

Company Registration No. 07891655 (England and Wales)

Labs Worldwide Limited

**Annual report and financial statements
for the year ended 31 March 2019**



Labs Worldwide Limited

Company information

Directors	Eylon Garfunkel Yaron Shahar
Company number	07891655
Registered office	54-56 Camden Lock Place Camden London NW1 8AF
Independent auditor	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL

Labs Worldwide Limited

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Labs Worldwide Limited

Directors' report

For the year ended 31 March 2019

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

Principal activities

The principal activity of the company is providing shared workspaces, event management and provision of food and services within own or leased real estate.

Directors

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

Simon Osman	(Resigned 11 October 2018)
Chen Carlos Moravsky	(Appointed 6 August 2018 and resigned 11 December 2018)
Sagi Niri	(Appointed 6 August 2018 and resigned 13 November 2018)
Eylon Garfunkel	(Appointed 11 December 2018)
Yaron Shahar	(Appointed 21 February 2019)

Covid-19

The Company is a member of the Labtech Investments Limited group ('the Group'). In response to the impact of the coronavirus (Covid-19) outbreak, the Group has successfully tested and implemented business continuity procedures (BCP) that have included the majority of the Group's staff working from home, pausing all international travel, asking staff to avoid public transport and introducing other social distancing measures in accordance with relevant government guidance. The Group is also monitoring the BCP effectiveness of key service providers. The pandemic is causing significant financial market and social dislocation and the ultimate extent of the effect of this on the Group is uncertain, but the Directors remain confident as to the Group's continued viability. Further details on the impact of Covid-19 on the Group can be found in note 1.2.

Results and dividends

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

Auditor

KPMG LLP under section 487 of the companies Act 2006 will be deemed reappointed.

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



.....
Eylon Garfunkel

Director

Date:10.7.2020.....

Directors' responsibilities statement

For the year ended 31 March 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including 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 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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report
To the members of Labs Worldwide Limited

Opinion

We have audited the financial statements of Labs Worldwide Limited ("the company") for the year ended 31 March 2019, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease their operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Independent auditor's report (continued)
To the members of Labs Worldwide Limited

Directors' report

The Directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Responsibilities of directors

As explained more fully in their statement set out on page 2, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent auditor's report (continued)
To the members of Labs Worldwide Limited

The purpose of our audit work and to whom we owe our responsibilities

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.



Richard Long (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

12 July 2020

Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL

Labs Worldwide Limited

**Statement of comprehensive income
For the year ended 31 March 2019**

		Year ended 31 March 2019 £	Period ended 31 March 2018 £
	Notes		
Revenue	3	6,791,662	1,874,876
Administrative expenses		(15,619,027)	(2,488,011)
Other operating income		42,613	-
Exceptional items	4	-	(573,895)
Operating loss	5	(8,784,752)	(1,187,030)
Finance costs	7	-	(1,014)
Loss before taxation		(8,784,752)	(1,188,044)
Tax on loss	8	-	-
Loss and total comprehensive loss for the financial year		<u>(8,784,752)</u>	<u>(1,188,044)</u>

There were no items of other comprehensive income in the current or prior year.

The notes on pages 9 - 20 form part of these financial statements

Labs Worldwide Limited

**Statement of financial position
As at 31 March 2019**

		2019	2018
	Notes	£	£
Non-current assets			
Intangible assets	9	39,450	70,058
Property, plant and equipment	10	4,633,023	353,211
		<u>4,672,473</u>	<u>423,269</u>
Current assets			
Inventories	11	2,566	-
Trade and other receivables	12	4,137,076	1,364,489
Cash and cash equivalents	13	2,548,793	151,507
		<u>6,688,435</u>	<u>1,515,996</u>
Current liabilities	14	<u>(23,401,715)</u>	<u>(5,825,341)</u>
Net current liabilities		<u>(16,713,280)</u>	<u>(4,309,345)</u>
Total assets less current liabilities		<u>(12,040,807)</u>	<u>(3,886,076)</u>
Non-current liabilities	15	(630,021)	-
Net liabilities		<u><u>(12,670,828)</u></u>	<u><u>(3,886,076)</u></u>
Equity			
Called up share capital	17	900	900
Retained earnings		<u>(12,671,728)</u>	<u>(3,886,976)</u>
Total equity		<u><u>(12,670,828)</u></u>	<u><u>(3,886,076)</u></u>

The notes on pages 9 - 20 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 10/07/2020.... and are signed on its behalf by:


.....
Eylon Garfunkel
Director

Company Registration No. 07891655

Labs Worldwide Limited

**Statement of changes in equity
For the year ended 31 March 2019**

	Share capital £	Retained earnings £	Total £
Balance at 1 January 2017	900	(2,698,932)	(2,698,032)
Period ended 31 March 2018:			
Loss and total comprehensive loss for the period	-	(1,188,044)	(1,188,044)
Balance at 31 March 2018	900	(3,886,976)	(3,886,076)
Year ended 31 March 2019:			
Loss and total comprehensive loss for the year	-	(8,784,752)	(8,784,752)
Balance at 31 March 2019	900	(12,671,728)	(12,670,828)

The notes on pages 9 - 20 form part of these financial statements

1 Accounting policies

Company information

Labs Worldwide Limited is a private company limited by shares incorporated in England and Wales. The registered office is 54-56 Camden Lock Place, Camden, London, NW1 8AF.

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.

The Company has taken advantages of the following exemptions in preparing financial statements, as permitted by FRS102:

- the requirements of Section 7 Statement of Cash Flows as the Company is small and
- the requirements of Section 33 Related Party Disclosures paragraph 33.1A.

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.

The Company has taken advantage of the exemption available in section 414B of the Companies Act 2006 not to prepare a Strategic Report.

1.2 Going concern

The Company is a member of the Labtech Investments Limited group ('the Group').

As at 31 March 2019 the Company has net current liabilities of £16,713,280 and net liabilities of £12,670,828. Further, the Company is reliant on the Group to perform certain operational and administrative functions on behalf of the Company. The Group has indicated its intention to provide financial support as is necessary, and to not demand repayment of existing funding, if the Company does not have sufficient funds to do so. As with any reliance on others for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, taking into account the financial position of the Group described below, the Directors have no reason to believe that it will not do so.

In assessing the ability of the Group to continue to support the Company the Directors have considered the ability of the Group to continue as a going concern.

1 Accounting policies (continued)

The Group meets its day-to-day working capital requirements from rental income, proceeds from the sale of non-core assets, accumulated cash balances and, if necessary, loans from its shareholder. Rent collections have reduced following the onset of the Covid-19 pandemic. A number of the Group's tenants have begun reopening but subsequent trading performance of the Group's tenants has yet to be established and the reduced level of collections may continue in future quarters. However, before considering the impact of existing shareholder loans and loan covenants on external facilities as described below, the Directors consider the Group has sufficient cash to meet its obligations as they fall due for a period of at least 12 months from the date of approval of these financial statements.

The Group has unsecured loans from its shareholder which are repayable on demand. The ultimate beneficial owner of the Group has indicated his intention not to demand repayment of the borrowings if the Group does not have sufficient funds to do so. As with any reliance on others for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, the Directors have no reason to believe that it will not do so.

The Group has a range of loan facilities, with each loan secured on specific property assets held by the Group. The net assets of the Company do not form part of the security any lender holds.

As a result of the above considerations the Directors have prepared these financial statements on a going concern basis.

1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractual defined terms of payment and excluding taxes or duty. The company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligator in all the revenue arrangements, has pricing latitude and is also exposed to credit risk. The specific recognition criteria described below must also be met before revenue is recognised.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

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.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Notes to the financial statements (continued)

For the year ended 31 March 2019

1 Accounting policies (continued)

Amortisation 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:

Software	20% straight line
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1.5 Property, plant and equipment

Property, plant and equipment 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:

Leasehold improvements	25% Reducing Balance
Fixtures and fittings	25% Reducing Balance
Office equipment	25% Reducing Balance

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.

1.6 Impairment of non-current assets

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

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1 Accounting policies (continued)

1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.9 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 statement of financial position 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 receivables, 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.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies, 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 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.

1.11 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 income statement 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 liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies (continued)

1.12 Employee benefits

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

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.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 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 date. Gains and losses arising on translation are included in the income statement for the period.

2 Critical accounting 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.

The directors do not consider there to be any estimates and assumptions which have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities.

Labs Worldwide Limited

Notes to the financial statements (continued)

For the year ended 31 March 2019

3 Revenue

	2019	2018
	£	£
Revenue analysed by class of business		
Rent	6,132,439	1,609,818
Rendering of services	487,237	265,058
Revenue from food and beverages	171,986	-
	<u>6,791,662</u>	<u>1,874,876</u>

4 Exceptional items

	2019	2018
	£	£
Project costs written off	-	573,895
	<u>-</u>	<u>573,895</u>

During the prior year development costs totalling £573,895 were written off relating to a project that was abandoned.

5 Operating loss

	2019	2018
	£	£
Operating loss for the year is stated after charging:		
Exchange losses	261	1,303
Fees payable to the company's auditor for the audit of the company's financial statements	10,000	10,000
Depreciation of owned property, plant and equipment	635,516	62,806
Amortisation of intangible assets	30,608	28,792
	<u>676,385</u>	<u>102,901</u>

6 Employees

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

2019	2018
Number	Number
<u>27</u>	<u>14</u>

Notes to the financial statements (continued)
For the year ended 31 March 2019

6 Employees (continued)

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	1,026,104	596,213
Social security costs	111,337	66,161
Pension costs	10,530	5,384
	<u>1,147,971</u>	<u>667,758</u>

The directors received no remuneration for the services to the company (2018 : £nil).

7 Finance costs

	2019	2018
	£	£
Other interest	<u>-</u>	<u>1,014</u>

8 Taxation

At 31 March 2019 the company had carried forward trade losses of £843,933 (2018: £893,224)

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	<u>(8,784,752)</u>	<u>(1,188,044)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.20%)	(1,669,103)	(228,104)
Tax effect of expenses that are not deductible in determining taxable profit	1,589	-
Change in unrecognised deferred tax assets	-	(1,047)
Group relief surrendered for nil consideration	1,670,421	228,371
Permanent capital allowances in excess of depreciation	(2,907)	780
Taxation charge for the year	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)
For the year ended 31 March 2019

9 Intangible fixed assets

	Software £
Cost	
At 1 April 2018 and 31 March 2019	153,038
Amortisation and impairment	
At 1 April 2018	82,980
Amortisation charged for the year	30,608
At 31 March 2019	113,588
Carrying amount	
At 31 March 2019	39,450
At 31 March 2018	70,058

10 Property, plant and equipment

	Leasehold Fixtures and improve- ments £	fittings £	Office equipment £	Total £
Cost				
At 1 April 2018	70,534	339,241	7,592	417,367
Additions	1,445,054	2,407,577	1,062,697	4,915,328
At 31 March 2019	1,515,588	2,746,818	1,070,289	5,332,695
Depreciation and impairment				
At 1 April 2018	4,064	56,716	3,376	64,156
Depreciation charged in the year	46,453	414,510	174,553	635,516
At 31 March 2019	50,517	471,226	177,929	699,672
Carrying amount				
At 31 March 2019	1,465,071	2,275,592	892,360	4,633,023
At 31 March 2018	66,470	4,178	282,563	353,211

Labs Worldwide Limited

Notes to the financial statements (continued)
For the year ended 31 March 2019

11 Inventories

	2019	2018
	£	£
Finished goods and goods for resale	2,566	-

12 Trade and other receivables

	2019	2018
	£	£
Amounts falling due within one year:		
Trade receivables	2,472,232	477,855
Amounts owed by group undertakings	961,571	596,687
Other receivables	-	143,005
Prepayments and accrued income	703,273	146,942
	<u>4,137,076</u>	<u>1,364,489</u>

Amounts due from group undertakings are interest free and have no fixed repayment terms.

13 Cash and cash equivalents

The cash and cash equivalents includes £2,063,465 that is held on behalf of tenants as tenancy deposits.

14 Current liabilities

	2019	2018
	£	£
Trade payables	743,790	430,023
Amounts due to group undertakings	12,763,337	4,081,468
Other taxation and social security	553,260	-
Deferred revenue	1,376,961	721,379
Deferred lease incentive	3,237,163	-
Other payables	1,433,443	582,471
Accruals	3,293,761	10,000
	<u>23,401,715</u>	<u>5,825,341</u>

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

Labs Worldwide Limited

Notes to the financial statements (continued)
For the year ended 31 March 2019

15 Non-current liabilities

	2019	2018
	£	£
Other payables	630,021	-

16 Retirement benefit schemes

	2019	2018
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	10,530	5,384

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
900 Ordinary shares of £1 each	900	900

18 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019	2018
	£	£
Within one year	12,911,975	1,431,700
Between two and five years	51,647,900	5,726,800
In over five years	161,479,650	20,043,800
	226,039,525	27,202,300

18 Operating lease commitments (continued)

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2019 £	2018 £
Within one year	9,447,320	1,725,209
Between two and five years	2,904,984	293,525
	<u>12,352,304</u>	<u>2,018,734</u>

19 Events after the reporting date

Subsequent to year end the company was transferred out of Runtech Group Limited on 12 September 2019.

20 Ultimate controlling party

RunTech Group Limited, a company incorporated in England and Wales, is the immediate parent company.

The ultimate controlling party is The Goodheart Trust, a trust established under the laws of the Isle of Man.

The smallest group in which the results of the company are consolidated is that headed by RunTech Group Limited, a company incorporated in England and Wales with its registered address at 54-56 Camden Lock Place, Camden, London, NW1 8AF. The largest group in which the results of the company are consolidated is that headed by LabTech Investments Limited, a company incorporated in Guernsey with its registered address at 4th Floor, West Wing, Trafalgar Court, Admiral Park, St Peter Port, Guernsey, GY1 2JA. The consolidated financial statements of Labtech Investments Limited are not available to the public.