

LPBZ LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
28 FEBRUARY 2017
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LPBZ LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2017**

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	2	46,749		15,077	
Investment properties	3	5,380,000		4,835,000	
		<u>5,426,749</u>		<u>4,850,077</u>	
Current assets					
Debtors	4	30,124		92,463	
Cash at bank and in hand		62,725		33,142	
		<u>92,849</u>		<u>125,605</u>	
Creditors: amounts falling due within one year	5	<u>(5,730,254)</u>		<u>(5,128,542)</u>	
Net current liabilities		<u>(5,637,405)</u>		<u>(5,002,937)</u>	
Total assets less current liabilities		<u>(210,656)</u>		<u>(152,860)</u>	
Provisions for liabilities		<u>(5,561)</u>		<u>-</u>	
Net liabilities		<u><u>(216,217)</u></u>		<u><u>(152,860)</u></u>	
Capital and reserves					
Called up share capital	7	100		100	
Other reserves	8	(212,325)		(103,073)	
Profit and loss reserves	9	(3,992)		(49,887)	
Total equity		<u><u>(216,217)</u></u>		<u><u>(152,860)</u></u>	

The director of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 28 February 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

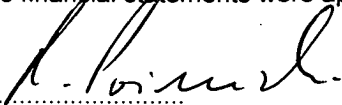
LPBZ LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 28 FEBRUARY 2017

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

The financial statements were approved and signed by the director and authorised for issue on 30/11/17



Mr C Poziemski
Director

LPBZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

Company information

LPBZ Limited is a private company limited by shares incorporated in Scotland. The registered office is 29 Constitution Street, Edinburgh, Scotland, EH6 7BS.

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 modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

These financial statements are the first financial statements of LPBZ Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of LPBZ Limited for the year ended 28 February 2016 were prepared in accordance with Financial Reporting Standard for Smaller Entities (effective January 2015).

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from FRSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in equity at the transition date and are detailed in note 12.

Going concern

As a result of the classification of the loan from the shareholder being less than one year, the company has net current liabilities of £5,637,405 (2016: £5,002,937) at the balance sheet date. The company is therefore reliant upon the support of the shareholder in order to meet its liabilities as they fall due. The principal investor has confirmed that he will support the company for a minimum period of 12 months from the signing of these financial statements. The director therefore believes it is appropriate for the financial statements to be prepared on a going concern basis.

Turnover

Turnover represents the invoiced value net of value added tax of rent and property sales receivable during the year.

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:

Fixtures, fittings and equipment	10 years straight line
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LPBZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies (Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

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 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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.

LPBZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies 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.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

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.

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 between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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.

LPBZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

2 Tangible fixed assets

Plant and machinery etc

£

Cost

At 29 February 2016

17,034

Additions

37,004

At 28 February 2017

54,038

Depreciation and impairment

At 29 February 2016

1,957

Depreciation charged in the year

5,332

At 28 February 2017

7,289

Carrying amount

At 28 February 2017

46,749

At 28 February 2016

15,077

3 Investment property

2017

£

Fair value

At 29 February 2016

4,835,000

Additions

654,252

Revaluations

(109,252)

At 28 February 2017

5,380,000

Investment property comprises short and long term rental properties. The fair value of the investment property at 28 February 2017 has been arrived at on the basis of a valuation carried out at that date by the director. The valuation was made on an open market basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2017 £	2016 £
Cost	5,592,326	4,938,073
Accumulated depreciation	-	-
Carrying amount	5,592,326	4,938,073

LPBZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

4 Debtors	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	3,556	-
Amounts owed by group undertakings	-	19,843
Other debtors	26,568	68,099
	<u>30,124</u>	<u>87,942</u>
Deferred tax asset	-	4,521
	<u>30,124</u>	<u>92,463</u>
	<u><u>30,124</u></u>	<u><u>92,463</u></u>
5 Creditors: amounts falling due within one year	2017	2016
	£	£
Trade creditors	3,859	32,543
Amounts due to group undertakings	170,778	73,547
Other creditors	5,555,617	5,022,452
	<u>5,730,254</u>	<u>5,128,542</u>
	<u><u>5,730,254</u></u>	<u><u>5,128,542</u></u>
6 Provisions for liabilities	2017	2016
	£	£
Deferred tax liabilities	5,561	-
	<u>5,561</u>	<u>-</u>
	<u><u>5,561</u></u>	<u><u>-</u></u>
7 Called up share capital	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>

LPBZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

8 Fair value reserve

	£
At 28 February 2015	-
Transfer to profit and loss account	(103,073)
At 28 February 2016	(103,073)
Transfer to profit and loss account	(109,252)
At 28 February 2017	(212,325)

9 Profit and loss reserves

	2017 £	2016 £
At the beginning of the year	(49,887)	(4,145)
Loss for the year	(63,357)	(148,815)
Transfer to reserves	109,252	103,073
At the end of the year	(3,992)	(49,887)

10 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Loans given during the year		Loans repaid during the year	
	2017 £	2016 £	2017 £	2016 £
Owners holding a participating interest	575,000	156,494	1,488	1,713,523
Other related parties	-	36,713	36,713	-

The following amounts were outstanding at the reporting end date:

	2017 £	2016 £
Amounts owed to related parties		
Owners holding a participating interest	5,542,376	4,968,864
Other related parties	-	36,713

LPBZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

10 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2017
	Balance
	£
Amounts owed by related parties	
Other related parties	350
	<u> </u>
	2016
	Balance
	£
Amounts owed in previous period	
Other related parties	685
	<u> </u>

11 Events after the reporting date

On 11 September 2017 a property which was included as an investment property at the balance sheet date at a fair value of £600,000 was sold for £625,000.

12 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 March	28 February
	2015	2016
	£	£
Equity as reported under previous UK GAAP and under FRS 102	(4,045)	(152,860)
	<u> </u>	<u> </u>

Reconciliation of loss for the financial period

	Notes	2016
		£
Loss as reported under previous UK GAAP		(45,742)
Adjustments arising from transition to FRS 102:		
Investment property fair value adjustment	a)	(103,073)
		<u> </u>
Loss reported under FRS 102		(148,815)
		<u> </u>

Notes to reconciliations on adoption of FRS 102

a) Investment property fair value adjustment

During the year ended 28 February 2016, fair value losses on investment properties of £103,073 were recognised directly in reserves under previous UK GAAP. Under FRS 102, those fair value losses are recognised in profit or loss.