

**Company registration number SC010710 (Scotland)**

**Scobie and Junor (Estd 1919) Limited**

**Annual report and financial statements**

**for the year ended 30 June 2024**

**Scobie and Junor (Estd 1919) Limited**

**Company information**

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<b>Directors</b>	A J Wicklow G T Wicklow C Dunne J Usher D Frew C Wicklow
<b>Secretary</b>	Dentons Secretaries Limited
<b>Company number</b>	SC010710
<b>Registered office</b>	1 George Square Glasgow G2 1AL
<b>Auditor</b>	Henderson Loggie LLP The Vision Building 20 Greenmarket Dundee DD1 4QB
<b>Solicitors</b>	Dentons LLP 1 George Square Glasgow G2 1AL

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**Scobie and Junor (Estd 1919) Limited**

**Contents**

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	<b>Page</b>
Strategic report	1 - 2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report	5 - 7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	11 - 26

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## **Scobie and Junor (Estd 1919) Limited**

### **Strategic report**

**for the year ended 30 June 2024**

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The directors present the strategic report for the year ended 30 June 2024.

#### **Review of the business**

Scobie & Junor serves the UK and Ireland with a wide range of butchery and meat processor products; and export elastic meat net to over 30 countries worldwide.

Headquartered in East Kilbride, Scotland, it manufactures elastic meat net, blended seasonings and thermoformed plastics. Distribution is from its 87,000 square foot warehouse with 3,500 pallet spaces.

The Republic of Ireland is served with a branch office with distribution facilities. Based in Naas, just outside Dublin, it is ideally suited to provide a quick response to that market.

The strategy of the business is to continue to provide a range of competitive packaging and ingredients products to the meat sector. Scobiesdirect.com, our online channel continues to grow and is far ahead in terms of depth of product range and competitive pricing than any of the competition.

#### **Results and dividends**

The directors are happy with the overall performance of the company and are satisfied that the business has produced strong results in a competitive industry.

The company faced two major challenges in the year. Firstly, the continuing upward pressure on raw material and freight input costs led us to continue actively managing our costing models and price change management systems to pass these on to the market.

Secondly, the knock-on effects of the upward pressure on the cost of living affecting consumers which has led us to re-examine our sales and marketing approaches to maximise profitable sales. The success of our actions above and the overall strategy implemented has seen a positive impact on our KPIs. However, as expected after a successful 2022/23, turnover has fallen by 5.9% while the gross profit margin has increased to 25.5% (2023: 24.2%)

Net profit for the year after taxation was £565,380 (2023: £485,178). Dividends of £nil (2023: £nil) were paid in the year.

#### **Future developments**

The company expects the same pressures to exist going forward, but having adapted the organisation to be more responsive with pricing fluctuations, we should be somewhat insulated from the pressures.

Maintaining good staff relations and continuing with the focus on personnel development and performance review will play a major part in ensuring the companies continued success.

The ongoing pressures on the cost of living will continue to affect us. For this reason, no growth in turnover is expected for 2024/25 but we expect to continue to increase market share through the refocusing of our sales force.

Continued investment in our infrastructure will enable the company to increase efficiencies and enhance our product development.

#### **Key performance indicators**

The directors use Financial Key Performance Indicators to measure gross and net profit margins to review the company performance during the year, the indices are in line with the directors' expectations.

**Scobie and Junor (Estd 1919) Limited**

**Strategic report (continued)**

**for the year ended 30 June 2024**

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**Principal risks**

**Financial instrument risks:**

The company finances on-going activities and major capital expenditure through a combination of retained profits and bank borrowings. The company operates a strict regime of working capital management.

**Competitive risk assessment:**

The company operates in a competitive environment; however, the directors believe that through its continued investment in new products and technology, it is well placed to continue growing its own market share. We continue to provide our customers with the best on-line experience with great deals and a massive product range.

**Environmental risk assessment:**

The directors recognise the company's environmental responsibilities and the increasing legislation in this area. The company complies with relevant legislation and strives to ensure that environmental best practices are adopted, particularly in fuel efficiency, management of waste and reducing consumption of packaging. The directors are satisfied that through such initiatives, the company continues to improve its environmental efficiency.

**Uncertainties and prospects**

The main uncertainties facing the company are the extent to which other producers of foodstuff and related products can increase their market share and the future costs of labour, energy and fuel.

Opportunities for growth within the company's target markets give the directors confidence for the future of the company and in sustained growth.

The butchery and meat industry are stable foodstuff sectors. As the company is involved in many different countries in many different meat types and different size customers, the concentration of risk is diversified to quite a large extent. Whilst the ongoing uncertainty created by this represents a significant risk to the business, the directors are confident that the business model will allow them to continue their growth.

On behalf of the board

A J Wicklow  
**Director**

5 December 2024

**Scobie and Junor (Estd 1919) Limited**

**Directors' report**

**for the year ended 30 June 2024**

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The directors present their annual report and financial statements for the year ended 30 June 2024.

**Principal activities**

The principal activity of the company continued to be that of the sale of butchery and meat processor products.

**Results and dividends**

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

**Directors**

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

A J Wicklow  
G T Wicklow  
C Dunne  
J Usher  
D Frew  
C Wicklow

**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.

**Medium-sized companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

A J Wicklow  
**Director**

5 December 2024

**Scobie and Junor (Estd 1919) Limited**

**Directors' responsibilities statement**

**for the year ended 30 June 2024**

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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.

**Scobie and Junor (Estd 1919) Limited**

**Independent auditor's report**

**to the members of Scobie and Junor (Estd 1919) Limited**

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**Opinion**

We have audited the financial statements of Scobie and Junor (Estd 1919) Limited (the 'company') for the year ended 30 June 2024 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 Financial Reporting Standard 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 2024 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.

**Scobie and Junor (Estd 1919) Limited**

**Independent auditor's report (continued)**

**to the members of Scobie and Junor (Estd 1919) Limited**

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**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.

**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 or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. Management informed us that there were no instances of known, suspected or alleged fraud;
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: BRCGS Food Safety Global Standards; health and safety; employment law; and compliance with the UK Companies Act.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly; and
- Using our knowledge of the company, together with the discussions held with management at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

**Scobie and Junor (Estd 1919) Limited**

**Independent auditor's report (continued)**

**to the members of Scobie and Junor (Estd 1919) Limited**

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The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Enquiry with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the carrying value of tangible fixed assets, provisions in relation to stock and bad debts, and the application of accruals;
- Testing key revenue lines, in particular cut-off, for evidence of management bias; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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.

**Gavin Black (Senior Statutory Auditor)**  
**For and on behalf of Henderson Loggie LLP**

5 December 2024

**Chartered Accountants**  
**Statutory Auditor**

The Vision Building  
20 Greenmarket  
Dundee  
DD1 4QB

Scobie and Junor (Estd 1919) Limited

Statement of comprehensive income

for the year ended 30 June 2024

	Notes	2024 £	2023 £
<b>Turnover</b>	3	23,442,518	24,918,970
Cost of sales		(17,463,641)	(18,897,433)
<b>Gross profit</b>		5,978,877	6,021,537
Distribution costs		(2,490,840)	(2,264,139)
Administrative expenses		(3,533,849)	(3,569,373)
Other operating income		417,018	519,216
<b>Operating profit</b>	4	371,206	707,241
Interest payable and similar expenses	7	(134,847)	(208,970)
<b>Profit before taxation</b>		236,359	498,271
Tax on profit	8	329,021	(13,093)
<b>Profit for the financial year</b>		565,380	485,178

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

**Scobie and Junor (Estd 1919) Limited**

**Balance sheet**

**as at 30 June 2024**

		2024		2023	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		419,388		338,367
<b>Current assets</b>					
Stocks	11	3,815,280		4,512,410	
Debtors	12	2,859,382		2,599,225	
Cash at bank and in hand		42,710		37,731	
			<u>6,717,372</u>		<u>7,149,366</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(3,554,455)</u>		<u>(4,463,869)</u>	
<b>Net current assets</b>			<u>3,162,917</u>		<u>2,685,497</u>
<b>Total assets less current liabilities</b>			<u>3,582,305</u>		<u>3,023,864</u>
<b>Creditors: amounts falling due after more than one year</b>	14		(39,699)		(55,813)
<b>Provisions for liabilities</b>					
Deferred tax liability	17	<u>(52,934)</u>		<u>(43,759)</u>	
			<u>(52,934)</u>		<u>(43,759)</u>
<b>Net assets</b>			<u>3,489,672</u>		<u>2,924,292</u>
<b>Capital and reserves</b>					
Called up share capital	19		5,000		5,000
Profit and loss reserves			<u>3,484,672</u>		<u>2,919,292</u>
<b>Total equity</b>			<u>3,489,672</u>		<u>2,924,292</u>

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 5 December 2024 and are signed on its behalf by:

A J Wicklow  
**Director**

Company registration number SC010710 (Scotland)

**Scobie and Junor (Estd 1919) Limited**

**Statement of changes in equity**

**for the year ended 30 June 2024**

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	<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 July 2022</b>	5,000	2,434,114	2,439,114
<b>Year ended 30 June 2023:</b>			
Profit and total comprehensive income for the year	-	485,178	485,178
	<hr/>	<hr/>	<hr/>
<b>Balance at 30 June 2023</b>	5,000	2,919,292	2,924,292
<b>Year ended 30 June 2024:</b>			
Profit and total comprehensive income for the year	-	565,380	565,380
	<hr/>	<hr/>	<hr/>
<b>Balance at 30 June 2024</b>	<b>5,000</b>	<b>3,484,672</b>	<b>3,489,672</b>
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**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements**

**for the year ended 30 June 2024**

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**1 Accounting policies**

**Company information**

Scobie and Junor (Estd 1919) 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.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'
- Section 26 'Share based Payment' Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Scobie & Junor (Holdings) Limited. These consolidated financial statements are available from its registered office.

**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 it 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.

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

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**1 Accounting policies (continued)**

**1.4 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and has been fully amortised in the previous year.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

**1.5 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:

Long leasehold	10% on a straight line basis
Plant and machinery	25% on a straight line basis
Fixture & fittings	50% on a straightline basis
Computer equipment	10-20% on a straight line basis
Motor vehicles	20% on a straight line basis

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.

**1.6 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

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.

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

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**1 Accounting policies (continued)**

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.

**1.7 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

**1.8 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.

**1.9 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.

**Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

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**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.

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.

**Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

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**1 Accounting policies (continued)**

**Derecognition of financial liabilities**

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

**1.10 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.

**1.11 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.

**1.12 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.

**1.13 Retirement benefits**

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

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

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**1 Accounting policies (continued)**

**1.14 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 leases asset are consumed.

**1.15 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

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**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".

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

**3 Turnover**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	<b>2024</b>	2023
	<b>£</b>	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	<b>20,685,219</b>	21,852,917
EU Member States and Europe	<b>2,300,458</b>	2,686,471
Rest of The World	<b>456,841</b>	379,582
	<b>23,442,518</b>	24,918,970

**4 Operating profit**

	<b>2024</b>	2023
	<b>£</b>	£
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	<b>18,380</b>	17,500
Depreciation of owned tangible fixed assets	<b>135,711</b>	174,656
Depreciation of tangible fixed assets held under finance leases	<b>86,913</b>	64,799
Profit on disposal of tangible fixed assets	<b>(11,586)</b>	(7,522)
Operating lease charges	<b>521,641</b>	414,252

**5 Employees**

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

	<b>2024</b>	2023
	<b>Number</b>	Number
Production	<b>62</b>	58
Sales	<b>16</b>	14
Administration	<b>24</b>	25
Total	<b>102</b>	97

Scobie and Junor (Estd 1919) Limited

Notes to the financial statements (continued)

for the year ended 30 June 2024

**5 Employees (continued)**

Their aggregate remuneration comprised:

	2024	2023
	£	£
Wages and salaries	4,113,292	3,851,686
Social security costs	388,884	350,602
Pension costs	96,261	151,410
	<u>4,598,437</u>	<u>4,353,698</u>

**6 Directors' remuneration**

	2024	2023
	£	£
Remuneration for qualifying services	1,142,613	1,221,802
Company pension contributions to defined contribution schemes	16,051	15,147
	<u>1,158,664</u>	<u>1,236,949</u>

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

	2024	2023
	£	£
Remuneration for qualifying services	<u>387,569</u>	<u>461,163</u>

**7 Interest payable and similar expenses**

	2024	2023
	£	£
Interest on bank overdrafts and loans	128,088	198,419
Interest on finance leases and hire purchase contracts	6,759	10,551
	<u>134,847</u>	<u>208,970</u>

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

<b>8 Taxation</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	123,570
Adjustments in respect of prior periods	<b>(367,506)</b>	<b>(116,337)</b>
Total UK current tax	<b>(367,506)</b>	7,233
Foreign current tax on profits for the current period	<b>29,310</b>	28,533
Total current tax	<b>(338,196)</b>	35,766
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>9,175</b>	<b>(22,673)</b>
Total tax (credit)/charge	<b>(329,021)</b>	13,093

The actual (credit)/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:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Profit before taxation	<b>236,359</b>	498,271
Expected tax charge based on the standard rate of corporation tax in the UK of 25% (2023: 21%)	<b>59,090</b>	102,146
Tax effect of expenses that are not deductible in determining taxable profit	<b>3,100</b>	(1,477)
Adjustments in respect of prior years	<b>(367,506)</b>	<b>(116,337)</b>
Effect of change in corporation tax rate	-	(3,994)
Group relief	<b>(60,527)</b>	-
Depreciation on assets not qualifying for tax allowances	<b>7,668</b>	4,222
Other non-reversing timing differences	<b>(156)</b>	-
Foreign taxation suffered	<b>29,310</b>	28,533
Taxation (credit)/charge for the year	<b>(329,021)</b>	13,093

At the Spring Budget 2021, the government announced that the corporation tax main rate for profits would increase to 25%. Following Royal Assent this was enacted from 1 April 2023 and as a result the corporation tax rate effective in the period has been set at 25% (2023 - 19%).

Scobie and Junor (Estd 1919) Limited

Notes to the financial statements (continued)

for the year ended 30 June 2024

9 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 July 2023 and 30 June 2024	463,144
<b>Amortisation and impairment</b>	
At 1 July 2023 and 30 June 2024	463,144
<b>Carrying amount</b>	
At 30 June 2024	-
At 30 June 2023	-

10 Tangible fixed assets

	Long leasehold £	Plant and machinery £	Fixture & fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 July 2023	177,751	2,362,653	58,495	307,070	261,348	3,167,317
Additions	137,578	78,420	-	21,190	76,141	313,329
Disposals	-	-	-	-	(172,593)	(172,593)
At 30 June 2024	315,329	2,441,073	58,495	328,260	164,896	3,308,053
<b>Depreciation and impairment</b>						
At 1 July 2023	142,363	2,187,333	40,775	274,907	183,572	2,828,950
Depreciation charged in the year	33,291	98,178	11,699	27,329	52,127	222,624
Eliminated in respect of disposals	-	-	-	-	(162,909)	(162,909)
At 30 June 2024	175,654	2,285,511	52,474	302,236	72,790	2,888,665
<b>Carrying amount</b>						
At 30 June 2024	139,675	155,562	6,021	26,024	92,106	419,388
At 30 June 2023	35,388	175,320	17,720	32,163	77,776	338,367

Scobie and Junor (Estd 1919) Limited

Notes to the financial statements (continued)

for the year ended 30 June 2024

**10 Tangible fixed assets (continued)**

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2024	2023
	£	£
Plant and machinery	25,890	41,646
Motor vehicles	61,109	52,974
	<u>86,999</u>	<u>94,620</u>

**11 Stocks**

	2024	2023
	£	£
Raw materials and consumables	1,360,409	1,499,461
Work in progress	-	13,118
Finished goods and goods for resale	2,454,871	2,999,831
	<u>3,815,280</u>	<u>4,512,410</u>

**12 Debtors**

	2024	2023
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	2,059,951	2,315,232
Corporation tax recoverable	371,890	-
Amounts owed by group undertakings	220,022	153,474
Other debtors	80,378	33,701
Prepayments and accrued income	127,141	96,818
	<u>2,859,382</u>	<u>2,599,225</u>

Trade debtors include £1,392,278 (2023: £1,785,938) which are secured under invoice discounting.

The related finance charges for the year to June 2024 were £27,727 (2023: £42,356).

Scobie and Junor (Estd 1919) Limited

Notes to the financial statements (continued)

for the year ended 30 June 2024

**13 Creditors: amounts falling due within one year**

	Notes	2024 £	2023 £
Bank loans and overdrafts	15	-	179,566
Obligations under finance leases	16	48,939	70,430
Trade creditors		2,511,336	2,949,576
Amounts owed to group undertakings		590,409	689,725
Corporation tax		-	89,628
Other taxation and social security		-	5,086
Other creditors		2,810	3,465
Accruals and deferred income		400,961	476,393
		<u>3,554,455</u>	<u>4,463,869</u>

Hire purchase creditors of £88,638 (2023: £126,243) have security over certain assets.

**14 Creditors: amounts falling due after more than one year**

	Notes	2024 £	2023 £
Obligations under finance leases	16	39,699	55,813
		<u>39,699</u>	<u>55,813</u>

**15 Loans and overdrafts**

	2024 £	2023 £
Bank overdrafts	-	179,566
	<u>-</u>	<u>179,566</u>
Payable within one year	-	179,566
	<u>-</u>	<u>179,566</u>

The bank overdraft facilities of £nil (2023: £179,566) 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.

**16 Finance lease obligations**

	2024 £	2023 £
Future minimum lease payments due under finance leases:		
Within one year	48,939	70,430
In two to five years	39,699	55,813
	<u>88,638</u>	<u>126,243</u>

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

**16 Finance lease obligations (continued)**

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

**17 Deferred taxation**

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

	<b>Liabilities 2024</b>	Liabilities 2023
	£	£
<b>Balances:</b>		
Accelerated capital allowances	<u>52,934</u>	<u>43,759</u>
<b>Movements in the year:</b>		<b>2024</b>
		£
Liability at 1 July 2023		<b>43,759</b>
Charge to profit or loss		<b>9,175</b>
Liability at 30 June 2024		<u><b>52,934</b></u>

**18 Retirement benefit schemes**

	<b>2024</b>	2023
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>96,261</u>	<u>151,410</u>

The company operates a defined contribution pension scheme. The parent company, Scobie & Junor (Holdings) Limited, also operates a group pension scheme providing defined benefits. The scheme has been closed to new entrants and ceased to accrue benefits with effect from March 2004. The assets of the scheme are held separately from those of the company and are invested by the scheme trustees in an insurance company exempt managed fund. The group's defined benefit scheme is a multiple employer scheme which the company treats as a defined contribution scheme. The obligations for this scheme rest with the parent company, Scobie and Junor (Holdings) Limited, and as such in accordance with FRS 102 the liabilities are accounted for within the parent company financial statements.

Scobie and Junor (Estd 1919) Limited

Notes to the financial statements (continued)

for the year ended 30 June 2024

19 Share capital

	2024	2023	2024	2023
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	5,000	5,000	5,000	5,000

20 Financial commitments, guarantees and contingent liabilities

The company has given its bankers a cross guarantee dated 28th March 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 2024 was £Nil (2023: £Nil).

21 Operating lease commitments

Lessee

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

	2024	2023
	£	£
Within one year	493,646	483,851
Between two and five years	1,002,099	627,221
In over five years	7,823	224,421
	<u>1,503,568</u>	<u>1,335,493</u>

22 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2024	2023
	£	£
Acquisition of tangible fixed assets	-	113,896

23 Related party transactions

Transactions with related parties

Throughout the year and the previous year the company was under the immediate control of Scobie & Junor (Holdings) Limited which holds 100% of the company's issued share capital. The company has taken advantage of exemption, under the terms of FRS 102, not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year, rent was charged by AGP Partnership of £375,000 (2023: £329,167). Directors A J Wicklow and G T Wicklow are partners in the partnership.

**Scobie and Junor (Estd 1919) Limited**

**Notes to the financial statements (continued)**

**for the year ended 30 June 2024**

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**24 Directors' transactions**

Advances or credits have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
A J Wicklow	-	(323)	2,609	(3,024)	(738)
G T Wicklow	-	(445)	2,664	(2,219)	-
C Wicklow	-	(2,695)	3,624	(3,000)	(2,071)
		<u>(3,463)</u>	<u>8,897</u>	<u>(8,243)</u>	<u>(2,809)</u>

**25 Ultimate controlling party**

The ultimate parent company of Scobie & Junor (Estd 1919) Limited is Scobie & Junor (Holdings) Limited, a company incorporated in Great Britain and registered in Scotland (company number SC047779). Copies of the financial statements of Scobie & Junor (Holdings) Limited can be obtained from 1 George Square, Glasgow G2 1AL. The ultimate controlling party is the Wicklow family who own 100% of the issued share capital of Scobie & Junor (Holdings) Limited.

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