

Registered number: 03492467

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018



LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Statement of directors' responsibilities in respect of the directors' report and the financial statements	3
Independent auditor's report to the members of Leen gate Industrial & Welding Supplies (Scotland) Limited	4 - 6
Profit and loss account	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 20

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the audited financial statements for the year ended 31 December 2018.

Principal activities

The company's principal activities are and have been throughout the current and preceding year the sale and distribution of welding consumables and equipment.

The company was able to deliver a profit after tax for the year of £69,419 (2017: £106,985).

The directors refer to levels of turnover, profit margins and net asset value as the company's key performance indicators.

The principal risks and uncertainties for the business relate to the current economic climate and the impact this has on the company's customers and supply chain.

Position of the company's business at the year ended 31 December 2018

As at 31 December 2018 the company held net current assets of £439,163 (2017: £507,464) and net assets of £447,685 (2017: £528,266).

Dividends

An interim dividend of £150,000 was paid on the company's ordinary £1 shares on 13 December 2018 (2017: £200,000).

The directors do not recommend the payment of a final dividend for the year ended 31 December 2018 (2017: £nil).

Directors

The directors who held office during and after the year under review were:

Mr J M Bland (appointed as alternate directors to Mrs S A Williams 30 September 2018)
Mr G Gill
Mrs S A Williams

The directors are not subject to retirement by rotation.

Strategic report

The company was entitled to an exemption from disclosing a strategic report pursuant to Section 414A (2) of the Companies Act 2006 for the year ended 31 December 2018.

Disclosure of information to auditor

The directors holding office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditor is unaware and each director has taken all steps that ought to have been taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

This report was approved by the board of directors on 19 September 2019 and signed on its behalf by:



S K Kelly
Secretary

10 Priestley Road
Surrey Research Park
Guildford
Surrey
GU2 7XY
England

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the directors' 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

Opinion

We have audited the financial statements of Leen Gate Industrial & Welding Supplies (Scotland) Limited ("the company") for the year ended 31 December 2018 which comprise the profit and loss account, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of

Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue

our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Nick Plumb (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

24 September 2019

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £	2017 £
Turnover	2	2,122,983	2,643,362
Cost of sales		(1,561,766)	(2,017,932)
Gross profit		561,217	625,430
Administrative expenses	3	(475,206)	(492,601)
Profit before tax		86,011	132,829
Tax on profit	4	(16,592)	(25,844)
Profit for the financial year		69,419	106,985

The accompanying notes form an integral part of the financial statements.

All of the above relates to continuing operations.

The company has no items of other comprehensive income in the year other than those included in the profit and loss account above and therefore no separate statement of comprehensive income has been prepared.

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED
REGISTERED NUMBER: 03492467

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible fixed assets	8	8,522	20,802
		<u>8,522</u>	<u>20,802</u>
Current assets / (liabilities)			
Stocks	9	203,828	194,700
Debtors: amounts falling due within one year	10	413,551	559,018
Cash at bank and in hand		303,294	126,265
Creditors: amounts falling due within one year	11	(481,510)	(372,519)
Net current assets		<u>439,163</u>	<u>507,464</u>
Net assets		<u><u>447,685</u></u>	<u><u>528,266</u></u>
Capital and reserves			
Called up share capital	13	1,000	1,000
Profit and loss account		446,685	527,266
Shareholders' funds		<u><u>447,685</u></u>	<u><u>528,266</u></u>

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the board of directors on 19 September 2019 and were signed on its behalf by:


Mrs S A Williams
 Director

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2018	1,000	527,266	528,266
Profit for the year	-	69,419	69,419
Total comprehensive income for the year	-	69,419	69,419
Dividends	-	(150,000)	(150,000)
Total transactions with owners	-	(150,000)	(150,000)
Balance at 31 December 2018	1,000	446,685	447,685

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2017	1,000	620,281	621,281
Profit for the year	-	106,985	106,985
Total comprehensive income for the year	-	106,985	106,985
Dividends	-	(200,000)	(200,000)
Total transactions with owners	-	(200,000)	(200,000)
Balance at 31 December 2017	1,000	527,266	528,266

The accompanying notes form an integral part of the financial statements.

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

Leen Gate Industrial & Welding Supplies (Scotland) Limited is a company incorporated and domiciled in England in the UK. The registered number is 03492467 and the registered address is 10 Priestley Road, Surrey Research Park, Guildford, Surrey, GU2 7XY, England.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company's ultimate parent undertaking, Linde plc, includes the company in its consolidated financial statements. The consolidated financial statements of Linde plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from its principal trading address, at The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey GU2 7XY, England.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- disclosures in respect of transactions with wholly owned members of the Linde Group;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of the compensation of Key Management Personnel.

The company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out in this note have been applied in preparing these financial statements for the year ended 31 December 2018 and for the year ended 31 December 2017.

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets or liabilities are stated at their fair value: financial instruments classified as fair value through profit or loss or as available-for-sale. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less cost to sell.

1.2 Going concern

The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

1.3 Functional currency

The functional currency of Leen gate Industrial & Welding Supplies (Scotland) is sterling and the accounts are prepared using its functional currency, which is the currency of the primary economic environment in which it operates.

1.4 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Interest-bearing borrowing

Interest-bearing borrowing are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowing are stated at amortised cost using the effective interest method, less any impairment losses.

1.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to the profit and loss account on a straight-line basis or on a reducing balance basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- Leasehold improvements straight line over 6 years
- Plant and machinery 20% reducing balance
- Fixture, fittings and equipment straight line over 4 years / 15% reducing balance

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1.6 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

1.7 Turnover

The total turnover of the company for the year has been derived from its principle activity wholly undertaken in the UK. Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

Turnover is recognised in accordance with IFRS 15's principle-based five-step model as follows:

- contract with a customer is identified;
- contract performance obligations are identified;
- transaction price is determined;
- transaction price is allocated to each performance obligation; and
- upon satisfaction of each performance obligation the turnover is recognised.

1.8 Expenses

Operating lease payments

Payments (excluding cost for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit and loss account as an integral part of the total lease expense.

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets or liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1.10 Adoption of new and revised standards

The company has applied IFRS 15 'Revenue from Contracts with Customers' for the first time for its annual reporting period commencing 1 January 2018. Applying this new accounting standards has not had a material impact on the company's financial statements for the year ended 31 December 2018.

There were no amendments to other accounting standards or IFRIC interpretations that are effective for the year ended 31 December 2018 which have had a material impact on the company's financial statements. Further details in relation to IFRS 15 are noted below:

IFRS 15 replaces IAS 18 'Revenue' and introduces a single, principle-based five-step model to be applied to all contracts with customers.

Under IFRS 15, revenue is recognised when customers obtain control of goods or services and so are able to direct the use, and obtain the benefits, of those goods or services. This is described further in the turnover accounting policy below.

2. Turnover

	2018 £	2017 £
United Kingdom	2,117,751	2,634,791
Rest of the world	5,232	8,571
	<u>2,122,983</u>	<u>2,643,362</u>

3. Expenses and auditor's remuneration

Included in profit are the following:

	2018 £	2017 £
Operating lease charges:		
Land and buildings	30,025	23,454
Motor vehicles	35,051	42,687
Depreciation	12,280	4,398
	<u> </u>	<u> </u>
Auditor's remuneration:		
Audit of these financial statements	8,231	6,755
	<u> </u>	<u> </u>

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Tax on profit

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	16,484	26,855
Adjustments in respect of previous periods	-	577
Total current tax	<u>16,484</u>	<u>27,432</u>
Origination and reversal of timing differences	120	(1,177)
Effect of changes to tax rates	-	138
Adjustment to tax charge in respect of previous year	-	(549)
Group relief	(12)	-
Total deferred tax	<u>108</u>	<u>(1,588)</u>
Tax on profit	<u>16,592</u>	<u>25,844</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - *higher than*) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £	2017 £
Profit before tax	<u>86,011</u>	<u>132,829</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	16,342	25,565
Effects of:		
Expenses not deductible for tax purposes	261	113
Adjustments to tax charge in respect of prior years	-	28
Tax rate changes	(12)	138
Roundings	1	-
Total tax charge for the year	<u>16,592</u>	<u>25,844</u>

Factors that may affect future tax charges

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Tax on profit (continued)

The standard rate of Corporation Tax in the UK is due to change from 19% to 17% with effect from 1 April 2020.

5. Employee numbers

The average number of persons employed by the company during the year was as follows:

	2018	2017
	9	9
Management and sales	<u> </u>	<u> </u>

6. Employee costs

	2018	2017
	£	£
Wages and salaries	230,895	243,832
Social security costs	24,009	23,539
Pension costs	8,986	4,778
	<u> </u>	<u> </u>
	<u><u>263,890</u></u>	<u><u>272,149</u></u>

7. Directors' remuneration

The directors did not receive any remuneration during the year for their services to the company (2017: £nil).

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Tangible assets

	Leasehold improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 January 2018	22,600	19,676	54,167	96,443
At 31 December 2018	<u>22,600</u>	<u>19,676</u>	<u>54,167</u>	<u>96,443</u>
Depreciation				
At 1 January 2018	22,600	12,792	40,249	75,641
Charge for the year on owned assets	-	3,941	8,339	12,280
At 31 December 2018	<u>22,600</u>	<u>16,733</u>	<u>48,588</u>	<u>87,921</u>
Net book value				
At 31 December 2018	<u>-</u>	<u>2,943</u>	<u>5,579</u>	<u>8,522</u>
At 31 December 2017	<u>-</u>	<u>6,884</u>	<u>13,918</u>	<u>20,802</u>

9. Stocks

	2018 £	2017 £
Finished goods	203,828	194,700
	<u>203,828</u>	<u>194,700</u>

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	384,147	518,067
Amounts owed by group undertakings	19,869	29,624
Other debtors	6,431	8,116
Deferred taxation	3,104	3,211
	<u>413,551</u>	<u>559,018</u>

Amounts owed by group companies are interest free and repayable on demand.

11. Creditors

	2018 £	2017 £
Amounts falling due within one year:		
Trade creditors	319,475	243,105
Amounts owed to group undertakings	99,192	70,890
Corporation tax	16,485	26,855
Other taxation and social security	11,402	31,669
Other creditors	34,956	-
	<u>481,510</u>	<u>372,519</u>

Amounts owed to group companies are interest free and repayable on demand.

12. Deferred taxation

	2018 £	2017 £
At 1 January	3,211	1,622
Charged to profit or loss	(107)	1,589
At 31 December	<u>3,104</u>	<u>3,211</u>

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

12. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2018 £	2017 £
Arising from accelerated capital allowances	2,706	1,532
Other short term timing differences	398	1,679
	<u>3,104</u>	<u>3,211</u>

13. Share capital

	2018 £	2017 £
Allotted and fully paid		
1,000 ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

The sole holder of the ordinary shares is entitled to receive dividends as declared from time to time and is entitled to receive one vote per share at general meetings of the company.

14. Operating lease commitments

Non-cancellable operating lease rentals are payable as follows:

	2018 £	2017 £
Less than one year	24,502	40,760
Between one and five years	67,413	2,440
	<u>91,915</u>	<u>43,200</u>

The company leases a number of motor vehicles under operating leases. Land and buildings have been considered separately for lease classification.

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Land and buildings are let under operating leases. The future minimum lease payments under noncancellable leases are as follows:

	2018 £	2017 £
Less than one year	27,350	-
Between one and five years	109,400	-
More than five years	111,679	-
	<u>248,429</u>	<u>-</u>

15. Related party transactions

In accordance with FRS 101.8, the company is exempt from disclosing transactions with entities that are part of Linde plc, or investees of Linde plc qualifying as related parties, as it is a wholly owned subsidiary of a parent publishing consolidated financial statements.

The following transactions and balances relate to related parties, which are not wholly owned subsidiaries.

Sale of goods

During the year the company sold goods to non-wholly owned subsidiaries totalling £2,222 (2017: £3,200).

Purchases

During the year the company purchased goods from non-wholly owned subsidiaries totalling £6,758 (2017: £2,278).

	2018 £	2017 £
Amounts due to non-wholly owned associated undertakings	-	3,333
Split by:	-	-
Gaffney Industrial & Welding Supplies Limited	-	2,219
Welder Equipment Services Limited	-	1,114

LEEN GATE INDUSTRIAL & WELDING SUPPLIES (SCOTLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. Ultimate parent undertaking and parent company of larger group

The company is wholly-owned subsidiary of Industrial Supplies & Services Limited, a company registered in England & Wales.

The ultimate parent undertaking and controlling party of the company is Linde plc, which is registered in Ireland at Ten Earlsfort Terrace, Dublin 2, D02 T380, Ireland.

Linde plc is the smallest and largest group to consolidate these financial statements. Copies of Linde plc's consolidated financial statements can be obtained from that company at its principal trading address, The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey, GU2 7XY, England. The ultimate parent company was Linde AG, a company registered in Germany at Klosterhofstrasse 1, 80331 Munich, until 31 October 2018 when Linde plc acquired the majority of the shares of Linde AG.