

LBS WORLDWIDE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018
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LBS WORLDWIDE LIMITED

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LBS WORLDWIDE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	4		36,912		51,766
Current assets					
Stocks		634,492		1,226,958	
Debtors	5	701,366		1,402,693	
Cash at bank and in hand		298,142		7,816	
		<u>1,634,000</u>		<u>2,637,467</u>	
Creditors: amounts falling due within one year	6	<u>(3,984,570)</u>		<u>(3,752,940)</u>	
Net current liabilities			<u>(2,350,570)</u>		<u>(1,115,473)</u>
Total assets less current liabilities			<u>(2,313,658)</u>		<u>(1,063,707)</u>
Creditors: amounts falling due after more than one year	7		-		(393,329)
Provisions for liabilities			<u>(1,619)</u>		<u>(2,306)</u>
Net liabilities			<u><u>(2,315,277)</u></u>		<u><u>(1,459,342)</u></u>
Capital and reserves					
Called up share capital			3,000		3,000
Profit and loss reserves			<u>(2,318,277)</u>		<u>(1,462,342)</u>
Total equity			<u><u>(2,315,277)</u></u>		<u><u>(1,459,342)</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial Period ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the Period in question in accordance with section 476.

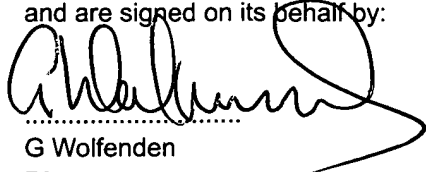
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

LBS WORLDWIDE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

The financial statements were approved by the board of directors and authorised for issue on
and are signed on its behalf by:



G Wolfenden
Director

Company Registration No. 02961161

LBS WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

1 Accounting policies

Company information

LBS Worldwide Limited is a private company limited by shares incorporated in England and Wales. The registered office is Standroyd Mill, Cotton Tree Lane, Colne, Lancashire, BB8 7BW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the Period ended 31 March 2018 are the first financial statements of LBS Worldwide Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 December 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements. See Post Balance Sheet Event note.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

LBS WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	10% straight line per annum
Intellectual Property Rights	

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33% straight line
Fixtures and fittings	33% straight line
Motor vehicles	25% reducing balance

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

LBS WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.10 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand.

1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies that are classified as debt, are initially recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised at transaction price.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

LBS WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the Period was 32 (2017 - 69).

3 Intangible fixed assets

	Goodwill	Development costs	Intellectual Property Rights	Total
	£	£	£	£
Cost				
At 1 June 2017 and 31 March 2018	400,000	78,801	23,000	501,801
Amortisation and impairment				
At 1 June 2017 and 31 March 2018	400,000	78,801	23,000	501,801
Carrying amount				
At 31 March 2018	-	-	-	-
At 31 May 2017	-	-	-	-

LBS WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2018

4 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 June 2017	141,703	49,677	21,041	212,421
Additions	5,465	19,813	-	25,278
Disposals	(72,567)	-	-	(72,567)
At 31 March 2018	74,601	69,490	21,041	165,132
Depreciation and impairment				
At 1 June 2017	112,951	30,089	17,615	160,655
Depreciation charged in the Period	16,537	10,651	1,904	29,092
Eliminated in respect of disposals	(61,527)	-	-	(61,527)
At 31 March 2018	67,961	40,740	19,519	128,220
Carrying amount				
At 31 March 2018	6,640	28,750	1,522	36,912
At 31 May 2017	28,752	19,588	3,426	51,766

5 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	440,531	1,279,673
Corporation tax recoverable	-	1,345
Amounts owed by group undertakings	155,641	-
Other debtors	105,194	121,675
	701,366	1,402,693

6 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	-	880,559
Trade creditors	86,426	1,782,188
Amounts due to group undertakings	-	319,139
Other taxation and social security	12,385	187,189
Other creditors	3,885,759	583,865
	3,984,570	3,752,940

LBS WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2018

7 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	-	113,117
Other creditors	-	280,212
	<u>-</u>	<u>393,329</u>

8 Loans and overdrafts

	2018 £	2017 £
Bank loans	-	993,676
	<u>-</u>	<u>993,676</u>
Payable within one year	-	880,559
Payable after one year	-	113,117
	<u>-</u>	<u>993,776</u>

Bank loans and overdrafts are secured on mortgage debentures incorporating fixed and floating charges on the company's present and future assets.

Net obligations under hire purchase agreements are secured on the assets concerned.

9 Post Balance Sheet Event

The company entered into administration and later into a Creditors Voluntary Arrangement (CVA) on 16 October 2017 and 14 December 2017 respectively. The company is dependent on the support of the shareholders. The directors are confident that the support will continue for the foreseeable future and accordingly they consider it appropriate for the financial statements to be prepared on the going concern basis.