

Company Registration No. SC349921 (Scotland)

JC ENVIRONMENTAL SOLUTIONS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018
PAGES FOR FILING WITH REGISTRAR

JC ENVIRONMENTAL SOLUTIONS LTD

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 7

JC ENVIRONMENTAL SOLUTIONS LTD

BALANCE SHEET

AS AT 31 OCTOBER 2018

		2018		2017 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		491,942		598,402
Current assets					
Debtors	4	2,375,290		2,114,846	
Cash at bank and in hand		151,257		9,906	
		<u>2,526,547</u>		<u>2,124,752</u>	
Creditors: amounts falling due within one year	5	<u>(1,307,438)</u>		<u>(898,899)</u>	
Net current assets			1,219,109		1,225,853
Total assets less current liabilities			<u>1,711,051</u>		<u>1,824,255</u>
Creditors: amounts falling due after more than one year	6		(147,355)		(323,890)
Net assets			<u>1,563,696</u>		<u>1,500,365</u>
Capital and reserves					
Called up share capital	7		1		1
Profit and loss reserves			<u>1,563,695</u>		<u>1,500,364</u>
Total equity			<u>1,563,696</u>		<u>1,500,365</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

JC ENVIRONMENTAL SOLUTIONS LTD

BALANCE SHEET (CONTINUED)

AS AT 31 OCTOBER 2018

The financial statements were approved and signed by the director and authorised for issue on 18 November 2019

Mr S Craft

Director

Company Registration No. SC349921

JC ENVIRONMENTAL SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2018

1 Accounting policies

Company information

JC Environmental Solutions Ltd is a private company limited by shares incorporated in Scotland. The registered office is Unit 1, Thistle Industrial Estate, Church Street, Cowdenbeath, Fife, KY4 8LP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5% Straight Line
Plant and equipment	15% Straight Line
Fixtures and fittings	10% Straight Line
Computers	15% Straight Line
Motor vehicles	20% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. Any impairment loss is recognised immediately in the profit or loss.

JC ENVIRONMENTAL SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

1 Accounting policies

(Continued)

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors, bank loans, hire purchase and directors' loans.

Directors' loans (being repayable on demand), trade debtors and trade creditors are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

1.7 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. .

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Where the company has leases assigned as operating leases but are entitled to a percentage share of the sales proceeds on disposal, an estimate of these sales proceeds is treated as prepaid expenses. Currently the Director has assessed this as 33.33% of the monthly lease payment under such agreements.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 14 (2017 - 15).

JC ENVIRONMENTAL SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

3 Tangible fixed assets

	Leasehold improve-ments	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 November 2017	50,927	1,286,901	-	3,164	112,898	1,453,890
Additions	-	80,265	7,723	-	-	87,988
Disposals	-	(26,750)	-	-	-	(26,750)
At 31 October 2018	50,927	1,340,416	7,723	3,164	112,898	1,515,128
Depreciation and impairment						
At 1 November 2017	2,546	816,239	-	3,164	33,539	855,488
Depreciation charged in the year	2,546	145,040	1,545	-	22,580	171,711
Eliminated in respect of disposals	-	(4,013)	-	-	-	(4,013)
At 31 October 2018	5,092	957,266	1,545	3,164	56,119	1,023,186
Carrying amount						
At 31 October 2018	45,835	383,150	6,178	-	56,779	491,942
At 31 October 2017	48,381	470,662	-	-	79,359	598,402

4 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	412,629	584,302
Other debtors	1,953,915	1,523,903
Prepayments and accrued income	8,746	6,641
	2,375,290	2,114,846

5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Obligations under finance leases	103,468	169,079
Trade creditors	175,778	363,850
Corporation tax	686,030	148,669
Other taxation and social security	304,832	197,955
Other creditors	34,530	19,346
Accruals and deferred income	2,800	-
	1,307,438	898,899

JC ENVIRONMENTAL SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

6 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Trade creditors	-	13,956
Other creditors	147,355	309,934
	<u>147,355</u>	<u>323,890</u>

7 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid 1 of £1 each	1	1
	<u>1</u>	<u>1</u>

8 Related party transactions

Included within debtors at 31 October 2018 is £1,419,525 (2017 - £1,223,285) owed to the company from the director. The loan has not accrued interest and is repayable on demand.

At 31 October 2018 amounts were due to the company from other related parties totalling £40,531.

9 Parent company

The ultimate controlling party is Mr Stewart Craft.

10 Prior period adjustment

Adjustments to equity

	1 November 2016 £	31 October 2017 £
Notes		
Opening shareholders' funds	651,617	1,372,998
Prior year adjustments	619,722	33,216
Profit for year	101,659	94,150
	<u>1,372,998</u>	<u>1,500,364</u>
Closing shareholders' funds		

JC ENVIRONMENTAL SOLUTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

10 Prior period adjustment

(Continued)

Notes to adjustments

Significant deficiencies in the record keeping of the company have resulted in the prior year financial statements being restated. These errors have been corrected in the years to which they relate and date back to the year ended 31 October 2009.

The errors resulted in an under declaration of profit and Directors Loan balances over the period and therefore additional corporation tax and tax due under s455 CTA 2010 is payable. The company is carrying out a detailed exercise to quantify the additional taxes. An estimate of the taxes and the associated interest and penalties has been included in the financial statements.

The additional liabilities recognised in 2017 on the recalculated profits total £61,567. Additional liabilities of £413,750 have been recognised in relation to the period from 2009 to 2016. Total liabilities included in the balance sheet at 31 October 2018 are £604,922. This includes s455 tax on the overdrawn Directors Loan balance of £400,277 which is repayable when the loan balance is repaid.

Post prior year adjustments the 2017 opening reserves increased by £619,722, which amount to the additional post tax profits, after interest and penalties, recognised by the company in the period from 2009 to 2016. The adjustments in 2017, including interest and penalties applied, result in an increased movement in reserves for the year of £33,216.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.