

COMPANY REGISTRATION NUMBER: 09950817

Scotco Central Limited
Filleted Financial Statements
31 December 2020

Scotco Central Limited

Financial Statements

Period from 30 December 2019 to 31 December 2020

Contents	Page
Officers and professional advisers	1
Statement of financial position	2
Notes to the financial statements	3

Scotco Central Limited

Officers and Professional Advisers

The board of directors	Mr M Issa
	Mr Z V Issa
Company secretary	Mr I Patel
Registered office	Waterside Head Office
	Haslingden Road
	Guide
	Blackburn
	Lancashire
	England
Auditor	BB1 2FA
	Maneely Mc Cann
	Chartered Accountants & Statutory Auditors
	Aisling House
	50 Stranmillis Embankment
	Belfast
Bankers	BT9 5FL
	Lloyds Bank Plc
	32 Oxford Street
	London
Solicitors	W1R 2BS
	Freeths
	Cumberland Court
	80 Mount Street
	Nottingham
	NG1 6HH
	Skadden, Arps, Slate, Meagher & Flom LLP
	40 Bank Street
	Canary Wharf
	London
	E14 5DS

Scotco Central Limited
Statement of Financial Position
31 December 2020

		31 Dec 20	29 Dec 19
	Note	£	£
Fixed assets			
Investments	4	5,515,774	21,318,299
Current assets			
Debtors	5	22,392,541	20,313,941
Cash at bank and in hand		1,761	8,804
		22,394,302	20,322,745
Creditors: amounts falling due within one year	6	44,079,478	41,446,753
Net current liabilities		21,685,176	21,124,008
Total assets less current liabilities		(16,169,402)	194,291
Net (liabilities)/assets		(16,169,402)	194,291
Capital and reserves			
Called up share capital		15,771	15,771
Profit and loss account		(16,185,173)	178,520
Shareholders (deficit)/funds		(16,169,402)	194,291

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 30 September 2022 , and are signed on behalf of the board by:

Mr Z V Issa

Director

Company registration number: 09950817

Scotco Central Limited

Notes to the Financial Statements

Period from 30 December 2019 to 31 December 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Waterside Head Office, Haslingden Road, Guide, Blackburn, Lancashire, BB1 2FA, England.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on the going concern basis, notwithstanding the fact that the company had a net shareholders deficit of £16,169,402 at the period end. The company has the necessary cash cover and support from its parent company, Euro Garages Limited, and its fellow group companies to enable it to meet its total on-going creditor obligations and liabilities for the medium to long term. In light of the above, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

Consolidation

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Hedge accounting

Hedge accounting is used where the hedging relationship is designated, documented and expected to be highly effective, and is only used for specific risks, as defined by FRS 102 section 12. Where the hedged risk is the exposure to a fixed interest rate risk or foreign exchange risk of a debt instrument measured at amortised cost or the price risk of a commodity that it holds or has a firm commitment, the hedging instrument is recognised as an asset or liability with the change in fair value being recognised in profit or loss. The change in fair value of the hedged item related to the hedged risk is recognised in profit or loss and as an adjustment to the carrying amount of the hedged item. Where the hedged risk is the variable interest rate risk or foreign exchange risk in a debt instrument measured at amortised cost, the foreign exchange risk or interest rate risk in a firm commitment or highly probable forecast transaction, the commodity price risk in a highly probable forecast transaction or the foreign exchange risk in a net investment in a foreign operation, then the financial instrument is initially and subsequently recognised at fair value at each reporting date. Movements in fair value are recognised in other comprehensive income, to the extent that the hedge is effective. Any ineffective movements are recognised in profit or loss. Where the hedged risk is the variable or fixed interest rate risk of a debt instrument measured at amortised cost, the periodic net cash settlements on the interest rate swap are recognised in profit or loss in the period in which the net settlements accrue. Hedge accounting is discontinued where the hedging instrument expires, is sold or terminated, the hedge no longer meets the criteria for hedge accounting, the forecast transaction is no longer highly probable in a hedge of a forecast transaction, or the designation is revoked.

4. Investments

	Shares in group undertakings £
Cost	
At 30 December 2019 and 31 December 2020	21,318,299
Impairment	
At 30 December 2019	—
Impairment losses	15,802,525
At 31 December 2020	15,802,525
Carrying amount	
At 31 December 2020	5,515,774
At 29 December 2019	21,318,299

Subsidiaries, associates and other investments

	Registered office	Class of share	Percentage of shares held
Subsidiary undertakings			
Scotco NI Limited	Northern Ireland	Ordinary	100
Scotco Restaurants (Jersey) Limited	Jersey	Ordinary	100
Scotco RoI Limited	Republic of Ireland	Ordinary	100
JRC Holdings Limited	England	Ordinary	100
Scotco Midlands Limited	England	Ordinary	100
Scotco One Four Five Limited	England	Ordinary	100
Scotco Trowbridge Limited		Ordinary	100

Scotco NI Limited, Scotco Restaurants (Jersey) Limited and Scotco ROI Limited are involved in fast food retail. JRC Holdings Limited is a holding company. Scotco Midlands Limited, Scotco One Four Five Limited and Scotco Trowbridge Limited transferred their fast food retail trades to a fellow subsidiary during the period and were dormant at the period end.

5. Debtors

	31 Dec 20 £	29 Dec 19 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	22,379,545	20,298,635
Other debtors	12,996	15,306
	22,392,541	20,313,941

6. Creditors: amounts falling due within one year

	31 Dec 20 £	29 Dec 19 £
Bank loans and overdrafts	—	41,396,114
Trade creditors	—	2,173
Amounts owed to group undertakings and undertakings in which the company has a participating interest	44,076,837	—
Other creditors	2,641	48,466
	44,079,478	41,446,753

7. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	31 Dec 20	29 Dec 19
	£	£
Financial liabilities measured at fair value through profit or loss		
Financial liabilities measured at fair value through profit or loss	—	274,606
	---	-----

8. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	31 Dec 20	29 Dec 19
	£	£
Not later than 1 year	—	118,341
Later than 1 year and not later than 5 years	—	78,906
	---	-----
	—	197,247
	---	-----

9. Summary audit opinion

The auditor's report for the period dated 30 September 2022 was unqualified , however it included an emphasis of matter in respect of uncertainty in relation to going concern as follows:

We draw attention to note 3 to the financial statements, which indicates that the accounts have been prepared on a going concern basis, the validity of which depends on the continued support of the other group companies and the group's bankers. The financial statements do not include any adjustments which would result if this continued support was not secured. As stated in note 3, these events or conditions, along with the other matters as set forth in note 3, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The senior statutory auditor was Cathal Maneely , for and on behalf of Maneely Mc Cann .

10. Related party transactions

Transactions The company has taken advantage of the exemption from disclosing related party transactions with group companies, in accordance with Financial Reporting Standard No 102 The Financial Reporting Standards applicable in the UK and Republic of Ireland, Section 1A Appendix C, Related Party Disclosures.

11. Controlling party

In the opinion of the Directors, the Company's ultimate parent Company and ultimate controlling party is Optima Bidco (Jersey) Limited , a company registered in Jersey, Channel Islands. The Company's immediate controlling party is Euro Garages Limited. The parent undertaking of the largest group, which includes the Company and for which group accounts are prepared, is EG Group Holdings Limited , a company incorporated in Great Britain, registered at Waterside Head Office, Haslingden Road, Guide, Blackburn, Lancashire, BB1 2FA, United Kingdom.

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.