

**REGISTERED NUMBER: 00367777 (England and Wales)**

**J&J FRANKS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

Hakim Fry  
Chartered Accountants  
69-71 East Street  
Epsom  
Surrey  
KT17 1BP

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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**J&J FRANKS LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**DIRECTORS:** P D Crate  
P L Lewis

**SECRETARY:** Mrs H Crate

**REGISTERED OFFICE:** 69-71 East Street  
Epsom  
Surrey  
KT17 1BP

**REGISTERED NUMBER:** 00367777 (England and Wales)

**ACCOUNTANTS:** Hakim Fry  
Chartered Accountants  
69-71 East Street  
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Surrey  
KT17 1BP

**BALANCE SHEET**  
**31 DECEMBER 2018**

	Notes	31.12.18 £	£	31.12.17 £	£
<b>FIXED ASSETS</b>					
Intangible assets	5		-		-
Tangible assets	6		<u>9,123,921</u>		<u>7,687,205</u>
			<b>9,123,921</b>		<b>7,687,205</b>
<b>CURRENT ASSETS</b>					
Stocks		<b>12,500</b>		12,500	
Debtors	7	<b>1,280,715</b>		1,106,982	
Cash at bank and in hand		<u><b>1,990,369</b></u>		<u>1,772,502</u>	
		<b>3,283,584</b>		<b>2,891,984</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u><b>1,699,565</b></u>		<u>1,220,984</u>	
<b>NET CURRENT ASSETS</b>			<u><b>1,584,019</b></u>		<u><b>1,671,000</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>10,707,940</b>		<b>9,358,205</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	9		<b>(470,798)</b>		<b>(345,769)</b>
<b>PROVISIONS FOR LIABILITIES</b>	11		<u><b>(583,019)</b></u>		<u><b>(567,141)</b></u>
<b>NET ASSETS</b>			<u><b>9,654,123</b></u>		<u><b>8,445,295</b></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital		<b>10,800</b>		10,800	
Revaluation reserve	12	<b>2,350,250</b>		2,350,250	
Capital redemption reserve		<b>4,200</b>		4,200	
Other reserves		<b>5,153</b>		5,153	
Retained earnings		<u><b>7,283,720</b></u>		<u>6,074,892</u>	
<b>SHAREHOLDERS' FUNDS</b>		<u><b>9,654,123</b></u>		<u><b>8,445,295</b></u>	

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

**BALANCE SHEET - continued**  
**31 DECEMBER 2018**

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 30 May 2019 and were signed on its behalf by:

P D Crate - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**1. STATUTORY INFORMATION**

J&J Franks Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Revenue recognition**

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

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the company's sales channels have been met, as described below.

**a) Sale of goods.**

Sales of goods are recognised on sale to the customer, which is considered the point of despatch from the company's sites. Sales are usually on credit terms.

**b) Sale of services**

The company provides landfill and recycling services. Revenue is recognised in the accounting period in which the services are rendered when the outcome of the contract have been fulfilled. Sales are usually on credit terms.

**c) Interest income**

Interest income is recognised in the period earned.

In the year under review a level of the landfill receipts have been treated as a capital receipt against the costs of the related project.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2000, is being amortised evenly over its estimated useful life of five years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**3. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- in accordance with the property
Mineral extraction costs	- at varying rates on cost
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Freehold land is not depreciated.

Mineral extraction costs will be depreciated at the estimated rate of consumption of volumes available to be extracted from the underlying resource.

Land and buildings are carried at deemed cost being the revaluations reflected in the balance sheet as at the date of transition to FRS102, namely 1 January 2015.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax on revaluations is charged to the relevant reserve.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**4. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 32 (2017 - 35) .

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**5. INTANGIBLE FIXED ASSETS**

	<b>Goodwill</b> £
<b>COST</b>	
At 1 January 2018	
and 31 December 2018	<u>20,000</u>
<b>AMORTISATION</b>	
At 1 January 2018	
and 31 December 2018	<u>20,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2018	<u>-</u>
At 31 December 2017	<u>-</u>

**6. TANGIBLE FIXED ASSETS**

	<b>Freehold property £</b>	<b>Mineral extraction costs £</b>	<b>Plant and machinery £</b>
<b>COST OR VALUATION</b>			
At 1 January 2018	4,508,109	2,452,609	3,908,822
Additions	1,367,499	40,000	670,004
Disposals	(655)	-	(238,500)
At 31 December 2018	<u>5,874,953</u>	<u>2,492,609</u>	<u>4,340,326</u>
<b>DEPRECIATION</b>			
At 1 January 2018	181,738	270,285	2,807,563
Charge for year	25,200	128,786	473,863
Eliminated on disposal	-	-	(238,500)
At 31 December 2018	<u>206,938</u>	<u>399,071</u>	<u>3,042,926</u>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<u>5,668,015</u>	<u>2,093,538</u>	<u>1,297,400</u>
At 31 December 2017	<u>4,326,371</u>	<u>2,182,324</u>	<u>1,101,259</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**6. TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2018	61,598	114,830	11,045,968
Additions	1,699	34,113	2,113,315
Disposals	-	(23,550)	(262,705)
At 31 December 2018	<u>63,297</u>	<u>125,393</u>	<u>12,896,578</u>
<b>DEPRECIATION</b>			
At 1 January 2018	56,566	42,611	3,358,763
Charge for year	5,005	24,002	656,856
Eliminated on disposal	-	(4,462)	(242,962)
At 31 December 2018	<u>61,571</u>	<u>62,151</u>	<u>3,772,657</u>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<u>1,726</u>	<u>63,242</u>	<u>9,123,921</u>
At 31 December 2017	<u>5,032</u>	<u>72,219</u>	<u>7,687,205</u>

Included in cost or valuation of land and buildings is freehold land of £ 4,315,607 (2017 - £ 2,808,108 ) which is not depreciated.

Assets held under finance lease and hire purchase contracts included above have a net book value of £1,149,629 (2017: £974,463), depreciation charged being £375,529 (2017: £398,725).

Cost or valuation at 31 December 2018 is represented by:

	Freehold property £	Mineral extraction costs £	Plant and machinery £
Valuation in 2006	2,005,185	-	-
Valuation in 2007	853,348	-	-
Valuation in 2010	(350,000)	-	-
Valuation in 2017	140,000	-	-
Cost	<u>3,226,420</u>	<u>2,492,609</u>	<u>4,340,326</u>
	<u>5,874,953</u>	<u>2,492,609</u>	<u>4,340,326</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**6. TANGIBLE FIXED ASSETS - continued**

	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
Valuation in 2006	-	-	2,005,185
Valuation in 2007	-	-	853,348
Valuation in 2010	-	-	(350,000)
Valuation in 2017	-	-	140,000
Cost	<u>63,297</u>	<u>125,393</u>	<u>10,248,045</u>
	<u>63,297</u>	<u>125,393</u>	<u>12,896,578</u>

If land and buildings had not been revalued they would have been included at the following historical cost:

	<b>31.12.18 £</b>	<b>31.12.17 £</b>
Cost	<u>1,859,576</u>	<u>1,859,576</u>
Aggregate depreciation	<u>454,099</u>	<u>427,347</u>
Value of land in freehold land and buildings	<u>2,808,108</u>	<u>2,808,108</u>

Land and buildings were valued on an open market basis on 14 July 2011 by the directors .

£2,250,000 of the valuation is supported by a valuation in January 2018 by SLR Consulting Ltd.

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.12.18 £</b>	<b>31.12.17 £</b>
Trade debtors	1,040,507	857,725
Other debtors	<u>240,208</u>	<u>249,257</u>
	<u>1,280,715</u>	<u>1,106,982</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.12.18 £</b>	<b>31.12.17 £</b>
Hire purchase contracts	309,107	298,788
Trade creditors	397,430	271,514
Taxation and social security	738,502	380,102
Other creditors	<u>254,526</u>	<u>270,580</u>
	<u>1,699,565</u>	<u>1,220,984</u>

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>31.12.18 £</b>	<b>31.12.17 £</b>
Hire purchase contracts	<u>470,798</u>	<u>345,769</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**10. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>31.12.18</b>	31.12.17
	<b>£</b>	£
Hire purchase contracts	<u><b>779,905</b></u>	<u>644,557</u>

The hire purchase liabilities are secured on the underlying fixed assets.

**11. PROVISIONS FOR LIABILITIES**

	<b>31.12.18</b>	31.12.17
	<b>£</b>	£
Deferred tax		
Deferred tax	<b>217,240</b>	201,362
Deferred tax on revaluations	<u><b>365,779</b></u>	<u>365,779</u>
	<u><b>583,019</b></u>	<u>567,141</u>

	<b>Deferred tax £</b>
Balance at 1 January 2018	<b>567,141</b>
Provided during year	<b>15,878</b>
Revaluations movement	
Balance at 31 December 2018	<u><b>583,019</b></u>

The deferred taxation provision has been calculated using a taxation rate of 19% and relates to accelerated capital allowances.

If the company's interest in freehold and long leasehold land & buildings were to be disposed of at the revalued amounts shown then a corporation tax liability would crystallise. Subject to any adjustment for March 1982 values and any available losses, the estimated tax charge would be £365,779 using a taxation rate of 19%.

**12. RESERVES**

	<b>Revaluation reserve £</b>
At 1 January 2018 and 31 December 2018	<u><b>2,350,250</b></u>

**13. RELATED PARTY DISCLOSURES**

The company is controlled by the director P D Crate by virtue of his beneficial interest in the company's issued share capital.

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.