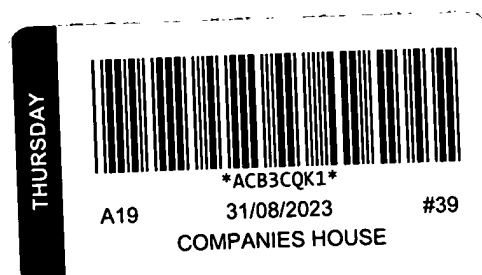


LB SF Warehouse Limited

**Annual report and financial statements
for the year ended 30 November 2022**



LB SF Warehouse Limited

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LB SF Warehouse Limited

Company information

Directors	R Harper S Ross
Registered number	06252737
Registered office	1 Chamberlain Square CS Birmingham United Kingdom B3 3AX
Auditor	Mercer & Hole LLP 21 Lombard Street London EC3V 9AH

LB SF Warehouse Limited

Strategic report for the year ended 30 November 2022

The directors present the strategic report for the year ended 30 November 2022.

Review of business

During the year the company's activity was consistent with a no profit, no loss service company.

The parent company is Lehman Brothers Holdings Plc (in administration).

The ultimate parent company is Lehman Brothers Holdings Inc. which is incorporated in the State of Delaware in the United States of America and went into Chapter 11 proceedings on 15 September 2008. On 6 December 2011, the United States Bankruptcy Court for the Southern District of New York confirmed the modified Third Amended Joint Chapter 11 Plan for Lehman Brothers Holdings Inc. and its Affiliated Debtors and on 6 March 2012, the "Effective Date" occurred. As a result of the effectiveness of the Plan, Lehman Brothers Holdings Inc. and its Affiliated Debtors have emerged from bankruptcy.

Principal risks and uncertainties

Liquidity risks and cash flow

The company actively monitors its liquidity and cash flow position to ensure it has sufficient cash in order to fund its activities.

Key performance indicators

Given the nature of the company's activity, the directors are of the opinion that an analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Future developments

The company will continue to provide administrative services to fellow group companies with business operations in the UK.

On behalf of the board.

DocuSigned by:

6A032CEF71C3443...
R Harper
Director

29/8/2023

LB SF Warehouse Limited

Directors' report for the year ended 30 November 2022

The directors present their report and the financial statements for the year ended 30 November 2022.

Principal activities

The principal activity of the company is to provide administrative services to fellow group companies with business operations in the UK.

Directors

The directors who served during the year and to the date of signature of the financial statements, unless otherwise indicated, were as follows:

R Harper
S Ross

Results and dividends

The company's results for the financial year are set out in the statement of comprehensive income on page 9.

The directors do not recommend the payment of a dividend (2021: £Nil).

Future developments

An indication of the likely future developments of the company is provided in the strategic report.

Qualifying third party indemnity provisions

A qualifying third party indemnity provision as defined in Section 232(2) of the Companies Act 2006 is in force for the benefit of each of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. The liability and indemnity insurance was still in place at the date of signing this report.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"). Under company law the directors must not approve the financial statements unless 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; 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 to 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.

LB SF Warehouse Limited

Directors' report (continued) for the year ended 30 November 2022

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The company's auditor, Mercer & Hole, incorporated on 1 October 2022 to become Mercer & Hole LLP. The directors have consented to treating the incorporation of Mercer & Hole LLP as a continuation of the existing audit arrangement and in accordance with the company's articles, a resolution proposing that Mercer & Hole LLP be reappointed as auditor of the company will be put at a General Meeting.

This report was approved by the board and signed on its behalf.

DocuSigned by:

6A032CEF71C3443...
R Harper
Director

29/8/2023

Independent auditor's report to the members of LB SF Warehouse Limited

Opinion

We have audited the financial statements of LB SF Warehouse Limited (the 'company') for the year ended 30 November 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2022 and of its result 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified we have considered the adequacy of the disclosures made in note 1.2 to the financial statements concerning the company's ability to continue as a going concern. The matter explained in note 1 to the financial statements indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Independent auditor's report to the members of LB SF Warehouse Limited (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of LB SF Warehouse Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006 and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate revenue or understate expenditure and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of noncompliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent auditor's report to the members of LB SF Warehouse Limited (continued)

Use of our report

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.

DocuSigned by:

Mercer & Hole LLP

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Andrew Crook BA ACA (Senior Statutory Auditor)
for and on behalf of Mercer & Hole LLP
Chartered accountants
Statutory auditor

21 Lombard Street
London
EC3V 9AH

29/8/2023

LB SF Warehouse Limited

Statement of comprehensive income for the year ended 30 November 2022

	Note	2022 £	2021 £
Other operating income		481,735	499,665
Other operating charges		(481,735)	(499,665)
Operating profit		-	-
Profit before tax		-	-
Tax on profit	6	-	-
Profit for the financial year		-	-

The notes on pages 13 to 18 are an integral part of these financial statements.

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

LB SF Warehouse Limited

Registered number:06252737

**Balance sheet
as at 30 November 2022**

	Note	2022 £	2021 £
Current assets			
Debtors	7	65,884	36,716
Cash at bank and in hand		402,320	397,421
		<u>468,204</u>	<u>434,137</u>
Creditors: amounts falling due within one year	8	(468,203)	(434,136)
Net current assets		<u>1</u>	<u>1</u>
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	9	1	1
		<u>1</u>	<u>1</u>

The notes on pages 13 to 18 are an integral part of these financial statements.

The financial statements on pages 9 to 18 were approved and authorised for issue on 29/8/2023 and are signed on its behalf by:

DocuSigned by:

 6A032CEF71C3443...
R Harper
 Director

LB SF Warehouse Limited

Statement of changes in equity for the year ended 30 November 2022

	Called up share capital £	Total equity £
At 1 December 2021	1	1
At 30 November 2022	<u>1</u>	<u>1</u>

Statement of changes in equity for the year ended 30 November 2021

	Called up share capital £	Total equity £
At 1 December 2020	1	1
At 30 November 2021	<u>1</u>	<u>1</u>

The notes on pages 13 to 18 are an integral part of these financial statements.

LB SF Warehouse Limited

Statement of cash flows for the year ended 30 November 2022

	2022 £	2021 £
Cash flow from operating activities		
Adjustments for:		
(Increase)/decrease in debtors	(29,168)	96,233
Increase/(decrease) in creditors	34,067	(8,984)
Net cash used in operating activities	4,899	87,249
Net increase in cash and cash equivalents	4,899	87,249
Cash and cash equivalents at beginning of year	397,421	310,172
Cash and cash equivalents at the end of year	402,320	397,421

The notes on pages 13 to 18 are an integral part of these financial statements.

LB SF Warehouse Limited

Notes to the financial statements for the year ended 30 November 2022

1. Accounting policies

Company information

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 1 Chamberlain Square CS, Birmingham, United Kingdom, B3 3AX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

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 £1.

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

1.2 Going concern

The company has had the financial support of its parent company since October 2008. The directors have considered the progress of the administration of the parent company and have no reason to think that such support will not continue. Therefore, the directors believe that the company has sufficient financial resources to meet its obligations as and when they fall due and accordingly these financial statements have been prepared on a going concern basis.

1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

LB SF Warehouse Limited

Notes to the financial statements for the year ended 30 November 2022

1. Accounting policies (continued)

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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 initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of comprehensive income, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

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, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

LB SF Warehouse Limited

Notes to the financial statements for the year ended 30 November 2022

1. Accounting policies (continued)

1.5 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.

1.6 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 statement of comprehensive income 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.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences in the company's taxable profits and its results as stated in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1.7 Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

1.9 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 dates. Gains and losses arising on translation are included in the statement of comprehensive income for the period.

LB SF Warehouse Limited

Notes to the financial statements for the year ended 30 November 2022

2. Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

The critical judgements that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below:

Assessing going concern

The financial statements have been prepared on a going concern basis. The factors discussed in the strategic report regarding the administration of the parent company indicates a material uncertainty concerning the company's future. The wind-down of the parent company will ultimately result in the company being dissolved in the future though the timing of this is uncertain.

3. Employees

The average monthly number of persons (including directors) employed by the company during the year was as follows:

	2022 No.	2021 No.
Directors	2	2
Administration	1	1
	<u>3</u>	<u>3</u>

The aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	344,258	353,335
Social security costs	46,740	44,997
	<u>390,998</u>	<u>398,332</u>

LB SF Warehouse Limited

Notes to the financial statements for the year ended 30 November 2022

4. Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	48,585	57,335

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	44,595	55,485

5. Auditor's remuneration

Auditor's remuneration in respect of audit services amounting to £5,736 (2021: £5,735) will be borne by fellow group companies. There were no fees paid to the auditor in relation to non-audit services (2021: £Nil).

6. Taxation

	2022 £	2021 £
Current tax		
Total current tax	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

7. Debtors

	2022 £	2021 £
Amounts due from group undertakings	51,933	17,344
Prepayments	13,951	19,372
	65,884	36,716

LB SF Warehouse Limited

Notes to the financial statements for the year ended 30 November 2022

8. Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	424,490	393,170
Accruals and deferred income	43,713	40,966
	<u>468,203</u>	<u>434,136</u>

9. Called up share capital

	2022 £	2021 £
Ordinary share capital Issued and fully paid		
1 (2021 : 1) ordinary share of £1	<u>1</u>	<u>1</u>

10. Contingent liabilities

The company is registered with HM Customs & Excise as a member of the Lehman Brothers Limited group for VAT purposes and as a result, is jointly and severally liable on a continuing basis for amounts owing by other members of the group in respect of unpaid VAT.

11. Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102, not to disclose transactions entered into between two or more members of the group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

12. Controlling party

The company is controlled by its immediate parent undertaking, Lehman Brothers Holdings Plc (in administration), a UK registered company which went into administration on 15 September 2008.

The ultimate parent company is Lehman Brothers Holdings Inc. which is incorporated in the State of Delaware in the United States of America and went into Chapter 11 proceedings on 15 September 2008. On 6 December 2011, the United States Bankruptcy Court for the Southern District of New York confirmed the modified Third Amended Joint Chapter 11 Plan for Lehman Brothers Holdings Inc. and its Affiliated Debtors and on 6 March 2012, the "Effective Date" occurred. As a result of the effectiveness of the Plan, Lehman Brothers Holdings Inc. and its Affiliated Debtors have emerged from bankruptcy.

No member of the immediate parent undertaking or ultimate parent company group produces consolidated financial statements.