

**Strategic Report, Report of the Directors and
Financial Statements
for the Year Ended 31 March 2022
for
James Hamilton & Company (Lurgan) Ltd**

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for the Year Ended 31 March 2022**

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James Hamilton & Company (Lurgan) Ltd

**Company Information
for the Year Ended 31 March 2022**

DIRECTORS:	Mr Alex Hamilton Mrs Joan Rona Murray Ralston Hamilton Mr Keith Alistair Hamilton Mr Alan James Hamilton
SECRETARY:	Mr Alex Hamilton
REGISTERED OFFICE:	Quaker Buildings High Street Lurgan Craigavon Co. Armagh BT66 8BB
BUSINESS ADDRESS:	50 Millennium Way Lurgan Craigavon Co. Armagh BT66 8DH
REGISTERED NUMBER:	NI006169 (Northern Ireland)
AUDITORS:	McCleary & Company Ltd Chartered Accountants and Registered Auditors Quaker Buildings High Street Lurgan Craigavon Co. Armagh BT66 8BB

James Hamilton & Company (Lurgan) Ltd

**Company Information
for the Year Ended 31 March 2022**

BANKERS:

Danske Bank
39 Market Street
Lurgan
Co. Armagh
BT66 6AB

SOLICITORS:

Redman Solicitors Limited
15 Windsor Avenue
Lurgan
Co. Armagh
BT67 9BG

**Strategic Report
for the Year Ended 31 March 2022**

The directors present their strategic report for the year ended 31 March 2022.

REVIEW OF BUSINESS

The results for the year show a pre-tax profit of £1,065,229, compared to £822,991 in the previous year. Gross profit for the year was 28.67% (2021: 28.31%). The company has net funds of £1,617,722 (2021: net funds £1,082,588).

The external commercial environment is expected to be very challenging in the year to 31 March 2023, however we remain confident that we will maintain close to our current level of performance in the future.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the business are considered to relate to competition and the general economic climate.

ON BEHALF OF THE BOARD:

Mr Keith Alistair Hamilton - Director

21 October 2022

**Report of the Directors
for the Year Ended 31 March 2022**

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture of printed stationery and folding boxes, the wholesale distribution of paper and industrial disposable wipes, the retail distribution of office stationery and equipment and the distribution of bearings to industry.

DIVIDENDS

An interim dividend of £0.79 per share was paid on 1 October 2021. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2022 will be £ 3,952 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

Mr Alex Hamilton
Mrs Joan Rona Murray Ralston Hamilton
Mr Keith Alistair Hamilton
Mr Alan James Hamilton

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Report of the Directors
for the Year Ended 31 March 2022**

AUDITORS

The auditors, McCleary & Company Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr Keith Alistair Hamilton - Director

21 October 2022

Report of the Independent Auditors to the Members of James Hamilton & Company (Lurgan) Ltd

Opinion

We have audited the financial statements of James Hamilton & Company (Lurgan) Ltd (the 'company') for the year ended 31 March 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 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.

**Report of the Independent Auditors to the Members of
James Hamilton & Company (Lurgan) Ltd**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of James Hamilton & Company (Lurgan) Ltd

Auditors' 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 a Report of the Auditors 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.

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

Having considered the nature of the business and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to breaches of health and safety laws and the potential for Fraud. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered the laws and regulations that do not have a direct impact on the preparation of the financial statements but compliance with which may be fundamental to the Company's ability to operate, such as the Companies Act 2006. We evaluated the 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 fixed asset valuation and misstatement of inter-company balances. Audit procedures performed included:

- Assessment of compliance with key laws and regulations;
- Enquiry of those charged with management including any known or suspected instances of non-compliance with laws and regulations, potential litigation and fraud;
- Identifying and testing journal entries for appropriateness, evaluating the rationale for significant transactions outside what is normal for the company and assessing whether the judgments made in making accounting estimates are indicative of potential bias, in order to assess the risk of fraud through management override of controls;
- Analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Challenging assumptions and judgments made by management in significant accounting estimates;
- Reviewing the disclosures in the financial statements against the specific legal requirements.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures outlined above. We are less likely to become aware of instances of non compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

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 Report of the Auditors.

**Report of the Independent Auditors to the Members of
James Hamilton & Company (Lurgan) Ltd**

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 a Report of the Auditors 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.

Warren McCleary (Senior Statutory Auditor)
for and on behalf of McCleary & Company Ltd
Chartered Accountants and Registered Auditors
Quaker Buildings
High Street
Lurgan
Craigavon
Co. Armagh
BT66 8BB

21 October 2022

McCleary & Company Ltd.

James Hamilton & Company (Lurgan) Ltd (Registered number: NI006169)

**Income Statement
for the Year Ended 31 March 2022**

	Notes	31.3.22 £	£	31.3.21 £	£
TURNOVER	3		13,586,057		11,435,498
Cost of sales			<u>9,691,454</u>		<u>8,198,445</u>
GROSS PROFIT			3,894,603		3,237,053
Administrative expenses			<u>3,073,296</u>		<u>2,897,268</u>
			821,307		339,785
Other operating income			<u>275,511</u>		<u>522,734</u>
OPERATING PROFIT	6		1,096,818		862,519
Income from fixed asset investments		1,622		2,222	
Interest receivable and similar income		<u>1,513</u>		<u>1,711</u>	
			3,135		3,933
			<u>1,099,953</u>		<u>866,452</u>
Interest payable and similar expenses	7		<u>34,724</u>		<u>43,461</u>
PROFIT BEFORE TAXATION			1,065,229		822,991
Tax on profit	8		<u>185,189</u>		<u>138,303</u>
PROFIT FOR THE FINANCIAL YEAR			<u>880,040</u>		<u>684,688</u>

The notes form part of these financial statements

**Other Comprehensive Income
for the Year Ended 31 March 2022**

	31.3.22	31.3.21
Notes	£	£
PROFIT FOR THE YEAR	880,040	684,688
OTHER COMPREHENSIVE INCOME		
Revaluation of listed investments	(9,758)	7,280
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>(9,758)</u>	<u>7,280</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>870,282</u>	<u>691,968</u>

The notes form part of these financial statements

James Hamilton & Company (Lurgan) Ltd (Registered number: NI006169)

**Balance Sheet
31 March 2022**

	Notes	31.3.22 £	£	31.3.21 £	£
FIXED ASSETS					
Intangible assets	10		-		15,000
Tangible assets	11		3,270,641		3,431,024
Investments	12		36,404		44,540
Investment property	13		675,000		675,000
			<u>3,982,045</u>		<u>4,165,564</u>
CURRENT ASSETS					
Stocks	14	2,085,498		1,929,420	
Debtors	15	5,940,359		5,521,328	
Cash at bank and in hand		<u>1,617,722</u>		<u>1,082,588</u>	
		9,643,579		8,533,336	
CREDITORS					
Amounts falling due within one year	16	<u>2,738,006</u>		<u>2,571,232</u>	
NET CURRENT ASSETS			<u>6,905,573</u>		<u>5,962,104</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			10,887,618		10,127,668
CREDITORS					
Amounts falling due after more than one year	17		(430,992)		(542,761)
PROVISIONS FOR LIABILITIES	21		<u>(89,706)</u>		<u>(84,317)</u>
NET ASSETS			<u><u>10,366,920</u></u>		<u><u>9,500,590</u></u>
CAPITAL AND RESERVES					
Called up share capital	22		5,003		5,003
Revaluation reserve	23		8,363		8,363
Retained earnings	23		<u>10,353,554</u>		<u>9,487,224</u>
SHAREHOLDERS' FUNDS			<u><u>10,366,920</u></u>		<u><u>9,500,590</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 October 2022 and were signed on its behalf by:

Mr Keith Alistair Hamilton - Director

The notes form part of these financial statements

James Hamilton & Company (Lurgan) Ltd (Registered number: NI006169)

**Statement of Changes in Equity
for the Year Ended 31 March 2022**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 April 2020	5,003	8,799,208	8,363	8,812,574
Changes in equity				
Dividends	-	(3,952)	-	(3,952)
Total comprehensive income	-	691,968	-	691,968
Balance at 31 March 2021	<u>5,003</u>	<u>9,487,224</u>	<u>8,363</u>	<u>9,500,590</u>
Changes in equity				
Dividends	-	(3,952)	-	(3,952)
Total comprehensive income	-	870,282	-	870,282
Balance at 31 March 2022	<u>5,003</u>	<u>10,353,554</u>	<u>8,363</u>	<u>10,366,920</u>

The notes form part of these financial statements

**Cash Flow Statement
for the Year Ended 31 March 2022**

	Notes	31.3.22 £	31.3.21 £
Cash flows from operating activities			
Cash generated from operations	1	972,419	1,181,241
Interest paid		(28,080)	(29,813)
Interest element of hire purchase payments paid		(6,644)	(13,648)
Tax paid		(182,378)	(86,641)
Net cash from operating activities		<u>755,317</u>	<u>1,051,139</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(30,000)
Purchase of tangible fixed assets		(171,494)	(110,499)
Purchase of fixed asset investments		(1,622)	(2,222)
Sale of tangible fixed assets		22,850	193,984
Interest received		1,513	1,711
Dividends received		<u>1,622</u>	<u>2,222</u>
Net cash from investing activities		<u>(147,131)</u>	<u>55,196</u>
Cash flows from financing activities			
Loan repayments in year		(54,654)	(51,641)
Capital repayments in year		(50,885)	(256,182)
Amount introduced by directors		36,439	41,064
Equity dividends paid		<u>(3,952)</u>	<u>(3,952)</u>
Net cash from financing activities		<u>(73,052)</u>	<u>(270,711)</u>
Increase in cash and cash equivalents		<u>535,134</u>	<u>835,624</u>
Cash and cash equivalents at beginning of year	2	1,082,588	246,964
Cash and cash equivalents at end of year	2	<u><u>1,617,722</u></u>	<u><u>1,082,588</u></u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2022**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.3.22	31.3.21
	£	£
Profit before taxation	1,065,229	822,991
Depreciation charges	321,717	372,974
Loss on disposal of fixed assets	2,310	62,924
Finance costs	34,724	43,461
Finance income	(3,135)	(3,933)
	<u>1,420,845</u>	<u>1,298,417</u>
Increase in stocks	(156,078)	(334,364)
(Increase)/decrease in trade and other debtors	(419,494)	66,046
Increase in trade and other creditors	<u>127,146</u>	<u>151,142</u>
Cash generated from operations	<u><u>972,419</u></u>	<u><u>1,181,241</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	<u>1,617,722</u>	<u>1,082,588</u>

Year ended 31 March 2021

	31.3.21	1.4.20
	£	£
Cash and cash equivalents	<u>1,082,588</u>	<u>246,964</u>

Notes to the Cash Flow Statement
for the Year Ended 31 March 2022

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	1,082,588	535,134	1,617,722
	<u>1,082,588</u>	<u>535,134</u>	<u>1,617,722</u>
Debt			
Finance leases	(155,815)	50,885	(104,930)
Debts falling due within 1 year	(53,235)	(3,623)	(56,858)
Debts falling due after 1 year	(437,831)	58,277	(379,554)
	<u>(646,881)</u>	<u>105,539</u>	<u>(541,342)</u>
Total	<u>435,707</u>	<u>640,673</u>	<u>1,076,380</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2022**

1. STATUTORY INFORMATION

James Hamilton & Company (Lurgan) Ltd is a private company, limited by shares, registered in Northern Ireland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods and services falling within the company's ordinary activities.

Goodwill

Goodwill arising on business combinations is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful life. The period chosen for writing off goodwill is two years. The reason for choosing this period is due to the expected useful life of the customer list benefits. Provision is made for any impairment.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 20% on cost and 15% on reducing balance
Motor vehicles	- 33% on reducing balance

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Where goods are sold using finance leases, the entity recognises turnover from the sale of goods and the rights to receive future lease payments as a debtor. Minimum lease payments are apportioned between finance income and the reduction of the lease debtor with finance income allocated so as to produce a constant periodic rate of interest on the net investment in the finance lease.

Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

2. ACCOUNTING POLICIES - continued

Government grants

Capital grants and other contributions received towards the cost of tangible fixed assets are included in creditors as deferred income and credited to the profit and loss account over the life of the asset. Revenue grants are credited to the profit and loss account so as to match them with the expenditure to which they relate.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	31.3.22	31.3.21
	£	£
United Kingdom	12,689,965	10,799,480
Europe	896,092	636,018
	<u>13,586,057</u>	<u>11,435,498</u>

4. EMPLOYEES AND DIRECTORS

	31.3.22	31.3.21
	£	£
Wages and salaries	2,403,881	2,182,811
Social security costs	239,541	222,048
Other pension costs	99,528	90,041
	<u>2,742,950</u>	<u>2,494,900</u>

The average number of employees during the year was as follows:

	31.3.22	31.3.21
Administrative staff	38	35
Other	52	50
	<u>90</u>	<u>85</u>

5. DIRECTORS' EMOLUMENTS

	31.3.22	31.3.21
	£	£
Directors' remuneration	188,846	184,079
Directors' pension contributions to money purchase schemes	<u>21,600</u>	<u>21,600</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

6. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.22	31.3.21
	£	£
Other operating leases	45,707	56,617
Depreciation - owned assets	306,717	357,974
Loss on disposal of fixed assets	2,310	62,924
Goodwill amortisation	15,000	15,000
Auditors' remuneration	13,921	13,398
Auditors' remuneration for non audit work	7,250	7,250
Foreign exchange differences	<u>79,363</u>	<u>41,866</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.22	31.3.21
	£	£
Bank loan interest	16,958	19,728
Other interest	11,122	10,085
Hire purchase	<u>6,644</u>	<u>13,648</u>
	<u>34,724</u>	<u>43,461</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.3.22	31.3.21
	£	£
Current tax:		
UK corporation tax	179,800	163,337
Deferred tax	<u>5,389</u>	<u>(25,034)</u>
Tax on profit	<u>185,189</u>	<u>138,303</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

8. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.22 £	31.3.21 £
Profit before tax	<u>1,065,229</u>	<u>822,991</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	202,394	156,368
Effects of:		
Expenses not deductible for tax purposes	4,184	15,283
Income not taxable for tax purposes	(308)	(422)
Depreciation in excess of capital allowances	3,689	13,242
Adjustments to tax charge in respect of previous periods	(33,040)	(52,081)
Profits/(Losses) from JH Label Solutions LLP	8,270	5,913
Total tax charge	<u>185,189</u>	<u>138,303</u>

Tax effects relating to effects of other comprehensive income

	31.3.22 Gross £	Tax £	Net £
Revaluation of listed investments	<u>(9,758)</u>	<u>-</u>	<u>(9,758)</u>
	31.3.21 Gross £	Tax £	Net £
Revaluation of listed investments	<u>7,280</u>	<u>-</u>	<u>7,280</u>

9. **DIVIDENDS**

	31.3.22 £	31.3.21 £
Interim	<u>3,952</u>	<u>3,952</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

10. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2021	
and 31 March 2022	<u>30,000</u>
AMORTISATION	
At 1 April 2021	15,000
Amortisation for year	<u>15,000</u>
At 31 March 2022	<u>30,000</u>
NET BOOK VALUE	
At 31 March 2022	-
At 31 March 2021	<u>15,000</u>

Goodwill relates to Customer Lists, purchased in the year ending 31 March 2021. The expected useful life of this asset is two years.

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2021	2,940,541	1,922,878	590,494	710,237	6,164,150
Additions	-	92,900	23,844	54,750	171,494
Disposals	-	(40,895)	-	(40,950)	(81,845)
At 31 March 2022	<u>2,940,541</u>	<u>1,974,883</u>	<u>614,338</u>	<u>724,037</u>	<u>6,253,799</u>
DEPRECIATION					
At 1 April 2021	700,399	1,024,353	506,534	501,840	2,733,126
Charge for year	58,510	132,217	30,980	85,010	306,717
Eliminated on disposal	-	(23,826)	-	(32,859)	(56,685)
At 31 March 2022	<u>758,909</u>	<u>1,132,744</u>	<u>537,514</u>	<u>553,991</u>	<u>2,983,158</u>
NET BOOK VALUE					
At 31 March 2022	<u>2,181,632</u>	<u>842,139</u>	<u>76,824</u>	<u>170,046</u>	<u>3,270,641</u>
At 31 March 2021	<u>2,240,142</u>	<u>898,525</u>	<u>83,960</u>	<u>208,397</u>	<u>3,431,024</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

12. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
COST OR VALUATION			
At 1 April 2021	32,226	12,314	44,540
Additions	1,622	-	1,622
Revaluations	(9,758)	-	(9,758)
At 31 March 2022	<u>24,090</u>	<u>12,314</u>	<u>36,404</u>
NET BOOK VALUE			
At 31 March 2022	<u>24,090</u>	<u>12,314</u>	<u>36,404</u>
At 31 March 2021	<u>32,226</u>	<u>12,314</u>	<u>44,540</u>

Cost or valuation at 31 March 2022 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Valuation in 2022	<u>24,090</u>	<u>12,314</u>	<u>36,404</u>

13. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 April 2021 and 31 March 2022	<u>675,000</u>
NET BOOK VALUE	
At 31 March 2022	<u>675,000</u>
At 31 March 2021	<u>675,000</u>

Fair value at 31 March 2022 is represented by:

	£
Valuation in 2022	<u>675,000</u>

In accordance with FRS102, Investment property is not being depreciated and is valued at fair value. Investment property consists of three properties, with a total fair value of £675,000. In 2018 one of the properties was revalued at £515,000 by an independent estate agent. The other two were valued by an independent estate agent in 2016. The Directors feel the fair value at the year end, has not changed significantly for these three properties, since the last valuations.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

14. STOCKS

	31.3.22	31.3.21
	£	£
Raw materials	162,310	32,559
Work-in-progress	19,611	25,616
Finished goods	<u>1,903,577</u>	<u>1,871,245</u>
	<u>2,085,498</u>	<u>1,929,420</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade debtors	2,713,431	2,023,318
Amounts owed by participating interests	3,053,919	3,302,926
Other debtors	59,559	81,596
Directors' current accounts	75,425	75,888
Prepayments	<u>38,025</u>	<u>37,600</u>
	<u>5,940,359</u>	<u>5,521,328</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Bank loans and overdrafts (see note 18)	56,858	53,235
Hire purchase contracts (see note 19)	53,492	50,885
Trade creditors	1,336,820	1,030,281
Tax	212,840	215,418
Social security and other taxes	112,102	103,945
VAT	382,922	581,874
Other creditors	53,397	70,935
Directors' current accounts	444,365	408,389
Accrued expenses	<u>85,210</u>	<u>56,270</u>
	<u>2,738,006</u>	<u>2,571,232</u>

Bank borrowings are secured by a floating charge over all monies, a fixed charge over property at Millenium Way Lurgan, and letters of guarantee from the Directors totalling £200,000.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.22	31.3.21
	£	£
Bank loans (see note 18)	379,554	437,831
Hire purchase contracts (see note 19)	<u>51,438</u>	<u>104,930</u>
	<u>430,992</u>	<u>542,761</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

18. LOANS

An analysis of the maturity of loans is given below:

	31.3.22	31.3.21
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>56,858</u>	<u>53,235</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>58,622</u>	<u>53,235</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>188,987</u>	<u>174,807</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more than 5 years	<u>131,945</u>	<u>209,789</u>

19. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	31.3.22	31.3.21
	£	£
Net obligations repayable:		
Within one year	53,492	50,885
Between one and five years	<u>51,438</u>	<u>104,930</u>
	<u>104,930</u>	<u>155,815</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.22	31.3.21
	£	£
Bank loans	436,412	491,066
Hire purchase contracts	<u>104,930</u>	<u>155,815</u>
	<u>541,342</u>	<u>646,881</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

21. PROVISIONS FOR LIABILITIES

	31.3.22	31.3.21
	£	£
Deferred tax	<u>89,706</u>	<u>84,317</u>
		Deferred tax
		£
Balance at 1 April 2021		84,317
Movement due to:		
Capital allowances		<u>5,389</u>
Balance at 31 March 2022		<u>89,706</u>

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.22	31.3.21
		£1	£	£
5,003	Ordinary		<u>5,003</u>	<u>5,003</u>

23. RESERVES

	Retained earnings	Revaluation reserve	Totals
	£	£	£
At 1 April 2021	9,487,224	8,363	9,495,587
Profit for the year	880,040		880,040
Dividends	(3,952)		(3,952)
Revaluation of investments	(9,758)	-	(9,758)
At 31 March 2022	<u>10,353,554</u>	<u>8,363</u>	<u>10,361,917</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following loans to directors subsisted during the years ended 31 March 2022 and 31 March 2021:

	31.3.22	31.3.21
	£	£
Mr Keith Alistair Hamilton		
Balance outstanding at start of year	75,888	76,153
Amounts advanced	1,513	1,712
Amounts repaid	(1,977)	(1,977)
Balance outstanding at end of year	<u>75,424</u>	<u>75,888</u>

Interest on loans to directors is charged at the current official rate for beneficial loan arrangements.

25. RELATED PARTY DISCLOSURES

At the start of the year James Hamilton & Company Ltd was owed £3,476,861 by JH Label Solutions LLP. Various expenses were paid on behalf of, and payments received from JH Label Solutions LLP. The amount owed by the LLP at the year end was £3,223,333. The company is a corporate member of this limited liability partnership. The directors, Mr K A Hamilton and Mr A J Hamilton, are both designated members of JH Label Solutions LLP. During the year, Profits from the LLP amounting to £4,521 have been allocated to the James Hamilton & Company Ltd current account. At the year end £169,414 was owed to JH Label Solutions LLP.

26. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr Keith Alistair Hamilton.

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