Company Registration No. SC048720 (Scotland)

# Scobie and Junor (Ireland) Limited

financial statements

for the year ended 30 June 2023

Pages for filing with Registrar

**Scobie and Junor (Ireland) Limited**

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**Scobie and Junor (Ireland) Limited**

**Balance sheet**

**as at 30 June 2023**

| | Notes | 2023 £ | 2023 £ | 2022 £ | 2022 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 4 | | 364,163 | | 348,779 |
| **Current assets** | | | | | |
| Stocks | | 1,240,339 | | 1,184,925 | |
| Debtors | 5 | 1,904,891 | | 2,081,816 | |
| Cash at bank and in hand | | 200 | | 200 | |
| | | 3,145,430 | | 3,266,941 | |
| **Creditors: amounts falling due within one year** | 6 | (1,698,437) | | (1,918,978) | |
| **Net current assets** | | | 1,446,993 | | 1,347,963 |
| **Total assets less current liabilities** | | | 1,811,156 | | 1,696,742 |
| **Creditors: amounts falling due after more than one year** | 7 | | (58,249) | | (46,889) |
| **Provisions for liabilities** | | | (25,592) | | (16,321) |
| **Net assets** | | | 1,727,315 | | 1,633,532 |
| **Capital and reserves** | | | | | |
| Called up share capital | 8 | | 105 | | 105 |
| Profit and loss reserves | | | 1,727,210 | | 1,633,427 |
| **Total equity** | | | 1,727,315 | | 1,633,532 |

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

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 by the board of directors and authorised for issue on 22 March 2024 and are signed on its behalf by:

A J Wicklow
**Director**

**Company Registration No. SC048720**

## 1 Accounting policies

**Company information**

Scobie and Junor (Ireland) Limited is a private company limited by shares incorporated in Scotland. The registered office is 1 George Square, Glasgow, G2 1AL.

### 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 a mounts 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 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered relevant information, including the financial projections and the impact of subsequent events in making their assessment. Based on this assessment and having regard to the resources available to the company, the directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and financial statements.

### 1.3 Turnover

Turnover is recognised to the extent that is is probable that the economic benefits will flow to the company and the revenue can be reliably measured, being on despatch of goods from the company's warehouse facility. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax.

### 1.4 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:

| | |
|---|---|
| Freehold land and buildings | 6.67% on straight line basis |
| Leasehold land and buildings | 20% on straight line basis |
| Plant and equipment | 25% on straight line basis |
| Fixtures and fittings | 50% on straight line basis |
| Motor vehicles | 25% on straight line basis |

### 1.5 Stocks

Stocks 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.

## 1 Accounting policies (continued)

### 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

## 1 Accounting policies (continued)

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 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 Accounting policies (continued)

### 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.10 Retirement benefits

The company contributes to a defined contribution pension scheme on behalf of its staff and directors. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

### 1.11 Leases

Assets held under finance leases or hire purchase contracts are capitalised under tangible fixed assets in the balance sheet and are depreciated over their useful economic lives. The capital element of the future payments is treated as a liability and the interest element charged to the profit and loss account.

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

### 1.12 Foreign exchange

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 profit.

## 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

**Critical judgements**
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Carrying value of tangible assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect the current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Stock provision
Stock is valued at the lower of cost and net realisable value. Management write down obsolete and damaged stock items throughout the year but in addition, at the year end, they consider whether the stock value is appropriate and where required apply a stock provision to bring the value down to net realisable value in line with accounting standards. The provision is calculated by management based on their knowledge of the market they sell to and their products.

Accruals
Management estimates accruals using post year end information and information available from detailed budgets. This identifies costs and income that are expected to be incurred or received for goods/services provided by and to other parties. Accruals are only released when there is a reasonable expectation that these costs will not be invoiced in the future.

Bad debt provision
Credit control is an important function which requires assessment, on an ongoing basis, of the recoverability of amounts due from trade debtors. Where recovery is in doubt, management will adequately provide against this specific debt and will arrive at such conclusions based on the knowledge of the debtor and their "ability to pay".

## 3 Employees

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

| | **2023** | 2022 |
|---|---|---|
| | **Number** | Number |
| Total | **19** | 17 |

## 4 Tangible fixed assets

| | Land and buildings | Plant and machinery etc | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost** | | | |
| At 1 July 2022 | **320,732** | **366,633** | **687,365** |
| Additions | **-** | **89,194** | **89,194** |
| Disposals | **-** | **(44,446)** | **(44,446)** |
| At 30 June 2023 | **320,732** | **411,381** | **732,113** |
| **Depreciation and impairment** | | | |
| At 1 July 2022 | **63,107** | **275,479** | **338,586** |
| Depreciation charged in the year | **21,031** | **52,779** | **73,810** |
| Eliminated in respect of disposals | **-** | **(44,446)** | **(44,446)** |
| At 30 June 2023 | **84,138** | **283,812** | **367,950** |
| **Carrying amount** | | | |
| At 30 June 2023 | **236,594** | **127,569** | **364,163** |
| At 30 June 2022 | 257,625 | 91,154 | 348,779 |

The net book value of company's fixed assets included £99,037 (2022: £70,746) in respect of assets held under finance leases or hire purchase contracts. Depreciation charged on these assets during the year amounted to £39,450 (2022: £44,723).

## 5 Debtors

| | **2023** | 2022 |
|---|---|---|
| **Amounts falling due within one year:** | **£** | £ |
| Trade debtors | **1,864,469** | 2,068,697 |
| Amounts owed by group undertakings | **-** | 1,682 |
| Other debtors | **36,701** | 9,452 |
| Prepayments and accrued income | **3,721** | 1,985 |
| | **1,904,891** | 2,081,816 |

Trade debtors include £1,802,676 (2022: £1,973,769) which are secured under invoice discounting.

The related finance charge for the year to June 2023 was £33,576 (2022: £20,786).

## 6 Creditors: amounts falling due within one year

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | **595,779** | 368,518 |
| Obligations under finance leases | **50,643** | 36,813 |
| Trade creditors | **410,294** | 759,652 |
| Amounts owed to group undertakings | **529,610** | 597,977 |
| Corporation tax | **45,302** | 1,573 |
| Accruals and deferred income | **66,809** | 154,445 |
| | **1,698,437** | 1,918,978 |

Included within creditors are secured debts including bank overdrafts of £595,779 (2022: £368,518) and hire purchase contracts of £108,892 (2022: £83,702).

The bank overdraft facilities are secured by a bond and floating charge over the assets of the company and by cross-guarantees from other companies in the Scobie & Junor Group.

Hire purchase creditors hold security over certain fixed assets.

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

| | Notes | 2023 £ | 2022 £ |
|---|---|---|---|
| Obligations under finance leases | | **58,249** | 46,889 |

## 8 Called up share capital

| Ordinary share capital | 2023 Number | 2022 Number | 2023 £ | 2022 £ |
|---|---|---|---|---|
| **Issued and fully paid** | | | | |
| Ordinary shares of £1 each | **105** | 105 | **105** | 105 |

## 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Gavin Black and the auditor was Henderson Loggie LLP.

## 10 Financial commitments, guarantees and contingent liabilities

The company has given its bankers a cross guarantee dated 11th April 2012 over its banking facility, which exists across all companies within the Scobie and Junor Holdings (Group) Limited. The liability arising from the cross guarantee is secured by a floating charge over the undertakings and all property and assets present and future. The company's net contingent liability at 30th June 2023 was £Nil (2022 - £Nil)

## 11 Operating lease commitments

**Lessee**

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

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| | 70,112 | 63,621 |

## 12 Related party transactions

**Transactions with related parties**

The company has taken the exemption available in Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") not to disclose transactions with group companies that are included in the consolidated accounts of the company's parent undertaking, Scobie & Junor (Holdings) Limited. The registered office of the parent undertaking is 1 George Square, Glasgow G2 1AL.

During the year, rent was charged by AGP Partnership of £33,000 (2022: £33,000). Directors A J Wicklow and G T Wicklow are partners in the partnership.

During the year, there was no key management personnel identified other than directors remuneration.

## 13 Parent company

The ultimate controlling party is the Wicklow family, who own 100% of the issued share capital of Scobie and Junor (Holdings) Limited. The immediate parent is Scobie and Junor (Holdings) Limited, a company limited by shares (company number SC409894). The parent company is registered at 1 George Square, Glasgow, G2 1AL. The parent company draws up the consolidated financial statements for the group which are available from Companies House.