

COMPANY REGISTRATION NUMBER: 02552424

Labflex Limited

Filleted financial statements

31 December 2019

Labflex Limited**Statement of financial position****31 December 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	3,908	4,199
Current assets			
Debtors	6	1,495,942	1,649,838
Cash at bank and in hand		3,019	57,515
		1,498,961	1,707,353
Creditors: amounts falling due within one year	7	1,500,114	1,640,268
Net current (liabilities)/assets		(1,153)	67,085
Total assets less current liabilities		2,755	71,284
Creditors: amounts falling due after more than one year	8	839,890	839,890
Net liabilities		(837,135)	(768,606)
Capital and reserves			
Called up share capital		180,000	180,000
Share premium account		3,999,529	3,999,529
Profit and loss account		(5,016,664)	(4,948,135)
Shareholders funds		(837,135)	(768,606)

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 27 May 2020, and are signed on behalf of the board by:

Mr S L Smith

Director

Company registration number: 02552424

Labflex Limited

Notes to the financial statements

year ended 31 December 2019

1. General information

The company is a private company limited by shares, registered in England and Wales (no. 02552424). The address of the registered office is Regus House, Pegasus Business Park, Castle Donington, Derby, DE74 2TZ, England. The principal activity of the company is a supplier of customised laboratory solutions.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity . Labflex Limited made a loss in the year ending 31st December 2019 and the equity is negative. The directors are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion, the directors have given due consideration to the impact of the worldwide Covid-19 pandemic on future operations and the ability of the company to continue to operate as a going concern. The directors recognise that the situation remains highly fluid and as a result making accurate forecasts on the likely implications is difficult but the directors do recognise that trading over the coming months could potentially be adversely affected. Despite this, the directors remain confident that the company can continue to operate as a going concern. This assessment is based on the understanding that the company will continue to trade over the coming months, albeit it at a potentially reduced level than was initially anticipated. This, along with support from the parent company if necessary, will allow the company to continue to meet it's obligations as they fall due and operate as a going concern. Labflex A/S has given assurances that for a period of minimum 18 months from the 31st December 2019 to provide financial support to enable the Labflex Limited to; - Continue trading and going concern - Service its obligations related to debts and liabilities as they fall due Labflex A/S have a positive equity as per 31st December 2019 and long-term operational financing is secured. Labflex A/S' annual report of 2019 is prepared on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances .

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. Plant and machinery etc - 33% straight line

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Defined contribution plans

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Long-term contracts

Amounts recoverable on long-term contracts which are included in debtors, are stated at the net sales value of the work done less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account. Cumulative costs incurred net of amounts transferred to cost of sales, less provision for contingencies and anticipated future losses on contracts, are included as long-term contract balances in stock.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 5 (2018: 4).

5. Tangible assets

	Plant and machinery £
Cost	
At 1 January 2019	8,957
Additions	3,086

At 31 December 2019	12,043

Depreciation	
At 1 January 2019	4,758
Charge for the year	3,377

At 31 December 2019	8,135

Carrying amount	
At 31 December 2019	3,908

At 31 December 2018	4,199

6. Debtors

	2019	2018
	£	£
Trade debtors	899,167	680,410
Amounts recoverable on contract	482,483	770,787
Other debtors	114,292	198,641
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	1,495,942	1,649,838
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7. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	1,400,891	1,484,783
Social security and other taxes	81,150	92,153
Other creditors	18,073	63,332
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	1,500,114	1,640,268
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8. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Amounts owed to group undertakings	839,890	839,890
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The amount owed to group undertakings, is repayable by instalments. In years 2 to 5 £nil (2018 - £839,890) is repayable, £839,980 is repayable in over 5 years.

9. Summary audit opinion

The auditor's report for the year dated 29 June 2020 was unqualified.

The senior statutory auditor was Kevin Hoult BA FCA , for and on behalf of Sagars Accountants Ltd .

10. Related party transactions

The company has a related party relationship with Labflex A/S, its immediate parent company. The company purchased goods from Labflex A/S in the year to 31st December 2019 totaling £213,365 (2018 - £612,148) and at the balance sheet date owed £1,076,288 (2018 - £1,055,303), this is included within trade creditors. Labflex Limited was also charged £14,460 (2018 - £14,460) for administration services by Labflex A/S. Labflex Limited has a loan from Labflex A/S, as at 31st December 2019 the balance on the loan was £839,890 (2018 - £839,890). The amount of interest payable on the loan balance, and the amount outstanding for management charges as at 31st December 2019 was £171,931 (2018 - £195,433), this is included within trade creditors.

