

Company Registration No. 10272838 (England and Wales)

THE GOOD BOX CO LABS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017
PAGES FOR FILING WITH REGISTRAR

THE GOOD BOX CO LABS LTD

COMPANY INFORMATION

Director	Mr A O'Brien	(Appointed 12 July 2016)
Company number	10272838	
Registered office	Ground Floor Optimum House Clippers Quay Salford Quays M50 3XP	
Accountants	Ryecroft Glenton 32 Portland Terrace Jesmond Newcastle upon Tyne NE2 1QP	

THE GOOD BOX CO LABS LTD

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THE GOOD BOX CO LABS LTD

BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017 £	£
Current assets			
Debtors	3	166,827	
Cash at bank and in hand		49,615	
		<u>216,442</u>	
Creditors: amounts falling due within one year	4	<u>(138,658)</u>	
Net current assets			77,784
Creditors: amounts falling due after more than one year	5		(812,263)
Net liabilities			<u>(734,479)</u>
Capital and reserves			
Called up share capital	7		1,115
Profit and loss reserves			<u>(735,594)</u>
Total equity			<u>(734,479)</u>

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

For the financial period ended 31 August 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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

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

The financial statements were approved and signed by the director and authorised for issue on 13 October 2017

Mr A O'Brien
Director

Company Registration No. 10272838

THE GOOD BOX CO LABS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2017

1 Accounting policies

Company information

The Good Box Co Labs Ltd is a private company limited by shares incorporated in England and Wales (company number: 10272838). The registered office is Ground Floor, Optimum House, Clippers Quay, Salford Quays, M50 3XP.

1.1 Accounting convention

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

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

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

1.2 Going concern

The company depends on external funding to meet its working capital requirements. On the basis of this ongoing support the director believes the going concern basis to be appropriate in preparing the annual financial statements.

1.3 Turnover

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Research and development expenditure

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

1.5 Cash at bank and in hand

Cash at bank and in hand 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.

THE GOOD BOX CO LABS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.6 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.

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, 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.

1.7 Compound instruments

The component parts of compound instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

1.8 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.

1.9 Taxation

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

THE GOOD BOX CO LABS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Current tax

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

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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Leases

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 2.

3 Debtors

	2017 £
Amounts falling due within one year:	
Corporation tax recoverable	119,238
Other debtors	47,589
	<u>166,827</u>

4 Creditors: amounts falling due within one year

	2017 £
Trade creditors	92,168
Other creditors	46,490
	<u>138,658</u>

THE GOOD BOX CO LABS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

5 Creditors: amounts falling due after more than one year

	Notes	2017 £
Convertible loans	6	812,263
		<u>812,263</u>

6 Convertible loan notes

	2017 £
Liability component of convertible loan notes	812,263
	<u>812,263</u>

Convertible loan notes were issued at an issue price of £5,000 per note. The notes are convertible into ordinary shares of the company at any time before 31 December 2026. The conversion price is at a price equal to the outstanding sums at the conversion date.

If the notes have not been converted by 31 December 2026, they will be redeemed at par. Interest of 5% per annum will be payable.

The interest expensed for the year is calculated by applying an effective interest rate of 5% to the liability component of the loan notes. The liability component is measured at amortised cost. The difference between the carrying amount of the liability component at the date of issue and the amount reported in the balance sheet represents the effective interest rate less interest paid to that date.

7 Called up share capital

	2017 £
Ordinary share capital	
Issued and fully paid	
11,148 ordinary shares of 10p each	1,115
	<u>1,115</u>
	<u>1,115</u>

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