

COMPANY REGISTRATION NUMBER: SC076383

Le Chardon Service Company Limited
Filleted Unaudited Financial Statements
For the year ended
31 July 2022

Le Chardon Service Company Limited

Statement of Financial Position

31 July 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	6	251,620	258,949
Current assets			
Stocks		473,659	463,608
Debtors	7	460,506	1,074,324
Cash at bank and in hand		102,778	185,649
		<u>1,036,943</u>	<u>1,723,581</u>
Creditors: amounts falling due within one year	8	2,819,952	3,308,465
		<u>1,783,009</u>	<u>1,584,884</u>
Net current liabilities			
Total assets less current liabilities		(1,531,389)	(1,325,935)
Creditors: amounts falling due after more than one year	9	—	195,833
		<u>(1,531,389)</u>	<u>(1,521,768)</u>
Net liabilities			
Capital and reserves			
Called up share capital	10	100	100
Revaluation reserve		117,546	117,546
Profit and loss account		(1,649,035)	(1,639,414)
Shareholders deficit		(1,531,389)	(1,521,768)

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.

For the year ending 31 July 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act 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 27 April 2023 , and are signed on behalf of the board by:

S D Crabb

Director

Company registration number: SC076383

Le Chardon Service Company Limited

Notes to the Financial Statements

Year ended 31 July 2022

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 14 Riversdale Crescent, Edinburgh, EH12 5QT.

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. Going concern As at 31 July 2022, the company balance sheet had a net deficit of £1,535,322 (2021: - £1,353,224). The company will continue to receive support and borrowing from the MLR pension fund and from group and associated companies. Therefore, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Revenue from services rendered and the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Heritable property	-	2% straight line
Short leasehold	-	20% straight line
Plant and machinery	-	20% straight line
Fixtures and fittings	-	20% straight line

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.

Stocks

Stocks are measured at the lower of cost and estimated selling price after making due allowance for obsolete and slow moving items. Cost includes all costs of purchase.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 4 (2021: 8).

5. Tax on loss

The company has an unrecognised deferred tax asset of £335,405 (2021: £381,694).

6. Tangible assets

	Freehold property £	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost					
At 1 August 2021	366,440	382,063	26,291	55,529	830,323
Disposals	—	(382,063)	(26,291)	(55,529)	(463,883)
At 31 July 2022	366,440	—	—	—	366,440
Depreciation					
At 1 August 2021	107,491	382,063	26,291	55,529	571,374
Charge for the year	7,329	—	—	—	7,329
Disposals	—	(382,063)	(26,291)	(55,529)	(463,883)
At 31 July 2022	114,820	—	—	—	114,820
Carrying amount					
At 31 July 2022	251,620	—	—	—	251,620
At 31 July 2021	258,949	—	—	—	258,949

Tangible assets held at valuation

If heritable land and buildings had not been revalued they would have been included at the historic cost of £214,961 (2021: £214,961).

7. Debtors

	2022 £	2021 £
Trade debtors	26,884	1,507
Amounts owed by group and connected undertakings	413,825	1,025,553
Other debtors	19,797	47,264
	460,506	1,074,324

8. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	—	50,000
Trade creditors	11,737	21,480
Amounts owed to group and connected undertakings	2,798,054	3,191,567
Corporation tax	2,382	—
Social security and other taxes	1,641	41,425
Other creditors	6,138	3,993
	2,819,952	3,308,465

9. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	—	195,833

10. Called up share capital**Issued, called up and fully paid**

	2022		2021	
	No.	£	No.	£
Ordinary shares of £ 1 each	100	100	100	100

11. Directors' advances, credits and guarantees

Included in other debtors at the year end are amounts of £11,347 (2021: £19,228) which were advanced to M L Rennie during the year. Interest has been charged in line with HMRC interest rates.

12. Related party transactions

As at 31 July, the company owed £2,382,201 (2021: £2,794,597) to companies in which R Rennie, J Rennie and S Crabb are also directors. These loans are interest free with no fixed repayment terms.

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.