

COMPANY REGISTRATION NUMBER: 04828633

**Lab Lateral Limited**

**Filleted Unaudited Abridged Financial Statements**

**30 April 2019**

# Lab Lateral Limited

## Abridged Statement of Financial Position

**30 April 2019**

		2019	2018
	Note	£	£
<b>Fixed assets</b>			
Intangible assets	5	93,882	109,759
Tangible assets	6	33,478	23,954
Investments	7	22,010	22,010
		-----	-----
		<b>149,370</b>	<b>155,723</b>
<b>Current assets</b>			
Debtors		2,539,187	2,265,154
<b>Creditors: amounts falling due within one year</b>		1,077,451	909,131
		-----	-----
<b>Net current assets</b>		<b>1,461,736</b>	<b>1,356,023</b>
		-----	-----
<b>Total assets less current liabilities</b>		<b>1,611,106</b>	<b>1,511,746</b>
<b>Creditors: amounts falling due after more than one year</b>			
		208,245	312,311
		-----	-----
<b>Net assets</b>		<b>1,402,861</b>	<b>1,199,435</b>
		-----	-----
<b>Capital and reserves</b>			
Called up share capital		190	190
Profit and loss account		1,402,671	1,199,245
		-----	-----
<b>Shareholders funds</b>		<b>1,402,861</b>	<b>1,199,435</b>
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These abridged financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the abridged statement of income and retained earnings has not been delivered.

For the year ending 30 April 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its abridged financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of abridged financial statements .

All of the members have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 30 April 2019 in accordance with Section 444(2A) of the Companies Act 2006.

# **Lab Lateral Limited**

## **Abridged Statement of Financial Position** *(continued)*

**30 April 2019**

These abridged financial statements were approved by the board of directors and authorised for issue on 12 June 2019 , and are signed on behalf of the board by:

Mr Jonathan Tooze

Director

Company registration number: 04828633

# **Lab Lateral Limited**

## **Notes to the Abridged Financial Statements**

### **Year ended 30 April 2019**

#### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 2 Bouchier Street, Soho, London, W1D 4HX.

#### **2. Statement of compliance**

These abridged financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The abridged financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abridged financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Deferred income**

Deferred income is calculated to ensure that income is allocated to the period in which it is earned.

##### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Revenue recognition**

The turnover shown in the profit and loss account represents amounts earned during the period, exclusive of Value Added Tax.

##### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

#### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Domain names	-	10% straight line
Intellectual property	-	33% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

## **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	25% straight line
Fixtures and fittings	-	25% straight line

## **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

### **Investments in associates**

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

### **Investments in joint ventures**

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

### **4. Employee numbers**

The average number of persons employed by the company during the year amounted to 32 (2018: 31 ).

### **5. Intangible assets**

	£
<b>Cost</b>	
<b>At 1 May 2018 and 30 April 2019</b>	<b>418,700</b>
	-----
<b>Amortisation</b>	
At 1 May 2018	308,941
Charge for the year	15,877
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<b>At 30 April 2019</b>	<b>324,818</b>
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<b>Carrying amount</b>	
<b>At 30 April 2019</b>	<b>93,882</b>
	-----
At 30 April 2018	109,759
	-----

## 6. Tangible assets

	£
<b>Cost</b>	
At 1 May 2018	241,355
Additions	31,851
<b>At 30 April 2019</b>	<b>273,206</b>
<b>Depreciation</b>	
At 1 May 2018	217,401
Charge for the year	22,327
<b>At 30 April 2019</b>	<b>239,728</b>
<b>Carrying amount</b>	
<b>At 30 April 2019</b>	<b>33,478</b>
At 30 April 2018	23,954

## 7. Investments

	£
<b>Cost</b>	
<b>At 1 May 2018 and 30 April 2019</b>	<b>22,010</b>
<b>Impairment</b>	
<b>At 1 May 2018 and 30 April 2019</b>	<b>—</b>
<b>Carrying amount</b>	
<b>At 30 April 2019</b>	<b>22,010</b>
At 30 April 2018	22,010

## 8. Related party transactions

During the year the company maintained its licence agreement with LL Technology Partners LLP (the "LLP"). The LLP and the company are related by virtue of common shareholders, directors and designated members. During the year there were charges between the company and the LLP as follows: - Revenue share of £3,648,415 - Operating cost recharge income of £3,650,222 - Licence fee income of £2,112,104 - Intangible asset development charges of £2,290,000 The net effect of these recharges was to decrease profits in the company by £176,089 .

## 9. Controlling party

The company became a subsidiary of Lab Group Holdings Limited (Company registration number 11712251) on 14 December 2018. The registered office of Lab Group Holdings Limited is the same as that of Lab Lateral Limited .



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