

L.H. STAINLESS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2023 TO 25 JANUARY 2024
PAGES FOR FILING WITH THE REGISTRAR

L.H. STAINLESS LIMITED
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FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2023 TO 25 JANUARY 2024

Contents

Balance Sheet	3
Notes to the Financial Statements	5

L.H. STAINLESS LIMITED
BALANCE SHEET
AS AT 25 JANUARY 2024

	Note	25.01.2024	31.01.2023
		£	£
Fixed assets			
Tangible assets	3	1,879,096	845,676
		1,879,096	845,676
Current assets			
Stocks	4	1,320,364	1,490,134
Debtors	5	1,730,285	2,254,512
Cash at bank and in hand		317,709	347,222
		3,368,358	4,091,868
Creditors: amounts falling due within one year	6	(3,626,052)	(3,213,731)
Net current (liabilities)/assets		(257,694)	878,137
Total assets less current liabilities		1,621,402	1,723,813
Creditors: amounts falling due after more than one year	7	(135,307)	(67,311)
Provision for liabilities	8	(93,250)	(69,371)
Net assets		1,392,845	1,587,131
Capital and reserves			
Called-up share capital	9	46,900	46,900
Share premium account		395,100	395,100
Profit and loss account		950,845	1,145,131
Total shareholder's funds		1,392,845	1,587,131

L.H. STAINLESS LIMITED
BALANCE SHEET (CONTINUED)
AS AT 25 JANUARY 2024

For the financial period ending 25 January 2024 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The member has not required the Company to obtain an audit of its financial statements for the financial period in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Statement of Income and Retained Earnings has not been delivered.

These financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A – small entities. The financial statements of L.H. Stainless Limited (registered number: SC190833) were approved and authorised for issue by the Board of Directors on 12 February 2025. They were signed on its behalf by:

R E Forsyth
Director

L.H. STAINLESS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2023 TO 25 JANUARY 2024

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial period and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

L.H. Stainless Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the Company's registered office is Morayshire Copperworks, Rothes, Aberlour, AB38 7AD, Scotland, United Kingdom.

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the Company and rounded to the nearest £.

Going concern

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Reporting period length

The reporting period for these financial statements covers the period from 1 February 2023 to 25 January 2024 due to ownership changes in the Parent Company.

Turnover

Turnover is represented receivable from the manufacture and supply of stainless steel products and systems, net of VAT.

Revenue from contracts for the manufacture and supply of products is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Employee benefits

Short term benefits

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

Defined contribution schemes

The Company operates a defined contribution scheme. The amount charged to the Statement of Income and Retained Earnings in respect of pension costs and other post-retirement benefits is the contributions payable in the financial period. Differences between contributions payable in the financial period and contributions actually paid are included as either accruals or prepayments in the Balance Sheet.

L.H. STAINLESS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2023 TO 25 JANUARY 2024

Taxation

Current tax

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Land and buildings	10 - 50 years straight line
Plant and machinery	20 % reducing balance
Vehicles	15 % reducing balance
Office equipment	25 % reducing balance

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

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.

Leases

The Company as lessee

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the Statement of Income and Retained Earnings over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Income and Retained Earnings as described below.

L.H. STAINLESS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2023 TO 25 JANUARY 2024

Financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes direct materials and where applicable, direct labour costs that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts, except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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 assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are recognised at transaction price.

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.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

L.H. STAINLESS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2023 TO 25 JANUARY 2024

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised 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.

2. Employees

	Period from 01.02.2023 to 25.01.2024	Year ended 31.01.2023
	Number	Number
Monthly average number of persons employed by the Company during the period, including directors	41	35

3. Tangible assets

	Land and buildings	Plant and machinery	Vehicles	Office equipment	Total
	£	£	£	£	£
Cost					
At 01 February 2023	629,013	392,089	473,465	75,439	1,570,006
Additions	974,602	132,146	72,931	0	1,179,679
Disposals	0	0	(18,938)	0	(18,938)
At 25 January 2024	1,603,615	524,235	527,458	75,439	2,730,747
Accumulated depreciation					
At 01 February 2023	83,900	243,400	352,176	44,854	724,330
Charge for the financial period	36,743	55,094	46,553	4,499	142,889
Disposals	0	0	(15,568)	0	(15,568)
At 25 January 2024	120,643	298,494	383,161	49,353	851,651
Net book value					
At 25 January 2024	1,482,972	225,741	144,297	26,086	1,879,096
At 31 January 2023	545,113	148,689	121,289	30,585	845,676

L.H. STAINLESS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2023 TO 25 JANUARY 2024

4. Stocks

	25.01.2024	31.01.2023
	£	£
Stocks	884,410	832,291
Work in progress	435,954	657,843
	1,320,364	1,490,134

5. Debtors

	25.01.2024	31.01.2023
	£	£
Trade debtors	867,252	1,652,835
Amounts owed by Group undertakings	76,792	318,182
Corporation tax	547	547
Other debtors	785,694	282,948
	1,730,285	2,254,512

6. Creditors: amounts falling due within one year

	25.01.2024	31.01.2023
	£	£
Bank loans	10,000	10,000
Trade creditors	843,641	614,447
Amounts owed to Group undertakings	811,567	25,762
Corporation tax	63,561	153,503
Other taxation and social security	136,641	99,144
Obligations under finance leases and hire purchase contracts	44,547	21,987
Other creditors	1,716,095	2,288,888
	3,626,052	3,213,731

Obligations under finance lease are secured by a fixed charge over the assets to which it relates.

Bank loans are secured over the assets of the company.

L.H. STAINLESS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2023 TO 25 JANUARY 2024

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

	25.01.2024	31.01.2023
	£	£
Bank loans	17,560	27,500
Obligations under finance leases and hire purchase contracts	117,747	39,811
	135,307	67,311

Obligations under finance lease are secured by a fixed charge over the assets to which it relates.

Bank loans are secured over the assets of the company.

8. Provision for liabilities

	25.01.2024	31.01.2023
	£	£
Deferred tax	93,250	69,371

9. Called-up share capital

	25.01.2024	31.01.2023
	£	£
Allotted, called-up and fully-paid		
46,900 Ordinary shares of £ 1.00 each	46,900	46,900

10. Financial commitments

Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	25.01.2024	31.01.2023
	£	£
within one year	40,000	40,000
between one and five years	120,000	160,000
	160,000	200,000

The operating lease commitment disclosed above represents a property lease which expires in 2027.

L.H. STAINLESS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2023 TO 25 JANUARY 2024

11. Related party transactions

Transactions with owners holding a participating interest in the entity

	25.01.2024	31.01.2023
	£	£
Amounts due to entities with control, joint control or significant influence over the company.	811,567	25,762

This balance is interest free and has no fixed terms of repayment.

Transactions with the entity's directors

	25.01.2024	31.01.2023
	£	£
Amounts (to) key management personnel	(4,182)	(2,025)

Interest has been charged at 2.25% on any balances due to the company during the year. There are no fixed terms of repayment

Other related party transactions

	25.01.2024	31.01.2023
	£	£
Amounts due from other related parties	76,792	318,182

This balance is interest free and has no fixed terms of repayment.

12. Ultimate controlling party

The ultimate parent company is GSF Group Limited, a company registered in Scotland which owns 100% of the issued ordinary share capital of L.H. Stainless Limited. The registered office of GSF Group Limited is Morayshire Copperworks, Rothes, Aberlour, Scotland, AB38 7AD.

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.