

Eighty Seven Holdings Limited
Annual Report and Financial Statements
for the Year Ended 31 March 2020

Brebners

Chartered Accountants & Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

EIGHTY SEVEN HOLDINGS LIMITED

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EIGHTY SEVEN HOLDINGS LIMITED

Company Information

Directors	J F Crehan J E Moore
Registered office	Bridge House Bridge Street Olney Buckinghamshire MK46 4AB
Auditor	Brebners Chartered Accountants & Statutory Auditor 130 Shaftesbury Avenue London W1D 5AR

EIGHTY SEVEN HOLDINGS 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.

Directors of the company

The directors who held office during the year were as follows:

J F Crehan

J E Moore

Business Review

The Eighty Seven Holdings Group provides heating system maintenance, repair and replacement services to housing associations, commercial and private customers, and cloud based products and services to managed facilities.

During the year the Group disposed of Synergy Specialist Services Limited. Since 31 March 2020 the Group has also disposed of its activities in electrical installation through the sale of Evodo Services Limited. The Group also relocated premises consolidating headquarters of the remaining group companies to one central location.

Turnover increased from £1,980,000 to £2,090,000 and the Board remains focused and active across the group's businesses to drive and support the ambitions of the group companies. As well as supporting a major reorganisation to improve profitability, investment continued on developing customer centred services and IT infrastructure for the future.

Since 31 March 2020 the COVID 19 pandemic has impacted economies throughout the world. Government advice on safety in the workplace was implemented to safeguard staff who were not able to perform their duties at home and the Group was able to defer part of its VAT liabilities

The Group continues to receive the support of its shareholders and is confident of continued profitability in 2021. The unaudited management accounts of Eighty Seven Holdings Limited and its subsidiaries all show a profit for the 10 month period to 31 January 2021.

Principal risks and uncertainties

Management continue to monitor substantive business risks. The key business risks are competition and economic conditions.

Financial Key Performance Indicators

The Board uses Key Performance Indicators ('KPIs') to monitor the company's performance and regularly reviews the key risks of the company.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2020	2019
Turnover	£	2,090,000	1,980,000
Operating margin	%	55	18

EIGHTY SEVEN HOLDINGS LIMITED

Directors' Report for the Year Ended 31 March 2020

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 25 March 2021 and signed on its behalf by:

.....
J E Moore
Director

EIGHTY SEVEN HOLDINGS LIMITED

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EIGHTY SEVEN HOLDINGS LIMITED

Independent Auditor's Report to the Members of Eighty Seven Holdings Limited

Opinion

We have audited the financial statements of Eighty Seven Holdings Limited (the 'company') for the year ended 31 March 2020, which comprise the Statement of Income and Retained Earnings, Statement of Financial Position, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Without qualifying our opinion we draw attention to the accounting policies to the financial statements and the fact that the comparatives are unaudited.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EIGHTY SEVEN HOLDINGS LIMITED

Independent Auditor's Report to the Members of Eighty Seven Holdings Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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. This description forms part of our auditor's report.

EIGHTY SEVEN HOLDINGS LIMITED

Independent Auditor's Report to the Members of Eighty Seven Holdings Limited

Use of our report

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.

.....
Martin Widdowson (Senior Statutory Auditor)
For and on behalf of Brebners, Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

25 March 2021

EIGHTY SEVEN HOLDINGS LIMITED

Statement of Income and Retained Earnings for the Year Ended 31 March 2020

	Note	2020 £	2019 £
Turnover		2,090,000	1,980,000
Administrative expenses		<u>(937,151)</u>	<u>(1,625,439)</u>
Operating profit		<u>1,152,849</u>	<u>354,561</u>
Other interest receivable and similar income		3,999	-
Interest payable and similar charges		<u>(77,254)</u>	<u>(2)</u>
		<u>(73,255)</u>	<u>(2)</u>
Profit before tax	<u>5</u>	<u>1,079,594</u>	<u>354,559</u>
Taxation		<u>(13,697)</u>	<u>(13,318)</u>
Profit for the financial year		<u>1,065,897</u>	<u>341,241</u>
Retained earnings brought forward		341,241	-
Dividends paid		<u>(657,450)</u>	<u>-</u>
Retained earnings carried forward		<u><u>749,688</u></u>	<u><u>341,241</u></u>

The notes on pages 10 to 16 form an integral part of these financial statements.

EIGHTY SEVEN HOLDINGS LIMITED

Statement of Financial Position as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>6</u>	-	1,514
Investment property	<u>7</u>	1,466,575	-
Investments	<u>8</u>	176,578	174,146
		<u>1,643,153</u>	<u>175,660</u>
Current assets			
Debtors	<u>9</u>	2,482,775	630,912
Cash at bank and in hand		8,848	22,264
		2,491,623	653,176
Creditors: Amounts falling due within one year	<u>10</u>	(2,420,411)	(487,305)
Net current assets		<u>71,212</u>	<u>165,871</u>
Total assets less current liabilities		1,714,365	341,531
Creditors: Amounts falling due after more than one year	<u>10</u>	(964,387)	-
Net assets		<u>749,978</u>	<u>341,531</u>
Capital and reserves			
Called up share capital		290	290
Profit and loss account		749,688	341,241
Shareholders' funds		<u>749,978</u>	<u>341,531</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Approved and authorised by the Board on 25 March 2021 and signed on its behalf by:

.....
J E Moore

Director

Company registration number: 11146538

The notes on pages 10 to 16 form an integral part of these financial statements.

EIGHTY SEVEN HOLDINGS 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:

Bridge House
Bridge Street
Olney
Buckinghamshire
MK46 4AB

The principal activity of the company is that of an investment holding company.

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 Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except any items disclosed in the accounting policies as being shown at fair value and are presented in sterling, which is the functional currency of the entity.

Group accounts not prepared

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 399 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

EIGHTY SEVEN HOLDINGS LIMITED

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

Going concern

The company made a profit for the year ended 31 March 2020 and had net assets amounting to £749,978 at that date.

The directors have considered the potential effect of the current COVID-19 crisis and the directors' view is that the impact will be manageable. The company has continued to receive management fee from its subsidiary under takings throughout the pandemic and the company's overheads are controllable. With the resources that the company has, the directors believe that the company will be able to weather the crisis.

The group has pledged its continued support of its subsidiary undertakings and subsequent to 31 March 2020 a further investment of £1,984,015 was made in the share capital thereof. The company is dependent on the continued support of the directors. At 31 March 2020 an amount of £2,074,724 was due to a company owned by the directors. Subsequently this amount was repaid and the directors provided the company with working capital of an equivalent amount and have confirmed they will not call for repayment until such a time that the company has sufficient working capital.

Having made sufficient enquiries, and based upon the above, the directors have a reasonable expectation that the company has adequate resources to continue operating in the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of management services in the ordinary course of the company's activities. Turnover is shown net of Value Added Tax, rebates and discounts. Turnover is recognised evenly over the period services are provided.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	25% on cost

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

EIGHTY SEVEN HOLDINGS LIMITED

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

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company during the year, was 6 (2019 - 6).

EIGHTY SEVEN HOLDINGS LIMITED

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

4 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>7,500</u>	<u>5,000</u>

5 Profit before tax

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	<u>198</u>	<u>66</u>

6 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 April 2019	1,580	1,580
Disposals	<u>(1,580)</u>	<u>(1,580)</u>
At 31 March 2020	<u>-</u>	<u>-</u>
Depreciation		
At 1 April 2019	66	66
Charge for the year	198	198
Eliminated on disposal	<u>(264)</u>	<u>(264)</u>
At 31 March 2020	<u>-</u>	<u>-</u>
Carrying amount		
At 31 March 2020	<u>-</u>	<u>-</u>
At 31 March 2019	<u>1,514</u>	<u>1,514</u>

EIGHTY SEVEN HOLDINGS LIMITED

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

7 Investment properties

	2020 £
Fair Value	
Additions	1,466,575
At 31 March 2020	<u><u>1,466,575</u></u>

The investment property is reflected at fair value as estimated by the directors at an amount of £1,466,575 based upon professional advice.

8 Investments

	2020 £	2019 £
Investments in subsidiaries	<u>176,578</u>	<u>174,146</u>
Subsidiaries		£
Cost or valuation		
At 1 April 2019		174,146
Additions		8,963
Disposals		<u>(6,531)</u>
At 31 March 2020		<u>176,578</u>
Carrying amount		
At 31 March 2020		<u><u>176,578</u></u>
At 31 March 2019		<u><u>174,146</u></u>

9 Debtors

	2020 £	2019 £
Amounts owed by group undertakings	2,271,259	546,567
Other debtors	<u>211,516</u>	<u>84,345</u>
	<u><u>2,482,775</u></u>	<u><u>630,912</u></u>

EIGHTY SEVEN HOLDINGS LIMITED

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

10 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Bank loans and overdrafts	<u>11</u>	39,757	-
Trade creditors		26,591	3,089
Amounts owed to group undertakings		-	200
Taxation and social security		245,848	458,686
Other creditors		2,108,215	25,330
		<u>2,420,411</u>	<u>487,305</u>

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Loans and borrowings	<u>11</u>	<u>964,387</u>	<u>-</u>

11 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	<u>39,757</u>	<u>-</u>
Non-current loans and borrowings		
Bank borrowings	<u>964,387</u>	<u>-</u>

The bank borrowings are secured by a fixed charge over the investment property in note 7 and a fixed and floating charge over the other assets and undertakings of the company.

12 Related party transactions

Exemption is taken under FRS 102 paragraph 1AC.35 not to disclose transactions or amounts due with companies wholly owned within the group.

13 Transactions with Directors

At 31 March 2020 an amount of £177,098 (2019: £2,582) was due to the company from the directors. During the year there were advances of £171,235. Interest of £3,281 (2019: £Nil) has been charged and there are no agreed terms.

EIGHTY SEVEN HOLDINGS LIMITED

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

14 Post period end events

The long term effect of COVID-19 on property values is unknown and the fair value of the company's investment property could be affected post year as a result of the pandemic.

In February 2021 the company acquired further share capital in an existing subsidiary undertaking for an amount of £1,984,015.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.