

1ST LOCATE (UK) LIMITED

Company Registration Number: 03702599

Annual Report and Financial Statements 2015



1st Locate (UK) Limited
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1st Locate (UK) Limited
Officers and Professional Advisers

Directors

A Barclay
D Guest
E Jones

Secretary

A Barclay

Registered Office

Town Centre House
1st Floor, West Wing,
The Merrion Centre
Leeds
LS2 8LY

Company Number

03702599

Statutory Auditor

Brown Butler
Chartered Accountants
Leigh House
28-32 St Paul's Street
Leeds
West Yorkshire
LS1 2JT

Bankers

The Royal Bank of Scotland
27 Park Row
Leeds
LS1 5QB

Barclays Bank PLC
69 Albion Street
Leeds
LS1 5AA

The directors present their annual report and the audited financial statements for the year ended 30 April 2015.

Principal activity

The principal activity continues to be that of billing, revenue management, support and fulfilment to the utility sector.

Business review

The directors are pleased to report a strong trading performance during 2014/2015.

Following the establishment of additional Call Centre premises to service new contract awards the company achieved sales growth of 28% compared to the previous year. The directors are confident that future trading performance will continue to strengthen as the company retains resourcing and appetite to undertake further additional or new contract awards.

Directors' responsibilities

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 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; and
- 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.

Directors

The directors who held office during the year were as follows:

A Barclay

D Guest

D Connolly (resigned 29 May 2015)

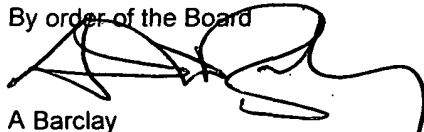
E Jones

Audit enquiries

So far as the directors are aware, there is no information relevant to the audit of which the company's auditors are unaware. The directors have taken the necessary steps to ensure that they themselves are aware of all relevant audit information and made sure that the company's auditors are also aware of that information.

In preparing this report advantage has been taken of the small companies exemption.

By order of the Board



A Barclay
Director

20 January 2016

We have audited the financial statements of 1st Locate (UK) Limited for the year ended 30 April 2015, which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out in the Directors' Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Robert Solyom (Senior Statutory Auditor)
For and on behalf of Brown Butler,
Chartered Accountants and Statutory Auditor
Leigh House
28-32 St Paul's Street
Leeds
West Yorkshire
LS1 2JT

22 January 2016

1st Locate (UK) Limited
Profit and Loss Account
Year ended 30 April 2015

	Note	2015 £	2014 £
Turnover		6,019,311	4,705,494
Cost of sales		<u>(3,063,587)</u>	<u>(2,472,385)</u>
Gross profit		2,955,724	2,233,109
Administrative expenses		<u>(2,735,126)</u>	<u>(2,199,299)</u>
Operating profit	2	220,598	33,810
Exceptional items	3	-	136,661
Other interest receivable and similar income		8,151	12,272
Interest payable and similar charges		<u>(3,029)</u>	<u>(6,770)</u>
Profit on ordinary activities before taxation		225,720	175,973
Tax on profit on ordinary activities	5	<u>(48,367)</u>	<u>(28,991)</u>
Profit for the financial year	14	<u>177,353</u>	<u>146,982</u>

The above results derive from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

1st Locate (UK) Limited

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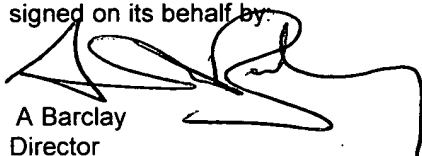
Balance Sheet

30 April 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible fixed assets	6	104,226	83,248
Investments	7	<u>80</u>	<u>80</u>
		104,306	83,328
Current assets			
Work in progress		54,600	28,854
Debtors	8	1,450,547	1,502,083
Cash at bank and in hand		<u>666,890</u>	<u>98,722</u>
		2,172,037	1,629,659
Creditors: Amounts falling due within one year	9	<u>(1,805,446)</u>	<u>(1,227,702)</u>
Net current assets		<u>366,591</u>	<u>401,957</u>
Total assets less current liabilities		470,897	485,285
Creditors: Amounts falling due after more than one year	10	-	(21,228)
Provisions for liabilities	12	<u>(13,500)</u>	<u>(10,000)</u>
Net assets		<u>457,397</u>	<u>454,057</u>
Capital and reserves			
Called up share capital	13	37,500	37,500
Profit and loss account	14	<u>419,897</u>	<u>416,557</u>
Shareholders' funds	15	<u>457,397</u>	<u>454,057</u>

The directors have taken advantage, in the preparation of the financial statements, of the provisions applicable to companies subject to the small companies regime.

These financial statements were approved and authorised for issue by the board on 26th JANUARY 2016 and signed on its behalf by:


A Barclay
Director

The notes on pages 9 to 16 form part of these financial statements

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The company qualifies as a small company under the Companies Act 2006. The directors have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

Turnover

Turnover represents fees and commission receivable, net of VAT.

Depreciation

Depreciation of tangible fixed assets is provided on cost over their estimated useful lives. The annual rates and methods of depreciation are as follows:-

Improvements to leasehold property	Straight line basis over the period of the lease
Computer equipment	33% straight line basis
Fixtures, fittings and equipment	15% straight line basis
Motor vehicles	20% straight line basis

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Work in progress

Work in progress is valued at the lower of cost and net realisable value.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax is not recognised when assets are revalued unless, by the balance sheet date, the company has entered into a binding agreement to sell the assets and recognised the gains or losses expected to arise on sale.

Leasing

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

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Operating profit

Operating profit is stated after charging:

	2015 £	2014 £
Depreciation of owned assets	41,556	42,998
Operating lease charges - land and buildings	202,192	151,591
Operating lease charges - other assets	39,791	51,648
Auditor's remuneration	<u>15,000</u>	<u>15,000</u>

3 Exceptional items

	2015 £	2014 £
Creditors written back	<u>-</u>	<u>136,661</u>

4 Staff costs

Employee costs, including directors, during the year:-

	2015 £	2014 £
Wages and salaries	3,377,282	2,828,347
Social security costs	210,405	178,255
Other pension costs	<u>9,261</u>	<u>-</u>
	<u>3,596,948</u>	<u>3,006,602</u>

Directors' remuneration:-

	2015 £	2014 £
Salaries	801,577	758,446
Benefits in kind	67,154	69,386
Aggregate remuneration	<u>868,731</u>	<u>827,832</u>
Pension contributions	<u>542</u>	<u>-</u>
	<u>869,273</u>	<u>827,832</u>

5 Taxation

Analysis of tax charge

	2015 £	2014 £
Current tax		
Corporation tax charge	44,864	38,067
Adjustments in respect of prior periods	<u>3</u>	<u>(9,076)</u>
UK Corporation tax	44,867	28,991
Deferred tax		
Origination and reversal of timing differences	<u>3,500</u>	<u>-</u>
Total tax on profit on ordinary activities	<u>48,367</u>	<u>28,991</u>

The corporation tax charge on ordinary activities for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 20%).

The differences are reconciled below:

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>225,720</u>	<u>175,973</u>
Corporation tax at the standard rate	45,144	35,195
Capital allowances in excess of depreciation	(3,100)	400
Expenses not deductible for tax purposes	2,820	2,472
Adjustment for prior periods	<u>3</u>	<u>(9,076)</u>
Total current tax	<u>44,867</u>	<u>28,991</u>

6 Tangible fixed assets

	Improvements to leasehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 May 2014	26,512	324,867	176,111	138,000	665,490
Additions	9,353	28,521	24,660	-	62,534
At 30 April 2015	35,865	353,388	200,771	138,000	728,024
Depreciation					
At 1 May 2014	15,198	284,502	144,542	138,000	582,242
Charge for the year	2,558	25,583	13,415	-	41,556
At 30 April 2015	17,756	310,085	157,957	138,000	623,798
Net book value					
At 30 April 2015	18,109	43,303	42,814	-	104,226
At 30 April 2014	11,314	40,365	31,569	-	83,248

7 Investments held as fixed assets

Shares in group undertaking

	Subsidiary undertaking £
Cost	
At 1 May 2014	80
At 30 April 2015	80
Net book value	
At 30 April 2015	80

Details of undertaking

In the opinion of the directors, the aggregate value of the company's investments in the subsidiary undertaking is not less than the amount included in the balance sheet.

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Actius (International) Limited	Ordinary	80%	Dormant company

The financial period end of Actuis (International) Limited is 31 December 2014. The profit for the financial period of Actius (International) Limited was £nil and the aggregate amount of capital and reserves at the end of the period was £100.

8 Debtors

	2015 £	2014 £
Trade debtors	933,195	1,004,574
Corporation tax	64,071	62,517
Director's loan	258,478	260,964
Prepayments	194,803	174,028
	<u>1,450,547</u>	<u>1,502,083</u>

9 Creditors: Amounts falling due within one year

	2015 £	2014 £
Bank overdraft	11,519	204,008
Bank loan	-	50,455
Trade creditors	228,940	226,927
Invoice discounting creditor	17,561	-
Corporation tax	44,864	38,067
Social security and other taxes	287,175	243,035
Other creditors	1,047,412	303,797
Director's loan	2,501	13,531
Accruals and deferred income	165,474	147,882
	<u>1,805,446</u>	<u>1,227,702</u>

Security has been given by the company in respect of the bank borrowings.

10 Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Bank loan	<u>-</u>	<u>21,228</u>

11 Loans

	2015 £	2014 £
Repayable by instalments		
Bank loan - The Royal Bank of Scotland plc	<u>-</u>	<u>71,683</u>
Analysis of loan instalments		
Due within one year	-	50,455
Due between one and two years	<u>-</u>	<u>21,228</u>
	<u>-</u>	<u>71,683</u>

12 Provisions

	Deferred tax £
At 1 May 2014	10,000
Charged to the profit and loss account	<u>3,500</u>
At 30 April 2015	<u>13,500</u>

Analysis of deferred tax

	2015 £	2014 £
Capital allowances in excess of depreciation	<u>13,500</u>	<u>10,000</u>

13 Share capital

Allotted, called up and fully paid shares

	2015		2014	
	No.	£	No.	£
Ordinary 'A' shares of £1 each	30,000	30,000	30,000	30,000
Ordinary 'B' shares of £1 each	5,250	5,250	5,250	5,250
Ordinary 'C' shares of £1 each	<u>2,250</u>	<u>2,250</u>	<u>2,250</u>	<u>2,250</u>
	<u>37,500</u>	<u>37,500</u>	<u>37,500</u>	<u>37,500</u>

14 Reserves

	Profit and loss account £
At 1 May 2014	416,557
Profit for the financial year	177,353
Dividends	<u>(174,013)</u>
At 30 April 2015	<u>419,897</u>

15 Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Profit for the financial year	177,353	146,982
Dividends	(174,013)	(250,003)
Net addition/(reduction) to shareholders' funds	3,340	(103,021)
Opening shareholders' funds	454,057	557,078
Closing shareholders' funds	<u>457,397</u>	<u>454,057</u>

16 Pension schemes

Defined contributions pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £9,261 (2014 - £nil).

17 Commitments

Operating lease commitments

As at 30 April 2015 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2015 £	2014 £
Land and buildings		
Within one year	64,791	-
Within two and five years	144,641	117,740
Over five years	-	114,611
	<u>209,432</u>	<u>232,351</u>
Other		
Within one year	11,290	3,085
Within two and five years	13,278	20,614
	<u>24,568</u>	<u>23,699</u>

18 Related party transactions

A company director had a loan from the company during the year . Interest of 3.25% per annum is being charged on the loan. The movement on the loans was as follows:-

	2015 £	2014 £
D Guest		
At 1 May 2014	260,964	362,005
Advanced during the year	144,072	148,962
Introduced during the year	(146,558)	(250,003)
At 30 April 2015	<u>258,478</u>	<u>260,964</u>

Dividends paid during the year:

Dividends of £85,015 (2014 - £221,000) were paid to a director D Guest.

Dividends of £88,998 (2014 - £29,003) were paid to a close family member of D Guest.

19 Controlling party

The company is controlled by Mr A Barclay by virtue of his and his family interests of 80% of the company's issued share capital