

Company Registration No. SC058359 (Scotland)

**CHRYSTAL PETROLEUM COMPANY LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**



# CHRYSTAL PETROLEUM COMPANY LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr A Chrystal Mrs W Chrystal
<b>Secretary</b>	Mr S Thomson
<b>Company number</b>	SC058359
<b>Registered office</b>	Cluny By Kirkcaldy Fife KY2 6QX
<b>Auditor</b>	Thomson Cooper 3 Castle Court Carnegie Campus Dunfermline Fife KY11 8PB

# **CHRYSTAL PETROLEUM COMPANY LIMITED**

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# CHRYSTAL PETROLEUM COMPANY LIMITED

## STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present the strategic report for the year ended 30 June 2021.

### Review of business

Turnover decreased during the year predominantly due to the continuing fall in the price of oil. Our volume for the year was largely comparable to 2020.

### Principal risks and uncertainties

The principal risks and uncertainties facing the company will depend on the continuing recovery of the UK economy. Whilst the oil price remains relatively low, this will assist the recovery of commercial and industrial business, however, long term recovery and stability is required. The directors continue to monitor the risks and react accordingly.

### Operating performance and key performance indicators

#### Operating Performance

	2021	2020
	£'000	£'000
Turnover	30,022	33,014
Gross Margin	3,198	3,460
Operating Profit	677	896
Profit Before Tax	677	915
Total Assets less current liabilities	6,674	6,182

#### Key Performance Indicators

Turnover Growth (£'000)	(2,992)	(5,915)
Gross Margin %	10.65%	10.48%
Operating Profit %	2.26%	2.71%

### Future developments

The business has a solid customer base and will continue to retain its existing market share. The directors will strive to maintain as much diversity as possible, supplying agriculture, domestic, industrial and marine customers.

On behalf of the board



Mr A Chrystal  
Director

24 November 2021

# CHRYSTAL PETROLEUM COMPANY LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 30 JUNE 2021**

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The directors present their annual report and financial statements for the year ended 30 June 2021.

### Principal activities

The principal activity of the company continued to be that of the retail and distribution of petroleum products.

### Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £7,000. The directors do not recommend payment of a further dividend.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A Chrystal  
Mrs W Chrystal

### Auditor

The auditor, Thomson Cooper, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of directors' responsibilities

The directors are responsible for preparing the annual report 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 of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

# CHRYSTAL PETROLEUM COMPANY LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

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On behalf of the board

Mr A Chrystal  
Director



24 November 2021

# CHRYSTAL PETROLEUM COMPANY LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CHRYSTAL PETROLEUM COMPANY LIMITED

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#### Opinion

We have audited the financial statements of Chrystal Petroleum Company Limited (the 'company') for the year ended 30 June 2021 which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2021 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 *Auditor's 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# CHRYSTAL PETROLEUM COMPANY LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF CHRYSTAL PETROLEUM COMPANY LIMITED

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#### **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 and the directors' report.

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 directors' responsibilities statement, 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 is 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.

#### **Auditor's 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 an auditor's report 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.

#### **Extent to which the audit was capable of detecting irregularities, including fraud**

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of income, posting of unusual journals along with complex transactions and manipulating the Company's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of revenue, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including financial and taxation legislation and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.



# **CHRYSTAL PETROLEUM COMPANY LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF CHRYSTAL PETROLEUM COMPANY LIMITED**

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With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the company.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **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 an auditor's report 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.

**Andrew Croxford (Senior Statutory Auditor)**  
**For and on behalf of Thomson Cooper, Statutory Auditors**  
Dunfermline

**24 November 2021**

# CHRYSTAL PETROLEUM COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 £	2020 £
Turnover	3	30,022,131	33,013,743
Cost of sales		(26,823,879)	(29,553,947)
<b>Gross profit</b>		<b>3,198,252</b>	<b>3,459,796</b>
Administrative expenses		(2,556,144)	(2,596,343)
Other operating income		34,465	32,632
<b>Operating profit</b>	<b>4</b>	<b>676,573</b>	<b>896,085</b>
Interest receivable and similar income	7	-	21,820
Interest payable and similar expenses	8	-	(2,816)
<b>Profit before taxation</b>		<b>676,573</b>	<b>915,089</b>
Tax on profit	9	(134,216)	(187,880)
<b>Profit for the financial year</b>		<b>542,357</b>	<b>727,209</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# CHRYSTAL PETROLEUM COMPANY LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	11		1,662,551		1,975,958
<b>Current assets</b>					
Stocks	12	183,817		137,400	
Debtors	13	4,709,840		1,954,723	
Investments	14	25		25	
Cash at bank and in hand		2,816,571		4,035,442	
		<u>7,710,253</u>		<u>6,127,590</u>	
<b>Creditors: amounts falling due within one year</b>	15	(2,698,339)		(1,921,677)	
<b>Net current assets</b>			5,011,914		4,205,913
<b>Total assets less current liabilities</b>			<u>6,674,465</u>		<u>6,181,871</u>
<b>Provisions for liabilities</b>					
Deferred tax liability	16	146,220		188,983	
		<u>(146,220)</u>		<u>(188,983)</u>	
<b>Net assets</b>			<u>6,528,245</u>		<u>5,992,888</u>
<b>Capital and reserves</b>					
Called up share capital	18	15,000		15,000	
Profit and loss reserves		6,513,245		5,977,888	
<b>Total equity</b>			<u>6,528,245</u>		<u>5,992,888</u>

The financial statements were approved by the board of directors and authorised for issue on 24 November 2021 and are signed on its behalf by:

Mr A Chrystal  
Director



Company Registration No. SC058359

# CHRYSTAL PETROLEUM COMPANY LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 July 2019</b>		15,000	5,388,017	5,403,017
<b>Year ended 30 June 2020:</b>				
Profit and total comprehensive income for the year		-	727,209	727,209
Dividends	10	-	(137,338)	(137,338)
<b>Balance at 30 June 2020</b>		15,000	5,977,888	5,992,888
<b>Year ended 30 June 2021:</b>				
Profit and total comprehensive income for the year		-	542,357	542,357
Dividends	10	-	(7,000)	(7,000)
<b>Balance at 30 June 2021</b>		15,000	6,513,245	6,528,245

# CHRYSTAL PETROLEUM COMPANY LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	21	442,427		1,688,426	
Interest paid		-		(2,816)	
Income taxes paid		(66,419)		(96,734)	
<b>Net cash inflow from operating activities</b>		<b>376,008</b>		<b>1,588,876</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(71,378)		(989,187)	
Proceeds on disposal of tangible fixed assets		83,499		63,250	
Loans made		(1,600,000)		-	
Interest received		-		21,820	
<b>Net cash used in investing activities</b>		<b>(1,587,879)</b>		<b>(904,117)</b>	
<b>Financing activities</b>					
Dividends paid		(7,000)		(100,000)	
<b>Net cash used in financing activities</b>		<b>(7,000)</b>		<b>(100,000)</b>	
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,218,871)</b>		<b>584,759</b>	
Cash and cash equivalents at beginning of year		4,035,442		3,450,683	
<b>Cash and cash equivalents at end of year</b>		<b>2,816,571</b>		<b>4,035,442</b>	

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

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### 1 Accounting policies

#### Company information

Chrystal Petroleum Company Limited is a private company limited by shares incorporated in Scotland. The registered office is Cluny, By Kirkcaldy, Fife, KY2 6QX.

#### 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.

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 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors are aware of the continuing potential impact on the company of Covid-19. The directors are actively taking all steps to mitigate any impact the virus may have on the company. The directors have considered a period of 12 months from the date of approval of the financial statements.

#### 1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes on petroleum sales.

#### 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	2% or 4% on cost
Plant and equipment	20% per annum reducing balance
Fixtures and fittings	25% per annum reducing balance
Motor vehicles	25% per annum reducing balance

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.

#### 1.5 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. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Stocks

Cost is calculated on a first in, first out basis.

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.

#### 1.7 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.

#### 1.8 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.

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 1 Accounting policies

(Continued)

#### ***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.

#### ***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.

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.

### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.10 Taxation

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



# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

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### 1 Accounting policies

(Continued)

#### **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.

#### **1.11 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.

#### **1.12 Retirement benefits**

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

#### **1.13 Leases**

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 leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 1 Accounting policies

(Continued)

#### 1.14 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.

### 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.

Following a review, the directors are of the opinion that there were no significant judgements and estimates required in the preparation of the financial statements.

### 3 Turnover and other revenue

	2021 £	2020 £
<b>Turnover analysed by class of business</b>		
Sales of fuel and lubricants	30,022,131	33,013,743
	<u>          </u>	<u>          </u>
	2021 £	2020 £
<b>Other significant revenue</b>		
Interest income	-	21,820
Grants received	8,835	7,002
	<u>          </u>	<u>          </u>
	2021 £	2020 £
<b>Turnover analysed by geographical market</b>		
UK Sales	30,022,131	33,013,743
	<u>          </u>	<u>          </u>

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	(8,835)	(7,002)
Fees payable to the company's auditor for the audit of the company's financial statements	4,200	4,550
Depreciation of owned tangible fixed assets	346,734	292,040
Profit on disposal of tangible fixed assets	(45,448)	(13,549)
Operating lease charges	3,730	2,666
	<u>          </u>	<u>          </u>

### 5 Employees

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

	2021 Number	2020 Number
Directors	2	2
Office staff	6	6
Drivers	15	17
Sales representatives	2	2
	<u>          </u>	<u>          </u>
Total	25	27
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	1,208,345	1,214,026
Social security costs	143,013	143,025
Pension costs	135,673	143,264
	<u>          </u>	<u>          </u>
	1,487,031	1,500,315
	<u>          </u>	<u>          </u>

### 6 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	218,599	225,520
Company pension contributions to defined contribution schemes	40,000	40,000
	<u>          </u>	<u>          </u>
	258,599	265,520
	<u>          </u>	<u>          </u>

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 6 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	126,329	133,584

### 7 Interest receivable and similar income

	2021 £	2020 £
<b>Interest income</b>		
Interest on bank deposits	-	21,792
Other interest income	-	28
Total income	-	21,820

### 8 Interest payable and similar expenses

	2021 £	2020 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	-	2,816

### 9 Taxation

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	176,979	187,880
<b>Deferred tax</b>		
Origination and reversal of timing differences	(42,763)	-
Total tax charge	134,216	187,880

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2021

#### 9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	676,573	915,089
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	128,549	173,867
Tax effect of expenses that are not deductible in determining taxable profit	-	345
Depreciation on assets not qualifying for tax allowances	5,995	5,724
Rate difference, tax at 19%	-	7,944
Enhanced capital allowances	(328)	-
Taxation charge for the year	134,216	187,880

#### 10 Dividends

	2021 £	2020 £
Final paid	7,000	137,338

#### 11 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 July 2020	849,342	355,855	36,089	2,887,953	4,129,239
Additions	29,860	-	1,993	39,525	71,378
Disposals	-	-	-	(478,470)	(478,470)
At 30 June 2021	879,202	355,855	38,082	2,449,008	3,722,147
<b>Depreciation and impairment</b>					
At 1 July 2020	204,886	159,026	30,057	1,759,312	2,153,281
Depreciation charged in the year	31,550	39,366	1,524	274,294	346,734
Eliminated in respect of disposals	-	-	-	(440,419)	(440,419)
At 30 June 2021	236,436	198,392	31,581	1,593,187	2,059,596
<b>Carrying amount</b>					
At 30 June 2021	642,766	157,463	6,501	855,821	1,662,551
At 30 June 2020	644,456	196,829	6,032	1,128,641	1,975,958

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 12 Stocks

	2021 £	2020 £
Finished goods and goods for resale	183,817	137,400

### 13 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	2,911,962	1,834,792
Other debtors (see note 20)	1,769,278	94,072
Prepayments and accrued income	28,600	25,859
	4,709,840	1,954,723

### 14 Current asset investments

	2021 £	2020 £
Unlisted investments	25	25

### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	2,436,901	1,719,397
Corporation tax	176,924	66,364
Other taxation and social security	73,823	88,468
Other creditors (see note 20)	728	37,338
Accruals and deferred income	9,963	10,110
	2,698,339	1,921,677

### 16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £
<b>Balances:</b>		
Accelerated capital allowances	146,220	188,983

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 16 Deferred taxation (Continued)

	2021 £
<b>Movements in the year:</b>	
Liability at 1 July 2020	188,983
Credit to profit or loss	(42,763)
Liability at 30 June 2021	<u>146,220</u>

The provision for deferred tax is made up of accelerated capital allowances which are expected to reverse over the next three years.

### 17 Retirement benefit schemes

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>135,673</u>	<u>143,264</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 18 Share capital

	2021 Number	2020 Number	2021 £	2020 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary share of £1 each	11,250	11,250	11,250	11,250
A Ordinary share of £1 each	3,750	3,750	3,750	3,750
	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>

Each share is entitled to one vote in any circumstances and each share is also entitled pari passu to dividend payments or any distribution, including a distribution arising from a winding up of the company.

### 19 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2021 £	2020 £
Acquisition of tangible fixed assets	<u>291,940</u>	<u>-</u>

### 20 Related party transactions

# CHRYSTAL PETROLEUM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 20 Related party transactions

(Continued)

Included in other debtors is an amount of £1,600,000 (2020 - nil) due from Chrystal Energy Investments Limited, the directors of the company are also directors and shareholders in Chrystal Energy Investments Limited. Also included in other creditors is an amount of £728 (2020 - £37,338) due to a director of the company.

### 21 Cash generated from operations

	2021 £	2020 £
Profit for the year after tax	542,357	727,209
<b>Adjustments for:</b>		
Taxation charged	134,216	187,880
Finance costs	-	2,816
Investment income	-	(21,820)
Gain on disposal of tangible fixed assets	(45,448)	(13,549)
Depreciation and impairment of tangible fixed assets	346,734	292,040
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(46,417)	8,774
(Increase)/decrease in debtors	(1,155,117)	1,523,780
Increase/(decrease) in creditors	666,102	(1,018,704)
<b>Cash generated from operations</b>	<b>442,427</b>	<b>1,688,426</b>

### 22 Analysis of changes in net debt

	2021 £
<b>Opening net funds</b>	
Cash at bank and in hand	4,035,442
<b>Changes in net debt arising from:</b>	
Cash flows of the entity	(1,218,871)
<b>Closing net funds as analysed below</b>	<b>2,816,571</b>
<b>Closing net funds</b>	
Cash at bank and in hand	2,816,571