REGISTERED NUMBER: SC265321 (Scotland)

Audited Financial Statements for the Year Ended 31 December 2021

for

Lareine Engineering Limited

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for the Year Ended 31 December 2021

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Lareine Engineering Limited (Registered number: SC265321)

Balance Sheet
31 December 2021

	Notes	31.12.21 £	31.12.20 £
FIXED ASSETS			
Intangible assets	4	7,111	11,175
Tangible assets	5	267,408	656,748
Investment property	6	605,000	-
		879,519	667,923
CURRENT ASSETS			
Stocks		87,613	88,045
Debtors	7	2,340,256	2,675,518
Cash at bank and in hand		220,398	640,690
		2,648,267	3,404,253
CREDITORS			
Amounts falling due within one year	8	(1,705,539)	(2,028,336)
NET CURRENT ASSETS		942,728	1,375,917
TOTAL ASSETS LESS CURRENT LIABILITIES		1,822,247	2,043,840
CREDITORS			
Amounts falling due after more than one year	9	(36,209)	(158,280)
PROVISIONS FOR LIABILITIES		-	(27,845)
NET ASSETS		1,786,038	1,857,715
CAPITAL AND RESERVES			
Called up share capital		1,000	1,000
Share premium		296,233	296,233
Retained earnings		1,488,805	1,560,482
		1,786,038	1,857,715

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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 and authorised for issue on 29 September 2022 and were signed on its behalf by:

Mr T J White - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

Lareine Engineering Limited is a private company, limited by shares, registered in Scotland, registration number SC265321. The registered office is Unit 128 Firth Road, Houston Industrial Estate, Livingston, EH54 5DJ.

2. ACCOUNTING POLICIES

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

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover
Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. This is normally measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

Where it is probable that contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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.

Development costs are being amortised evenly over their estimated useful life of five years.

Tangible fixed assets and depreciation
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Land and buildings	- 2% on cost
Plant and machinery etc	- 25% on cost, 20% on cost and 10% on cost

Tangible fixed assets are stated at cost less depreciation. Cost represent purchase price together with any incidental costs of acquisition.

The directors have considered the residual value of all tangible fixed assets to be immaterial and therefore all tangible fixed assets are depreciated to nil value.

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

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2. **ACCOUNTING POLICIES - continued**

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is represented by purchase price.

Financial instruments
Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at costs and thereafter at fair value with changes recognised in profit or loss.

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.her future taxable profits.

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.

Research and development
Expenditure on research and development is capitalised and amortised over the period of its useful life.

Hire purchase and leasing commitments
Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet at their fair value and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

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.

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2. ACCOUNTING POLICIES - continued

Provisions
Provisions are recognised when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are discounted where the time value of money is material.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 78 (2020 - 61) .

4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 January 2021 and 31 December 2021	103,729
AMORTISATION	
At 1 January 2021	92,554
Charge for year	4,064
At 31 December 2021	96,618
NET BOOK VALUE	
At 31 December 2021	7,111
At 31 December 2020	11,175

continued...

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 January 2021	339,302	1,051,416	1,390,718
Additions	-	11,320	11,320
Disposals	-	(69,034)	(69,034)
Reclassifications	(339,302)	-	(339,302)
At 31 December 2021	-	993,702	993,702
DEPRECIATION			
At 1 January 2021	13,007	720,963	733,970
Charge for year	5,655	74,365	80,020
Eliminated on disposal	-	(69,034)	(69,034)
Reclassifications	(18,662)	-	(18,662)
At 31 December 2021	-	726,294	726,294
NET BOOK VALUE			
At 31 December 2021	-	267,408	267,408
At 31 December 2020	326,295	330,453	656,748

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
COST	
At 1 January 2021	131,956
Transfer to ownership	(131,956)
At 31 December 2021	-
DEPRECIATION	
At 1 January 2021	60,479
Charge for year	13,195
Transfer to ownership	(73,674)
At 31 December 2021	-
NET BOOK VALUE	
At 31 December 2021	-
At 31 December 2020	71,477

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6. INVESTMENT PROPERTY

	Total
	£
FAIR VALUE	
Revaluations	284,359
Reclassifications	320,641
At 31 December 2021	605,000
NET BOOK VALUE	
At 31 December 2021	605,000

Fair value at 31 December 2021 is represented by:

	£
Valuation in 2021	284,359
Cost	320,641
	605,000

If investment property had not been revalued it would have been included at the following historical cost:

	31.12.21	31.12.20
	£	£
Cost	339,302	339,302
Aggregate depreciation	(18,661)	(13,007)

Investment property was valued on a post year end sale basis on 31 December 2021 by the company directors .

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade debtors	345,422	718,708
Amounts recoverable on contract	1,723,213	1,800,472
Other debtors	271,621	156,338
	2,340,256	2,675,518

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Bank loans and overdrafts	-	17,143
Hire purchase contracts	-	12,481
Trade creditors	798,761	531,301
Amounts owed to group undertakings	205,100	-
Taxation and social security	52,305	589,424
Other creditors	649,373	877,987
	1,705,539	2,028,336

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

	31.12.21	31.12.20
	£	£
Bank loans	-	113,572
Other creditors	36,209	44,708
	36,209	158,280

10. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.21	31.12.20
	£	£
Bank loans	-	130,715
Hire purchase contracts	-	12,481
	-	143,196

Santander UK Plc held a bond and floating charge over the assets of the company throughout the year ended 31 December 2021, the charge was discharged in full post year end.

Hire purchase contracts are secured on the assets to which they relate.

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Ian Bilsland (Senior Statutory Auditor)
for and on behalf of Drummond Laurie CA

12. ULTIMATE PARENT ENTITY

Whitesales Group Limited is registered in England under registration number 09187485. The registered office is Europa House, Alfold Road, Cranleigh, Surrey, GU6 8NQ.

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.