
LOCALE ENTERPRISES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED ENDED 30 NOVEMBER 2020

LOCALE ENTERPRISES LIMITED
REGISTERED NUMBER: 5740292

BALANCE SHEET
AS AT 30 NOVEMBER 2020

	Note	30 November 2020 £	31 May 2019 £
Fixed assets			
Tangible assets	4	47,631	-
Investments	5	565,000	3,616,832
		<u>612,631</u>	<u>3,616,832</u>
Current assets			
Stocks		8,508	-
Debtors	6	74,711	-
Cash at bank and in hand	7	626,019	612,158
		<u>709,238</u>	<u>612,158</u>
Creditors: amounts falling due within one year	8	(164,170)	(2,510)
Net current assets		<u>545,068</u>	<u>609,648</u>
Total assets less current liabilities		<u>1,157,699</u>	<u>4,226,480</u>
Creditors: amounts falling due after more than one year	9	(1,112,500)	(1,112,500)
Net assets		<u><u>45,199</u></u>	<u><u>3,113,980</u></u>
Capital and reserves			
Called up share capital		14,762	14,762
Share premium account		1,686,330	1,686,330
Profit and loss account		(1,655,893)	1,412,888
		<u><u>45,199</u></u>	<u><u>3,113,980</u></u>

LOCALE ENTERPRISES LIMITED
REGISTERED NUMBER: 5740292

BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2020

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the Period ended in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 November 2021.

D G C Smillie
Director

The notes on pages 3 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED ENDED 30 NOVEMBER 2020

1. General information

The legal form of the entity is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of the company's registered office is 3b Belvedere Road, London, SE1 7GP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

In assessing the ability of the company to operate as a going concern, management have evaluated current and forecasted operational results, and the solvency of the company. Given that the company is in a net deficit position the directors have given assurance to continue to provide adequate funds to meet its obligations, and not to demand repayment of any funds due to them, until the company is in a financial position to do so. As a result, the directors consider it appropriate to prepare the financial statements on a going concern basis.

Potential sources of uncertainty noted by the directors include the COVID-19 pandemic. However, at the date of this report it is not possible to reliably determine the effects that this will have on the company.

Accordingly the directors have continued to prepare the financial statements on the going concern basis.

2.3 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the Period ended in which they are incurred.

2.6 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 25% on cost
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including the directors, during the Period ended was as follows:

	18 Month Period Ended 30 November 2020 No.	12 Month Period Ended 31 May 2019 No.
Directors	<u>3</u>	<u>3</u>

LOCALE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED ENDED 30 NOVEMBER 2020

4. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
Transfers intra group	47,631
At 30 November 2020	<u>47,631</u>
Net book value	
At 30 November 2020	<u>47,631</u>
<i>At 31 May 2019</i>	<u>-</u>

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 June 2019	3,616,832
Amounts written off	(3,051,832)
At 30 November 2020	<u>565,000</u>
Net book value	
At 30 November 2020	<u>565,000</u>
<i>At 31 May 2019</i>	<u>3,616,832</u>

LOCALE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED ENDED 30 NOVEMBER 2020

6. Debtors

	30 November 2020 £	31 May 2019 £
Other debtors	54,395	-
Prepayments and accrued income	20,316	-
	<u>74,711</u>	<u>-</u>

7. Cash and cash equivalents

	30 November 2020 £	31 May 2019 £
Cash at bank and in hand	626,019	612,158
	<u>626,019</u>	<u>612,158</u>

8. Creditors: Amounts falling due within one year

	30 November 2020 £	31 May 2019 £
Trade creditors	21,642	-
Other taxation and social security	3,640	-
Other creditors	18,359	-
Accruals and deferred income	120,529	2,510
	<u>164,170</u>	<u>2,510</u>

LOCALE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED ENDED 30 NOVEMBER 2020

9. Creditors: Amounts falling due after more than one year

	30 November 2020 £	31 May 2019 £
Other loans	1,112,500	1,112,500
	<u>1,112,500</u>	<u>1,112,500</u>

10. Loans

Analysis of the maturity of loans is given below:

	30 November 2020 £	31 May 2019 £
Amounts falling due 2-5 years		
Other loans	1,112,500	1,112,500
	<u>1,112,500</u>	<u>1,112,500</u>
	<u>1,112,500</u>	<u>1,112,500</u>

Included within other loans are 6.5% loan notes amounting to £1,112,500. The loans are repayable at flotation or trade sale of the company.

11. Post balance sheet events

Between the accounting period end and the date of this report, Coronavirus and the COVID-19 pandemic emerged globally. For more details regarding the directors' view of this event please refer to the Director's Report.

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.