

Registration number: 11483367

Labtech Property Management Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2020



Labtech Property Management Limited

Contents

Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	3
Independent Auditor's Report	4 to 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 to 15

Labtech Property Management Limited

Company Information

Directors	Yaron Shahar Eylon Garfunkel
Registered office	Labs Dockray 1-7 Dockray Place London NW1 8QH
Auditors	KPMG LLP 15 Canada Square Canary Wharf London United Kingdom E14 5GL

Labtech Property Management Limited
Directors' Report for the Year Ended 31 March 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Principal activity

The principal activity of the company is the provision of property management services.

Directors of the company

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

Yaron Shahar

Eylon Garfunkel

Results and dividends

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

No ordinary dividends were paid or declared during the year (2019:Nil). The directors do not recommend a payment of final dividend.

Going concern

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 2.

Reappointment of auditors

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to the auditors

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.

Approved by the Board on 31 March 2021 and signed on its behalf by:



.....
Eylon Garfunkel
Director

Labtech Property Management Limited

Statement of Directors' Responsibilities

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 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; and
- 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Labtech Property Management Limited

Independent Auditor's Report to the Members of Labtech Property Management Limited

Opinion

We have audited the financial statements of Labtech Property Management Limited (the 'company') for the year ended 31 March 2020, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom accounting standards, including FRS 102 *The financial Reporting Standards 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 director's conclusions, we considered the inherent risks to the company's business model and analysed how those risk 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.

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 statement 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 misstatement in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and

Labtech Property Management Limited

Independent Auditor's Report to the Members of Labtech Property Management Limited

- 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.
- 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 3, 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 further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities.

Labtech Property Management Limited

Independent Auditor's Report to the Members of Labtech Property Management 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.



.....
Jonathan Tricker (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor

15 Canada Square
Canary Wharf
London
United Kingdom
E14 5GL

31 March 2021

Labtech Property Management Limited

Statement of Comprehensive Income for the Year Ended 31 March 2020

		31 March 2020 £	31 March 2019 £
	Note		
Revenue		-	-
Gross profit/(loss)		-	-
Administrative expenses		(3,031)	-
Operating loss		(3,031)	-
Loss before tax		(3,031)	-
Tax on (loss)/profit	6	-	-
Loss for the financial year		(3,031)	-

The above results were derived from continuing operations.

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

The notes on pages 10 to 15 form an integral part of these financial statements.

Labtech Property Management Limited

(Registration number: 11483367)

Statement of Financial Position as at 31 March 2020

	Note	2020 £	2019 £
Current assets			
Trade and other receivables	7	367,909	1,000
Cash and cash equivalents		<u>636,251</u>	<u>-</u>
		1,004,160	1,000
Creditors: Amounts falling due within one year	8	<u>(1,006,191)</u>	<u>-</u>
Net (liabilities)/assets		<u>(2,031)</u>	<u>1,000</u>
Equity			
Called up share capital	9	1,000	1,000
Profit and loss account		<u>(3,031)</u>	<u>-</u>
Total equity		<u>(2,031)</u>	<u>1,000</u>

Approved and authorised by the Board on 31 March 2021 and signed on its behalf by:



.....
Eylon Garfunkel
Director

Labtech Property Management Limited

Statement of Changes in Equity for the Year Ended 31 March 2020

	Share capital	Profit and loss	Total
	£	account	£
At 1 April 2019	1,000	-	1,000
Loss for the year	-	(3,031)	(3,031)
Total comprehensive expense	-	(3,031)	(3,031)
At 31 March 2020	1,000	(3,031)	(2,031)
	Share capital	Share capital	Total
	£	£	£
At 25 April 2018		1,000	1,000
At 31 March 2019		1,000	1,000

The notes on pages 10 to 15 form an integral part of these financial statements.

Labtech Property Management Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Labs Dockray, 1-7 Dockray Place, London, NW1 8QH, United Kingdom.

These financial statements were authorised for issue by the Board on 31 March 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

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

Summary of disclosure exemptions

The Company has taken advantages of the following exemptions in preparing financial statements, as permitted by FRS 102:

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

Going concern

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

As at 31 March 2020 the Company has net current liabilities of £ 2,031. 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.

Labtech Property Management Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

2 Accounting policies (continued)

The Group meets its day-to-day working capital requirements from rental income, proceeds from the sale of non-core assets and accumulated cash balances. Rent collections have reduced following the onset of the Covid-19 pandemic. The Group continues to monitor the UK government's regulations and adjust its operations accordingly. Future trading performance of the Group's tenants is uncertain, and a reduced level of revenue may continue to be the situation in future months. However, before considering the impact of 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 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. The most significant loan is a secured on the majority of the Group's investment property. Given the potential impact on prospective covenant compliance due to the impact of Covid-19, the Group has agreed with the Lender a covenant waiver period up to and including, the February 2022 covenant measurement date. The Directors forecast that covenants will be complied with, including in downside scenarios, by and after the next covenant measurement date in May 2022.

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

Tax

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

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.

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 statements because it exclude 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 year is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Labtech Property Management Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

2 Accounting policies (continued)

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 of other event that resulted in the tax expense or income. Deferred tax asset and liabilities are offset when the company has a legally enforceable right to offset the current tax assets and liabilities and the deferred tax assets and liabilities related to taxes levied by the same tax authority.

Cash and cash equivalents

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

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 instruments.

Financial asset 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 liability simultaneously.

Basic financial assets

Basic financial asset, which include debtors, are initially measured at transaction price including transaction cost and 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 evidence a residual interest in the assets of the company after deducting all of its liabilities.

Labtech Property Management Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

2 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors and amounts due to group undertakings are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from supplies. Amounts payable are classified as current liabilities if payment 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.

Equity instruments

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

3 Critical accounting judgement and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimations 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 estimates 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 material adjustments to the carrying amounts of assets and liabilities.

Labtech Property Management Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

4 Directors' remuneration

The company had no employees during the year (2019: nil) and the directors received no remuneration for the services to the company (2019: £nil).

5 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>3,000</u>	<u>-</u>

The audit fee of £3,000 (2019: £-nil) for the year was borne by Labtech London Limited, a fellow group undertaking. There were no non-audit services provided by the company's auditors during the year (2019: £nil).

6 Taxation

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Loss before tax	<u>(3,031)</u>	<u>-</u>
Corporation tax at standard rate	(576)	-
Tax increase arising from group relief	<u>576</u>	<u>-</u>
Total tax charge/(credit)	<u>-</u>	<u>-</u>

7 Trade and other receivables

	2020 £	2019 £
Amounts owed by group undertakings	164,746	1,000
Other receivables	135,999	-
Accrued income	<u>67,164</u>	<u>-</u>
	<u>367,909</u>	<u>1,000</u>

Amounts owed by group undertakings are interest free and are repayable on demand.

Labtech Property Management Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

8 Creditors

	2020 £	2019 £
Due within one year		
Trade creditors	97,282	-
Amounts due to group undertakings	780,250	-
Other payables	124,024	-
Accruals	4,635	-
	<u>1,006,191</u>	<u>-</u>

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

9 Share capital

Allotted, called up and fully paid shares

	2020	2019
	No. £	No. £
Ordinary share of £1 each	<u>1,000</u> <u>1,000</u>	<u>1,000</u> <u>1,000</u>

10 Parent and ultimate parent undertaking

The company's immediate parent is Labtech Investments Limited, incorporated in Guernsey.

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

The parent of the largest group in which these financial statements are consolidated is Labtech Investments Limited, incorporated in Guernsey.

The address of Labtech Investments Limited is:

P.O. Box 186, Royal Chambers, St. Julian's Avenue, St. Peter Port, GY1 4HP, Guernsey.

The consolidated financial statements of Labtech Investments Limited are not available to the public.