Registration number: 02201035

WHITE BROS. (N'CLE-ON-TYNE) LIMITED

Filleted Annual Report and Financial Statements

for the Year Ended 31 December 2021

White Bros. (N'cle-on-Tyne) Limited

Company Information

Directors	G Wragby S P Roberts P J Harding
Registered office	Units 4/5 Christon Road Gosforth Ind Est Newcastle upon Tyne NE3 1XD
Auditor	Azets Audit Services Chartered Accountants & Statutory Auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
Solicitors	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX
Bankers	Yorkshire Bank 131 - 135 Northumberland Street Newcastle upon Tyne NE1 7AG

White Bros. (N'cle-on-Tyne) Limited

(Registration number: 02201035)
Statement of Financial Position as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	723,208	732,441
Investments	6	1	1
		723,209	732,442
Current assets			
Stocks	7	51,727	47,208
Debtors	8	984,849	684,470
Cash at bank and in hand		226,779	375,483
		1,263,355	1,107,161
Creditors: Amounts falling due within one year	9	(456,448)	(840,373)
Net current assets		806,907	266,788
Total assets less current liabilities		1,530,116	999,230
Creditors: Amounts falling due after more than one year	9	(385,145)	(2,187)
Net assets		1,144,971	997,043
Capital and reserves			
Called up share capital		20,000	20,000
Capital redemption reserve		110,100	110,100
Revaluation reserve		89,082	91,203
Profit and loss account		925,789	775,740
Total equity		1,144,971	997,043

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Income Statement has been taken.

Approved and authorised by the Board on 28/6/22 and signed on its behalf by:

....
P J Harding
Director

The notes on pages 3 to 10 form an integral part of these financial statements.

White Bros. (N'cle-on-Tyne) Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Units 4/5, Christon Road, Gosforth Ind Est, Newcastle upon Tyne, NE3 1XD.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation
These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in sterling which is the functional currency of the entity.

Group accounts not prepared
The company has taken advantage of the option not to prepare consolidated financial statements contained in section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Revenue recognition
Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:
the amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax
The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

White Bros. (N'cle-on-Tyne) Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets
Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. For long leasehold land and buildings, cost refers to the 'deemed cost' on the date of transition to FRS 102 (1 January 2015). From this date revaluations were no longer performed.

Increased depreciation arising on the historically revalued portion of the assets held continues to be offset against the revaluation reserve. On the subsequent sale of a revalued asset, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings. The movement in deferred tax arising from the revaluation of properties will be included in other comprehensive income.

Depreciation
Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold property	2% straight line
Plant and machinery	12.5% straight line
Office equipment	25% straight line
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

Impairment of fixed assets
A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Investments
Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

2 Accounting policies (continued)

Trade debtors
Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

The company has an arrangement with a supplier of steel products whereby stocks are held at the company premises but are not invoiced until used for production. In the opinion of the director, legal title does not pass until this point, therefore these consignment stocks are not included in the company's statement of financial position. The value of consignment stocks held at the company's premises at the reporting date was £45,940 (2020 - £29,195).

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

2 Accounting policies (continued)

Leases
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance costs in the Income Statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends
Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 39 (2020 - 38).

4 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	6,950	6,450

5 Tangible assets

	Land and buildings £	Long leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2021	-	734,945	983,280	105,036	1,823,261
Additions	-	-	37,785	-	37,785
Disposals	-	-	(73,053)	-	(73,053)
Transfers	734,945	(734,945)	-	-	-
At 31 December 2021	734,945	-	948,012	105,036	1,787,993
Depreciation					
At 1 January 2021	-	65,395	942,611	82,814	1,090,820
Charge for the year	14,699	-	22,507	9,812	47,018
Eliminated on disposal	-	-	(73,053)	-	(73,053)
Transfers	65,395	(65,395)	-	-	-
At 31 December 2021	80,094	-	892,065	92,626	1,064,785
Carrying amount					
At 31 December 2021	654,851	-	55,947	12,410	723,208
At 31 December 2020	-	669,550	40,669	22,222	732,441

Revaluation

The fair value of the company's land and buildings was revalued on 16 May 2013 by an independent valuer. The name and qualification of the independent valuer was Andrew J Tucker BSc MRICS.

The company transitioned to FRS 102 on 1 January 2015 at which point the directors elected to incorporate the valuation at 16 May 2013 as the deemed cost going forward. From this date long leasehold land and buildings are stated in the statement of financial position at cost (deemed cost), less any subsequent accumulated depreciation.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £517,055 (2020 - £532,386).

White Bros. (N'cle-on-Tyne) Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

6 Investments

	2021	2020
	£	£
Investments in subsidiaries	1	1

Subsidiaries	£
Cost or valuation	
At 1 January 2021	188,218
Disposals	(188,217)
At 31 December 2021	1
Provision	
At 1 January 2021	188,217
Eliminated on disposals	(188,217)
At 31 December 2021	-
Carrying amount	
At 31 December 2021	1
At 31 December 2020	1

The company owns 100% of the issued share capital of Sparkfirm Limited, a company registered in England and Wales.

The investment in Stellex Limited was disposed of during the year upon the dissolution of the subsidiary company.

7 Stocks

	2021	2020
	£	£
Raw materials and consumables	51,727	47,208

8 Debtors

	2021	2020
	£	£
Trade debtors	649,334	338,343
Directors loan accounts	17,634	22,474
Prepayments	92,620	69,916
Other debtors	188,875	190,743
Corporation tax asset	36,386	62,994
	984,849	684,470

9 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	10	33,214	427,077
Trade creditors		219,328	156,575
Taxation and social security		110,550	114,593
Accruals and deferred income		22,785	21,759
Other creditors		70,571	120,369
		456,448	840,373

Creditors include bank loans and net obligations under finance lease and hire purchase contracts which are secured of £35,737 (2020 - £427,077).

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	10	385,145	2,187

Creditors include bank loans and net obligations under finance lease and hire purchase contracts which are secured of £382,622 (2020 - £2,187).

Creditors include bank loans repayable by instalments of £256,937 (2020 - £Nil) due after more than five years.

The company has bank borrowings with Clydesdale Bank PLC (trading as Yorkshire Bank) (the "bank"). As at 31 December 2020 the company breached a covenant in relation to the borrowing, as a result of the breach these loans were shown payable within one year. Had the covenant breach not occurred or the company received a waiver from the bank prior to the year end, loans and borrowings due within one year in the comparative period would have been disclosed as £24,445 and amounts due after one year £393,383. Amounts repayable by instalments due after more than five years would have been £285,244. The bank acknowledged and waived the breaches in the 2021 year and there were no adverse consequences to the company because of the breaches.

As at 31 December 2021, there were no breaches to covenants and therefore, bank loans are split and shown payable in line with the initial bank agreement in instalments.

White Bros. (N'cle-on-Tyne) Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

10 Loans and borrowings

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	23,287	417,828
Hire purchase and finance lease liabilities	9,927	9,249
	33,214	427,077

	2021 £	2020 £
Non-current loans and borrowings		
Bank borrowings	372,193	-
Hire purchase and finance lease liabilities	12,952	2,187
	385,145	2,187

11 Dividends

	2021 £	2020 £
Interim dividend of £4.93 (2020 - £4.40) per ordinary share	98,662	88,061

12 Related party transactions

Transactions with directors

2021	At 1 January 2021 £	Advances to director £	Repayments by director £	At 31 December 2021 £
P J Harding				
Director's loan account	22,474	17,634	(22,474)	17,634

2020	At 1 January 2020 £	Advances to director £	Repayments by director £	At 31 December 2020 £
P J Harding				
Director's loan account	11,873	22,474	(11,873)	22,474

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

13 Audit report

The Independent Auditor's Report was unqualified.

The name of the Senior Statutory Auditor who signed the audit report on 28/6/22 was Paul Shields FCA, who signed for and on behalf of Azets Audit Services.

Azets Audit Services is a trading name of Azets Audit Services Limited