

Audited Financial Statements for the Year Ended 31 December 2022

for

Lareine Engineering Limited

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for the Year Ended 31 December 2022

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Balance Sheet
31 December 2022

	Notes	31.12.22 £	31.12.21 £
FIXED ASSETS			
Intangible assets	4	-	7,111
Tangible assets	5	-	267,408
Investment property	6	-	605,000
		<u>-</u>	<u>879,519</u>
CURRENT ASSETS			
Stocks		-	87,613
Debtors	7	2,029,826	2,340,256
Cash at bank and in hand		91,569	220,398
		<u>2,121,395</u>	<u>2,648,267</u>
CREDITORS			
Amounts falling due within one year	8	(764,773)	(1,705,539)
NET CURRENT ASSETS		<u>1,356,622</u>	<u>942,728</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,356,622	1,822,247
CREDITORS			
Amounts falling due after more than one year	9	-	(36,209)
NET ASSETS		<u>1,356,622</u>	<u>1,786,038</u>
CAPITAL AND RESERVES			
Called up share capital		1,000	1,000
Share premium		296,233	296,233
Retained earnings		1,059,389	1,488,805
		<u>1,356,622</u>	<u>1,786,038</u>

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 2023 and were signed on its behalf by:

Mr T J White - Director

Notes to the Financial Statements
for the Year Ended 31 December 2022

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.

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.

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.

2. ACCOUNTING POLICIES - continued

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.

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, on 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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. **ACCOUNTING POLICIES - continued**

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.

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 49 (2021 - 78) .

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 January 2022	103,729
Additions	6,472
Disposals	(110,201)
At 31 December 2022	-
AMORTISATION	
At 1 January 2022	96,618
Charge for year	6,264
Eliminated on disposal	(102,882)
At 31 December 2022	-
NET BOOK VALUE	
At 31 December 2022	-
At 31 December 2021	<u>7,111</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

5. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 January 2022	993,702
Additions	79,912
Disposals	(1,073,614)
At 31 December 2022	-
DEPRECIATION	
At 1 January 2022	726,294
Charge for year	56,688
Eliminated on disposal	(782,982)
At 31 December 2022	-
NET BOOK VALUE	
At 31 December 2022	-
At 31 December 2021	267,408

6. **INVESTMENT PROPERTY**

	Total £
FAIR VALUE	
At 1 January 2022	605,000
Disposals	(605,000)
At 31 December 2022	-
NET BOOK VALUE	
At 31 December 2022	-
At 31 December 2021	605,000

Investment property was revalued to £605,000 during the year ended 31.12.2021. The property was valued by the company directors on a post year end sale basis. The investment property was sold in August 2022 for the revalued amount.

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

	31.12.22 £	31.12.21 £
Trade debtors	519,878	345,422
Amounts owed by group undertakings	10	-
Amounts recoverable on contract	1,422,355	1,723,213
Other debtors	87,583	271,621
	<u>2,029,826</u>	<u>2,340,256</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

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

	31.12.22	31.12.21
	£	£
Trade creditors	318,201	798,761
Amounts owed to group undertakings	165,028	205,100
Taxation and social security	28,826	52,305
Other creditors	252,718	649,373
	<u>764,773</u>	<u>1,705,539</u>

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

	31.12.22	31.12.21
	£	£
Other creditors	<u>-</u>	<u>36,209</u>

10. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.22	31.12.21
	£	£
Within one year	100,000	100,000
Between one and five years	216,667	316,667
	<u>316,667</u>	<u>416,667</u>

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.