Company registration number SC349921 (Scotland)

# JC ENVIRONMENTAL SOLUTIONS LTD

## UNAUDITED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 OCTOBER 2021

## PAGES FOR FILING WITH REGISTRAR

# JC ENVIRONMENTAL SOLUTIONS LTD

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# JC ENVIRONMENTAL SOLUTIONS LTD

## BALANCE SHEET

### *AS AT 31 OCTOBER 2021*

| | Notes | 2021 £ | 2021 £ | 2020 £ | 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **4** | | 124,530 | | 1,437,650 |
| **Current assets** | | | | | |
| Stocks | | - | | 586,080 | |
| Debtors | **5** | 2,558,034 | | 1,241,499 | |
| Cash at bank and in hand | | 31,826 | | 309,653 | |
| | | 2,589,860 | | 2,137,232 | |
| **Creditors: amounts falling due within one year** | **6** | (544,381) | | (820,998) | |
| **Net current assets** | | | 2,045,479 | | 1,316,234 |
| **Total assets less current liabilities** | | | 2,170,009 | | 2,753,884 |
| **Creditors: amounts falling due after more than one year** | **7** | | (59,255) | | (430,276) |
| **Provisions for liabilities** | | | (21,861) | | (26,315) |
| **Net assets** | | | 2,088,893 | | 2,297,293 |
| **Capital and reserves** | | | | | |
| Called up share capital | **8** | | 1 | | 1 |
| Profit and loss reserves | | | 2,088,892 | | 2,297,292 |
| **Total equity** | | | 2,088,893 | | 2,297,293 |

# JC ENVIRONMENTAL SOLUTIONS LTD

## BALANCE SHEET (CONTINUED)

### *AS AT 31 OCTOBER 2021*

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 2021 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.

The financial statements were approved and signed by the director and authorised for issue on 31 October 2022

S Craft
**Director**

**Company Registration No. SC349921**

## 1 Accounting policies

**Company information**

JC Environmental Solutions Ltd is a private company limited by shares incorporated in Scotland. The registered office is New Merchant Place, Mitchelston Industrial Estate, Kirkcaldy, Fife, United Kingdom, KY1 3NJ.

### 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 sale of livestock, waste disposal services and plant hire provided in the normal course of business, and is shown net of VAT. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

### 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:

| | |
|---|---|
| Land and buildings | 5% Straight Line |
| Plant and equipment | 15% & 20% 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.

### 1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

**1 Accounting policies** **(Continued)**

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**1.6 Cash and cash equivalents**

Cash and cash equivalents 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.

**1.7 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**1.8 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.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.9 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.

**1.10 Retirement benefits**

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

**1 Accounting policies** **(Continued)**

**1.11 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.

**1.12 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

**2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2021<br>Number | 2020<br>Number |
|---|---|---|
| Total | 19 | 13 |

## 4 Tangible fixed assets

| | Land and buildings | Plant and equipment | Fixtures and fittings | Computers | Motor vehicles | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Cost** | | | | | | |
| At 1 November 2020 | 1,143,427 | 1,341,369 | 6,499 | 3,164 | 90,151 | 2,584,610 |
| Additions | 62,793 | 6,490 | - | 3,773 | - | 73,056 |
| Disposals | (1,206,220) | (412,394) | (6,499) | - | - | (1,625,113) |
| At 31 October 2021 | - | 935,465 | - | 6,937 | 90,151 | 1,032,553 |
| **Depreciation and impairment** | | | | | | |
| At 1 November 2020 | 64,810 | 1,015,225 | 2,600 | 3,164 | 61,161 | 1,146,960 |
| Depreciation charged in the year | 24,303 | 89,123 | 271 | 566 | 11,054 | 125,317 |
| Eliminated in respect of disposals | (89,113) | (272,270) | (2,871) | - | - | (364,254) |
| At 31 October 2021 | - | 832,078 | - | 3,730 | 72,215 | 908,023 |
| **Carrying amount** | | | | | | |
| At 31 October 2021 | - | 103,387 | - | 3,207 | 17,936 | 124,530 |
| At 31 October 2020 | 1,078,617 | 326,144 | 3,899 | - | 28,990 | 1,437,650 |

## 5 Debtors

| | 2021 | 2020 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade debtors | 215,110 | 343,151 |
| Amounts owed by group undertakings | 1,399,563 | - |
| Other debtors | 936,739 | 889,882 |
| Prepayments and accrued income | 6,622 | 8,466 |
| | 2,558,034 | 1,241,499 |

## 6 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Bank loans | 10,000 | 19,694 |
| Obligations under finance leases | 44,845 | 74,553 |
| Trade creditors | 137,769 | 222,884 |
| Corporation tax | 226,859 | 354,710 |
| Other taxation and social security | 16,466 | 35,545 |
| Other creditors | 102,792 | 101,392 |
| Accruals and deferred income | 5,650 | 12,220 |
| | 544,381 | 820,998 |

## 7 Creditors: amounts falling due after more than one year

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | 38,333 | 364,509 |
| Other creditors | 20,922 | 65,767 |
| | 59,255 | 430,276 |

## 8 Called up share capital

| | 2021 | 2020 | 2021 | 2020 |
|---|---|---|---|---|
| **Ordinary share capital** | **Number** | **Number** | **£** | **£** |
| **Issued and fully paid** | | | | |
| Ordinary share of £1 each | 1 | 1 | 1 | 1 |

## 9 Operating lease commitments

**Lessee**

Operating lease payments represent rentals payable by the company for property. The rental lease term is 10 years with a review after 5 years.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| | 470,333 | 538,333 |

## 10 Related party transactions

Included in other debtors is a loan of £156,590 (2020: £127,354) due from a company under common control. Included in debtors is a loan of £1,399,563 (2020: NIL) due from the parent company. Both of these loans are interest free and repayable on demand.

## 11 Directors' transactions

Interest free loans have been granted by the company to its director as follows:

| Description | % Rate | Opening balance £ | Amounts advanced £ | Closing balance £ |
|---|---|---|---|---|
| Director loan | - | 583,198 | 17,621 | 600,819 |
| | | 583,198 | 17,621 | 600,819 |

## 12 Parent company

The parent company of J C Environmental Solutions Ltd is Stewart Craft Farming Limited and its registered office is 133 Finnieston Street, Glasgow, G3 8HB.

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