

Locate Supplies Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019



Locate Supplies Limited

Contents

Statement of Directors' Responsibilities	1
Balance Sheet	2
Notes to the Financial Statements	3 to 7

Locate Supplies Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 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.

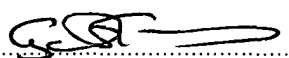
Locate Supplies Limited**(Registration number: 02446177)****Balance Sheet as at 31 December 2019**

	Note	31 December 2019 £	31 December 2018 £
Fixed assets			
Tangible assets	4	1,908,204	1,503,790
Current assets			
Stocks	5	1,297,737	1,311,927
Debtors	6	1,397,455	1,297,749
Cash at bank and in hand		621,042	1,393,495
		<u>3,316,234</u>	<u>4,003,171</u>
Creditors: Amounts falling due within one year	7	<u>(1,350,892)</u>	<u>(1,582,498)</u>
Net current assets		<u>1,965,342</u>	<u>2,420,673</u>
Total assets less current liabilities		<u>3,873,546</u>	<u>3,924,463</u>
Creditors: Amounts falling due after more than one year	7	(27,599)	(92,565)
Provisions for liabilities		<u>(111,964)</u>	<u>(30,680)</u>
Net assets		<u>3,733,983</u>	<u>3,801,218</u>
Capital and reserves			
Called up share capital	8	11	11
Profit and loss account		<u>3,733,972</u>	<u>3,801,207</u>
Total equity		<u>3,733,983</u>	<u>3,801,218</u>

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 Profit and Loss Account has been taken.

Approved and authorised by the Board on 27 May 2020 and signed on its behalf by:



G L Thomas
Director

Locate Supplies Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The company is a private company limited by share capital incorporated in England and Wales and the company registration number is 02446177.

The address of its registered office is:

Majestic Road
Nursling Estate
Southampton
Hampshire
SO16 0AF

The principal place of business is:

Nisa Way
Normanby Enterprise Park
Scunthorpe
North Lincolnshire
DN15 9YA

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 periods presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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 cover the individual entity, have been prepared in sterling which is the functional currency of the company and they have been rounded to the nearest pound.

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on was Paul Tofton FCCA, who signed for and on behalf of Forrester Boyd.

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.

Locate Supplies Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tangible assets

Property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Depreciation is calculated so as to write off the cost of property, plant and equipment, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned.

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
Warehouse Equipment	10 - 12.5% straight line basis
Office Equipment/Furniture	33 - 10% straight line basis
Buildings/Building Improvements	4 - 10% straight line basis
Automotive Equipment	33% straight line basis
Computer Equipment	33% straight line basis

Stocks

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Where necessary, provision is made for obsolete, slow moving and defective stock.

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 Profit and Loss Account 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.

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 and 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. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

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

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.

Locate Supplies Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Defined contribution pension obligation

The company contributes into a pension scheme on behalf of its employees and makes contributions into the directors personal pension schemes.

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 46 (2018 - 39).

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2019	1,683,152	2,238,399	493,762	4,415,313
Additions	95,927	560,490	-	656,417
Disposals	-	(72,816)	(38,409)	(111,225)
At 31 December 2019	1,779,079	2,726,073	455,353	4,960,505
Depreciation				
At 1 January 2019	518,475	2,104,041	289,007	2,911,523
Charge for the year	67,724	60,532	123,147	251,403
Eliminated on disposal	-	(72,816)	(37,809)	(110,625)
At 31 December 2019	586,199	2,091,757	374,345	3,052,301
Carrying amount				
At 31 December 2019	1,192,880	634,316	81,008	1,908,204
At 31 December 2018	1,164,677	134,358	204,755	1,503,790

Included within the net book value of land and buildings above is £1,192,880 (2018 - £1,164,677) in respect of freehold land and buildings.

5 Stocks

	31 December 2019 £	31 December 2018 £
Raw materials and consumables	1,297,737	1,311,927

Locate Supplies Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

6 Debtors

	31 December 2019 £	31 December 2018 £
Trade debtors	1,257,267	1,256,163
Other debtors	35,278	7,580
Prepayments and accrued income	104,910	34,006
Total current trade and other debtors	<u>1,397,455</u>	<u>1,297,749</u>

7 Creditors

	Note	31 December 2019 £	31 December 2018 £
Due within one year			
HP and finance leases		64,965	97,242
Trade creditors		650,807	708,859
Amounts owed to group undertakings and undertakings in which the company has a participating interest	11	202,275	5,290
Taxation and social security		255,006	262,673
Corporation tax		-	380,445
Accruals and deferred income		177,647	127,989
Pension contributions unpaid		192	-
		<u>1,350,892</u>	<u>1,582,498</u>
Due after one year			
HP and finance leases		<u>27,599</u>	<u>92,565</u>

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £64,965 (2018 - £97,242).

Creditors: amounts falling due after more than one year

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £27,599 (2018 - £92,565).

8 Share capital

Allotted, called up and fully paid shares

	31 December 2019		31 December 2018	
	No.	£	No.	£
Ordinary of £1 each	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>

Locate Supplies Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

9 Dividends

	2019 £	2018 £
Interim dividend of £45,500 (2018 - £Nil) per ordinary share	<u>500,500</u>	<u>-</u>

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £1,354,711 (2018 - £72,500). The commitment relates to non-cancellable operating leases committed to at the period end.

11 Related party transactions

Summary of transactions with other related parties

The company has taken advantage of the exemption in relation to section 33 of FRS 102 'Related Party Disclosures' from disclosing transactions with other members of the group in which any subsidiary which is a party to the transaction is wholly owned by the group.

12 Parent and ultimate parent undertaking

The smallest group to consolidate the financial statements of Locate Supplies Limited is TW Metals Limited. The address of TW Metals Limited is Majestic Road, Nursling Estate, Southampton, Hampshire, SO16 0AF.

The smallest group to consolidate the financial statements of Locate Supplies Limited is TW Metals Limited and the largest group is O'Neal Industries Inc.

The directors regard O'Neal Industries Inc. a company incorporated in the United States of America, as the ultimate holding company.

13 Non adjusting events after the financial period

The directors are currently aware of the increasing economic risks associated with the Covid-19 pandemic however at this current time we are of the opinion there will be no long-term impact on the business. Given the nature of our operation we have been continuing to trade with appropriate measures in place, overall we feel the current situation is being managed effectively to reflect the changing economic climate