respect of previous periods	(2,568)	-
<b>Total current tax</b>	<u>173,301</u>	<u>367,701</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences (note 24)	116,805	33,433
<b>Total deferred tax</b>	<u>116,805</u>	<u>33,433</u>
<b>Taxation on profit on ordinary activities</b>	<u>290,106</u>	<u>401,134</u>

---

**BKJ HOLDINGS LIMITED**

---

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**12. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	1,021,386	1,939,213
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	194,063	368,450
Effects of:		
Amortisation of goodwill	31,990	31,990
Expenses not deductible for tax purposes	5,626	760
Depreciation for year in excess of capital allowances	6,637	2,349
Other timing differences	51,790	(2,415)
Total tax charge for the year	290,106	401,134

**Factors that may affect future tax charges**

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

**13. Dividends**

	2021 £	2020 £
Dividends paid	70,880	80,880

---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**14. Intangible assets****Group**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 January 2021	1,683,679
At 31 December 2021	<u>1,683,679</u>
<b>Amortisation</b>	
At 1 January 2021	547,197
Charge for the year	168,368
At 31 December 2021	<u>715,565</u>
<b>Net book value</b>	
At 31 December 2021	<u>968,114</u>
At 31 December 2020	<u>1,136,482</u>

**BKJ HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**15. Tangible fixed assets**

**Group**

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>					
At 1 January 2021	1,822,799	1,115,749	333,817	129,089	3,401,454
Additions	-	465,910	435,336	7,037	908,283
Disposals	-	(110,600)	(154,713)	-	(265,313)
At 31 December 2021	<u>1,822,799</u>	<u>1,471,059</u>	<u>614,440</u>	<u>136,126</u>	<u>4,044,424</u>
<b>Depreciation</b>					
At 1 January 2021	13,695	652,706	157,939	19,247	843,587
Charge for the year on owned assets	40,984	101,934	26,743	17,177	186,838
Charge for the year on financed assets	-	-	67,293	-	67,293
Disposals	-	(90,300)	(82,817)	-	(173,117)
At 31 December 2021	<u>54,679</u>	<u>664,340</u>	<u>169,158</u>	<u>36,424</u>	<u>924,601</u>
<b>Net book value</b>					
At 31 December 2021	<u>1,768,120</u>	<u>806,719</u>	<u>445,282</u>	<u>99,702</u>	<u>3,119,823</u>
At 31 December 2020	<u>1,809,104</u>	<u>463,043</u>	<u>175,878</u>	<u>109,842</u>	<u>2,557,867</u>

Included in freehold property is freehold land of £784,500 (2020 – £784,500) which is not depreciated.

The net book value of assets held under hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Motor vehicles	<u>331,150</u>	<u>72,471</u>

---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

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

	<b>Freehold property £</b>
<b>Cost</b>	
At 1 January 2021	1,822,799
At 31 December 2021	<u>1,822,799</u>
<b>Depreciation</b>	
At 1 January 2021	13,695
Charge for the year	40,984
At 31 December 2021	<u>54,679</u>
<b>Net book value</b>	
At 31 December 2021	<u>1,768,120</u>
At 31 December 2020	<u>1,809,104</u>

Included in freehold property is freehold land of £784,500 (2020 – £784,500) which is not depreciated.



---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**16. Fixed asset investments****Company**

	Investments in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2021	6,908,762
At 31 December 2021	<u>6,908,762</u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
BKJ Construction Limited	Equipment hire	Ordinary	100%
David Ashley Construction Limited (*)	Civil engineering	Ordinary	100%
David Ashley Developments Limited (*)	Property development	Ordinary	100%

\*Subsidiary undertakings held indirectly through BKJ Construction Limited.

The registered office for all of the subsidiary undertakings is 15 Clover Nook Road, Cotes Park Industrial Estate, Summercotes, Alfreton, Derbyshire, DE55 4RF.

**17. Stocks**

	Group 2021 £	Group 2020 £
Work in progress	<u>1,174,355</u>	<u>2,231,114</u>

---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**18. Debtors**

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts recoverable on long term contracts	921,156	613,698	-	-
Trade debtors	800,965	2,736,155	-	-
Other debtors	1,915,761	421,955	1,276,500	-
Prepayments and accrued income	138,945	93,690	-	-
	<u>3,776,827</u>	<u>3,865,498</u>	<u>1,276,500</u>	<u>-</u>

**19. Cash and cash equivalents**

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	<u>2,176,528</u>	<u>1,697,790</u>	<u>119,315</u>	<u>15,292</u>

**20. Creditors: Amounts falling due within one year**

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loan (note 22)	55,829	52,590	-	-
Payments received on account	-	240,932	-	-
Trade creditors	2,325,046	2,782,692	4,980	-
Amounts owed to group undertakings	-	-	6,484,739	5,217,888
Corporation tax	172,132	363,950	29,915	10,096
Other taxation and social security	64,594	111,652	5,420	4,968
Obligations under hire purchase contracts (note 23)	49,336	61,497	-	-
Other creditors	91,212	94,578	-	-
Accruals and deferred income	111,486	374,265	9,326	-
	<u>2,869,635</u>	<u>4,082,156</u>	<u>6,534,380</u>	<u>5,232,952</u>

Hire purchase contracts are secured on the assets to which they relate.

The bank loan is secured over the assets of the Group.

---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**21. Creditors: Amounts falling due after more than one year**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Bank loan (note 22)	882,299	940,557
Obligations under hire purchase contracts (note 23)	254,696	34,226
	<b>1,136,995</b>	<b>974,783</b>

Hire purchase contracts do not fall due after more than 5 years and are secured on the assets to which they relate.

The bank loan is secured over the assets of the Group.

**22. Loans**

Analysis of the maturity of the loan is given below:

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
<b>Amounts falling due within one year</b>		
Bank loan	55,829	52,590
<b>Amounts falling due 1-5 years</b>		
Bank loan	242,014	227,197
<b>Amounts falling due after more than 5 years</b>		
Bank loan	640,285	713,360
	<b>938,128</b>	<b>993,147</b>

The bank loan due after more than 5 years is repayable in full by 2027, is secured over the assets of the Group and attracts interest of 2.75% per annum over the UK base rate.

**23. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Within one year	49,336	61,497
Between 1-5 years	254,696	34,226
	<b>304,032</b>	<b>95,723</b>

---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**24. Deferred taxation**

**Group**

	2021 £	2020 £
At beginning of year	(100,083)	(66,650)
Charged to profit or loss	(116,805)	(33,433)
<b>At end of year</b>	<b>(216,888)</b>	<b>(100,083)</b>

**Company**

	2021 £	2020 £
At beginning of year	(12,635)	-
Charged to profit or loss	(10,158)	(12,635)
<b>At end of year</b>	<b>(22,793)</b>	<b>(12,635)</b>

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Accelerated capital allowances	(216,888)	(100,083)	(22,793)	(12,635)

**25. Share capital**

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
49 (2020 - 49) A Ordinary Shares shares of £1 each	49	49
51 (2020 - 51) B Ordinary Shares shares of £1 each	51	51
	<b>100</b>	<b>100</b>

The shares above all rank pari passu.

---

## BKJ HOLDINGS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 26. Reserves

##### Share premium account

This reserve records the amount above the nominal value received for shares issued, less transaction costs.

##### Profit and loss account

The profit and loss account represents profits and losses retained in the current and previous years.

#### 27. Contingent liabilities

At the year ended 31 December 2021 there were cross guarantees between all fellow Group Companies in securing a bank loan in BKJ Construction Limited of £938,128 (2020 - £993,147) which was secured over the assets of the Group.

#### 28. Related party transactions

The Company has taken advantage of the exemption conferred by FRS102 Section 33 "Related Party Disclosures" not to disclose transactions with other group entities who's voting rights are 100% controlled within the Group.

During the year the Group made sales to and purchases from The White Hart at Moorwood Moor Limited, a company in which B Johnson is a Director, of £12,356 (2020 - £Nil) and £3,476 (2020 - £119) respectively. At the year end amounts of £2,352 (2020 - £29) were owing to The White Hart at Moorwood Moor Limited to the Group.

During the year the Group made sales to and purchases from The Horse and Jockey at Wessington Limited, a company in which B Johnson is a Director, of £11,338 (2020 - £Nil) and £590 (2020 - £Nil) respectively. At the year end amounts of £1,237 (2020 - £149) were owing from The Horse and Jockey at Wessington Limited to the Group.

During the year the Group made sales to and purchases from The Hurt Arms Ambergate Limited, a company in which B Johnson is a Director, of £15,762 (2020 - £Nil) and £25,759 (2020 - £Nil) respectively. At the year end amounts of £13,650 (2020 - £2,208) were due to The Hurt Arms Ambergate Limited from the Group.

During the year the Group made sales to Citylife Holdings 4 Limited, a company in which K A Johnson and B Johnson are Directors, of £210,951 (2020 - £Nil).

At the year end amounts of £87,221 (2020 - £12,800) were owing from BKJ Leisure Limited, a company in which B Johnson is a Director.

At the year end amounts of £1,276,500 (2020 - £Nil) were owing from BKJ Capital Limited, a company in which K A Johnson and B Johnson are Directors.

No interest is due on the balances outstanding above.

The Group's key management personnel are its Directors.

---

**BKJ HOLDINGS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**29. Post balance sheet events**

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide. The Directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event with the greatest impact expected to be from the indirect economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessments.

**30. Ultimate controlling party**

The ultimate controlling party is considered to be K.A. Johnson by virtue of his controlling interest in the issued equity share capital of the Company.