

Company Registration No. 09367186 (England and Wales)

LB ASIA LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



LB ASIA LIMITED

COMPANY INFORMATION

Directors	C Thompson P Bilek	(Appointed 30 August 2019) (Appointed 3 August 2020)
Secretary	C Thompson	
Company number	09367186	
Registered office	Avalon House 72 Lower Mortlake Road Richmond TW9 2JY United Kingdom	
Auditor	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB United Kingdom	

LB ASIA LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Directors' responsibilities statement	4
Independent auditor's report	5 - 6
Profit and loss account	7
Balance sheet	8
<i>Statement of changes in equity</i>	9
Notes to the financial statements	10 - 19

LB ASIA LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present the strategic report for the year ended 31 December 2019.

Principal activities and business review

The principal activity of the company during the period was to act as a holding company.

The operating subsidiaries engage in engineering design and construction supervision for a wide variety of regional clients.

Principal risks and uncertainties

The group's activities expose it to a number of risks as set out below:

Credit risk

The group's principal financial assets are cash in the form of bank balances, investments and trade/other receivables including intercompany loans. The group's credit risk is primarily attributable to its investments.

Liquidity risk

The group has significant cash reserves in order to maintain liquidity to ensure that sufficient funds are available for on-going operations and future developments. The group has access to cash from its parent operations if required.

Financial risk management objectives and policies

The group funds its operations through the use of inter-company funding, external borrowings, working capital and cash generated from day-to-day operations. The group does not use derivative financial instruments.

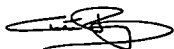
Future developments

The group intends to grow the business in Asia.

Consolidation

LB Asia Limited has chosen not to prepare consolidated results for inclusion of the company's subsidiary undertakings in this period's financial statements.

On behalf of the board



C Thompson

Director

1st February 2021

LB ASIA LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

Principal activities

The principal activity of the company continued to be that of a holding company.

Branches

The group operates branches located in Bangladesh and Thailand.

Change of accounting period end

In the prior year, the company changed its accounting period end to 31 December to align with that of WSP Global Inc., the ultimate parent. The financial statements in this report are prepared for the year ended 31 December 2019. Comparatives shown are for the 18 month period ended 31 December 2018.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C Thompson	(Appointed 30 August 2019)
P Skinner	(Resigned 15 April 2020)
D Greenspan	(Appointed 5 July 2019 and resigned 3 October 2019)
M Lassarat	(Resigned 5 July 2019)
J Bach	(Resigned 5 July 2019)
P Bilek	(Appointed 3 August 2020)

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Post reporting date events

In early 2020, the existence of the COVID-19 Pandemic was confirmed which has since spread across a significant number of countries, leading to the disruption to businesses and economic activity, including the geographical areas in which the Louis Berger International group of companies operate. The company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event. The markets and geographic areas in which the Louis Berger International group of companies conducts its operations make it a reasonable possibility that the Group is vulnerable to the risk of a near-term negative impact. Given the inherent uncertainties, it is not practicable at this time to determine the impact of coronavirus or to provide a quantitative estimate of this impact.

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Strategic report

In accordance with S414C (11) of the Companies Act; included in the Strategic Report is the review of the business and principal risks and uncertainties. This information would have otherwise been required by Schedule 7 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the Directors Report.

LB ASIA LIMITED

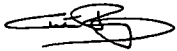
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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 the 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.

On behalf of the board



C Thompson

Director

1st February 2021

LB ASIA LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

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

LB ASIA LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LB ASIA LIMITED

Opinion

We have audited the financial statements of LB Asia Limited (the 'company') for the year ended 31 December 2019 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of 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 31 December 2019 and of its loss 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

LB ASIA LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LB ASIA LIMITED

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 strategic report and the directors' report.

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.

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.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

RSM UK Audit LLP

Christopher Tate (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
United Kingdom

8 February 2021

LB ASIA LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2019**

		2019	2018
	Notes	\$	\$
Cost of sales		-	(137,220)
Administrative expenses		(104,775)	(1,813,261)
Operating loss	3	(104,775)	(1,950,481)
Interest receivable and similar income	7	2	2
Interest payable and similar expenses	8	(46,337)	(163,064)
Loss before taxation		(151,110)	(2,113,543)
Tax on loss	9	-	-
Loss for the financial year		(151,110)	(2,113,543)

The accompanying notes form an integral part of the financial statements.

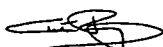
The profit and loss account has been prepared on the basis that all operations are continuing operations.

LB ASIA LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2019**

	Notes	2019 \$	\$	2018 \$	\$
Fixed assets					
Investments	10		1,397,373		1,424,332
Current assets					
Debtors	12	26,614		17,939	
Creditors: amounts falling due within one year	13	<u>(2,896,579)</u>		<u>(2,763,753)</u>	
Net current liabilities			<u>(2,869,965)</u>		<u>(2,745,814)</u>
Total assets less current liabilities			<u>(1,472,592)</u>		<u>(1,321,482)</u>
Capital and reserves					
Called up share capital	15		1,292		1,292
Share premium account			1,190,808		1,190,808
Profit and loss reserves			<u>(2,664,692)</u>		<u>(2,513,582)</u>
Total equity			<u>(1,472,592)</u>		<u>(1,321,482)</u>

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the board of directors and authorised for issue on 1st February 2021 and are signed on its behalf by:



C Thompson
Director

Company Registration No. 09367186

LB ASIA LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2019**

	Share capital	Share premium account	Profit and loss reserves	Total
	\$	\$	\$	\$
Balance at 1 January 2018	1,292	1,190,808	(400,039)	792,061
Year ended 31 December 2018:				
Loss and total comprehensive income for the year	-	-	(2,113,543)	(2,113,543)
	<u>1,292</u>	<u>1,190,808</u>	<u>(2,513,582)</u>	<u>(1,321,482)</u>
Balance at 31 December 2018	1,292	1,190,808	(2,513,582)	(1,321,482)
Year ended 31 December 2019:				
Loss and total comprehensive income for the year	-	-	(151,110)	(151,110)
	<u>1,292</u>	<u>1,190,808</u>	<u>(2,664,692)</u>	<u>(1,472,592)</u>

The accompanying notes form an integral part of the financial statements.

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

LB Asia Limited is a private company limited by shares incorporated in England and Wales. The registered office is Avalon House, 72 Lower Mortlake Road, Richmond, United Kingdom, TW9 2JY. The company's principal activities and nature of its operations are disclosed in the Directors' Report.

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, including the large and medium sized companies and groups (accounts and reports) regulation 2008.

The financial statements are prepared in US dollars, 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.

Reduced disclosures

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of WSP Global Inc. These consolidated financial statements are available from its website, www.wsp.com.

Basis of consolidation

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

1.2 Business combinations

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.3 Going concern

The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical areas in which the Louis Berger International group of companies operate. Although the main impact of the coronavirus has been on the subsidiaries, they have been able to successfully trade through the pandemic. As a holding company there has been limited direct impact of the coronavirus on the entity. While it is unknown how long these conditions will last and what the complete financial effect will be, the directors are aware of the risks to the business in terms of liquidity and have put in place measures to address these risks. In particular, the company continues to monitor and control its expenses as well as making further use of its banking facilities.

To assess the going concern assumption, the company has prepared and considered trading and cashflow forecasts for the period covering at least 12 months from the date of approval of these financial statements. The company is dependent on continuing finance being made available by parent undertaking WSP Global Inc. to enable it to continue operating and meet its liabilities as they fall due. WSP Global Inc. has significant financial reserves as its disposal and continues to be profitable and cash generative during this pandemic. The parent undertaking has agreed to provide sufficient funds to the company for those purposes. The directors believe it is therefore appropriate to prepare the financial statements on a going concern basis.

1.4 Reporting period

In the prior year, the company changed its accounting period end to 31 December to align with that of WSP Global Inc., the ultimate parent. The financial statements in this report are prepared for the year ended 31 December 2019. Comparatives shown are for the 18 month period ended 31 December 2018.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.7 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 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, 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 profit or loss.

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 profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments 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.

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 initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

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

1.9 Taxation

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

1.10 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.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.12 Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

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.

Key judgements were exercised by the directors relating to the valuation of its investment where it reviewed for impairment. Management assessed that there was no impairment in the investment and the carrying amount is reasonable.

3 Operating loss

	2019	2018
Operating loss for the year is stated after charging:	\$	\$
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	3,216	27,306
Impairment of investments	26,959	-

4 Auditor's remuneration

	2019	2018
Fees payable to the company's auditor and associates:	\$	\$
For audit services		
Audit of the financial statements of the company	12,607	15,925
For other services		
All other non-audit services	-	6,825

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Employees

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

	2019 Number	2018 Number
Employees	-	1

Their aggregate remuneration comprised:

	2019 \$	2018 \$
Wages and salaries	-	41,699

6 Directors' remuneration

The highest paid director received remuneration of \$569,152 (2018: \$760,260) which includes company pension contributions of \$21,330 (2018: \$16,734).

No other directors received any emoluments or pension in the current year from the Company. The directors are not remunerated for their services to the Company.

7 Interest receivable and similar income

	2019 \$	2018 \$
Interest income		
Interest on bank deposits	2	2

8 Interest payable and similar expenses

	2019 \$	2018 \$
Interest payable to group undertakings	4,421	145,230
Other interest	41,916	17,834
	46,337	163,064

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2019 \$	2018 \$
Loss before taxation	(151,110)	(2,113,543)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(28,711)	(401,573)
Tax effect of expenses that are not deductible in determining taxable profit	5,122	202,325
Unutilised tax losses carried forward	-	199,248
Group relief	12,163	-
Foreign PE exemption	11,426	-
Taxation charge/(credit) for the year	-	-

10 Fixed asset investments

	Notes	2019 \$	2018 \$
Investments in subsidiaries	11	1,397,373	1,424,332

Movements in fixed asset investments

	Shares in group undertakings \$
Cost or valuation	
At 1 January 2019 & 31 December 2019	1,424,332
Impairment	
At 1 January 2019	-
Impairment losses	26,959
At 31 December 2019	26,959
Carrying amount	
At 31 December 2019	1,397,373
At 31 December 2018	1,424,332

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

11 Subsidiaries

Details of the company's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
LB Vietnam Limited	Avalon House, 72 Lower Mortlake Road, Richmond, United Kingdom, TW9 2JY	Ordinary	100.00	-
Louis Berger Consulting Private Limited	Regus Business Centre, Level 3, Vasant Square Mall, Pocket V, Sector B, New Delhi	Ordinary	99.97	0.03
Louis Berger Hong Kong	21st Floor, Edinburgh Tower, The Landmark, 15 Queens Road Central, Hong Kong	Ordinary	100.00	-

The investments in subsidiaries are all stated at cost.

12 Debtors

	2019	2018
	\$	\$
Amounts falling due within one year:		
Amounts owed by group undertakings	12,420	12,519
Other debtors	14,194	5,420
	<u>26,614</u>	<u>17,939</u>

Amounts due from group undertakings are unsecured, interest free and are repayable on demand.

13 Creditors: amounts falling due within one year

	Notes	2019	2018
		\$	\$
Bank loans and overdrafts	14	1,247,976	863,307
Other borrowings	14	-	216,784
Amounts owed to group undertakings		1,632,678	1,654,356
Accruals and deferred income		15,925	29,306
		<u>2,896,579</u>	<u>2,763,753</u>

Amounts due to group undertakings are unsecured, interest free and are repayable on demand.

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

14 Loans and overdrafts

	2019 \$	2018 \$
Bank overdrafts	1,247,976	863,307
Loans from group undertakings	-	216,784
	<u>1,247,976</u>	<u>1,080,091</u>
Payable within one year	<u>1,247,976</u>	<u>1,080,091</u>

On 31 December 2014 \$970,000 was borrowed from Louis Berger Group Inc. bearing interest of 3.25%. The loan was fully repaid by 31 December 2019.

15 Share capital

	2019 \$	2018 \$
Ordinary share capital		
Issued and fully paid		
1,292 Ordinary shares of \$1 each	<u>1,292</u>	<u>1,292</u>

Ordinary share capital gives the holder full voting, dividend and capital distribution rights.

16 Reserves

Share premium

Consideration received from shares issued above their nominal value net of transaction costs.

Profit and loss reserves

Cumulative profit or loss net of distributions to owners.

17 Post reporting date events

In early 2020, the existence of the COVID-19 Pandemic was confirmed which has since spread across a significant number of countries, leading to the disruption to businesses and economic activity, including the geographical areas in which the Louis Berger International group of companies operate. The company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event. The markets and geographic areas in which the Louis Berger International group of companies conducts its operations make it a reasonable possibility that the Group is vulnerable to the risk of a near-term negative impact. Given the inherent uncertainties, it is not practicable at this time to determine the impact of coronavirus or to provide a quantitative estimate of this impact.

18 Related party transactions

The company has taken advantage of the exemption under FRS 102 that a wholly owned subsidiary undertaking whose voting rights are controlled within the group need not disclose transactions with other group companies.

LB ASIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

19 Ultimate controlling party

The immediate parent company is LB UK Holding II Limited, a company incorporated in the United Kingdom. Its registered office is Avalon House, 72 Lower Mortlake Road, Richmond, TW9 2JY, United Kingdom.

The ultimate parent company and controlling party changed during the year from Berger Group Holdings Inc., incorporated in the United States of America, to WSP Global Inc., incorporated in Canada. WSP Global Inc. is the only group for which group financial statements including the Company are drawn up. The consolidated financial statements of WSP Global Inc. are available to the public and may be obtained from the WSP website, www.wsp.com.