

Company Registration No. 07370013 (England and Wales)

**8Point8 Support Limited**  
**Annual Report And Financial Statements**  
**For The Period Ended 30 September 2021**

# 8POINT8 SUPPORT LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr M Debnam Mr K M Hampson Mr D S Storer
<b>Company number</b>	07370013
<b>Registered office</b>	Unit 12 Yorkshire Way Armthorpe Doncaster DN3 3FE
<b>Auditor</b>	Azets Audit Services Limited Triune Court Monks Cross Drive York YO32 9GZ

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# 8POINT8 SUPPORT LIMITED

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## **8POINT8 SUPPORT LIMITED**

### **STRATEGIC REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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The directors present the strategic report for the period ended 30 September 2021.

#### **Fair review of the business**

8point8 Support Limited operates in the mobile telecoms, digital out of home (DOOH) industries, alongside some facilities management and renewable energy projects delivered over and above the main industries.

Our business employs around 110 directly employed personnel, and the turnover is currently around £17,000,000 per annum.

The operational model is a services business which provides design and construction of critical telecoms and digital infrastructure for blue chip clients such as Telefonica, JCDecaux, Global, Huawei and Nokia.

The financial performance of the business is led by our Finance Director who supports and challenges the business units, similarly the Divisional Directors will support and challenge the commercial / financial controls within the business units to ensure compliance and overall performance is achieved.

During the last 6 months, we have experienced solid growth and the overall performance is good. We expect a solid period going forward. We have made investments in staff and technology to ensure we are ready for 5G projects, vendor swap programmes, and DOOH growth markets. We have invested in key staff, and new IT systems at a significant cost, but will be necessary for the future growth opportunities. The next FY (Sept 2022) will see significant increases in 5G infrastructure build through Operators, Site owners and Vendors. Similarly, we will begin to see growth in DOOH installations through the main two media companies (34% and 33% UK Market share respectfully), as we are now one of the preferred suppliers for both of these organisations. The recent throughput of these contracts improved margins through the last 6 months, but more improvements through process changes and increased margins will follow through additional revenue.

#### **Improvements made in the last 6 months**

Procurement savings – rates and payment terms

Tighter controls with budgets and final accounts – commercial and operational teams

Improved cash collection – new credit control process and staff

KPI's on final account clearance and variance to budget – Commercial and operational staff.

#### **Future improvements**

Recent targeting of aged WIP – new process implemented to reduce exposure to aged WIP losses.

New structure and strategic hires – More clarity and ownership

New IT system – improved scheduling efficiency, fully integrated and improved reporting.

#### **New opportunities**

Telecoms Site Owners / Operators and Vendors – New business and telecoms in general improved rates, and volumes from the 5G rollout.

## 8POINT8 SUPPORT LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

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#### KPI's and New Process

In relation to operational/performance KPI's, we are all working to a 12month plan where we are implementing KPI's for the following areas.

- Health & Safety – Zero Harm
- Financial Performance – P&L /Cashflow/WIP/Debtor Days
- HR - Development of People – Succession planning
- Innovation / R&D – New IT System development and implementation
- Operational Performance – Right First Time / Utilisation
- Strategy – New Markets / New Customers

In terms of performance at year end Sept 2021 v's March 2021, I would comment as follows: - Our business in terms of concentration levels within the debtor book, and the market positions within telecoms and media, we are in a much stronger position. The cash levels and overall financials are improved as a comparison to those of last year and includes a much better platform for the delivery of increased volumes into 2021/22/23.

#### Risk Management

Risk management is covered during our monthly board meetings, and includes financial risk, cashflow forecasts with KPI's for each area of the business, and market drivers which may affect our ability to deliver for our customers.

Examples of risks and how we have mitigated, or avoided the risks in the recent meetings include the below examples: -

**Calamity through loss of customer** - High levels of concentration of a single customer within the debtor book, similar to the Nokia situation in FY19. We have diluted the risk of this with new customers within the telecoms industry and entered new markets to provide a more stable customer base. Previously we had concentration of 65%, whereas current levels are max 30% and forecasts reducing to 20%.

**Aggressive / Risky Strategies** – We have not planned anything too aggressive, the launch of the new ERP system to support a steady increase in revenues and EBITDA over the next three years.

**Supply chain risks** – we have adopted a similar strategy to the concentration levels without our debtor book. We have three or four key suppliers across our supply chain to ensure we have adequate provision of supply.

**Cashflow** – we use financial CF reporting to identify short- and long-term gaps and mitigate by leveraging supply chain with agreed extended terms but expect these to be resolved with cash generation improved rates, performance and the 5G rollout.

**Risks over non utilisation** – we have increased our subcontractor base for electrical, rigging and civils to ensure we can address peaks and troughs with little impact to the P&L.

#### Additional Information

Additional Information relating to our business and potential impacts are reduced through policy, process and planning

#### Environmental Impact

We are a 14001 certificate holder, and operate as a responsible employer to reduce our environmental impact. We have invested in a new business management tool, time scheduler to help further reduce our environmental impact through efficient planning and mileage reduction.

## **8POINT8 SUPPORT LIMITED**

### **STRATEGIC REPORT (CONTINUED)** **FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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#### **Equal Rights**

The Company is committed to promoting equality of opportunity for all staff and job applicants. We aim to create a working environment in which all individuals can make best use of their skills, free from discrimination or harassment, and in which all decisions are based on experience, abilities and qualifications.

We do not discriminate against staff on the basis of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, (including colour, nationality, ethnic or national origin and caste), religion or belief, sex or sexual orientation. These are known as protected characteristics.

The principles of non-discrimination and equality of opportunity also apply to the way in which staff treat visitors, clients, customers, suppliers and former staff members.

#### **Modern Slavery**

8point8 Support Limited strictly prohibits the use of modern slavery and human trafficking in our operations and supply chain. We have and will continue to be committed to implementing systems and controls aimed at ensuring that modern slavery is not taking place anywhere within our organisation or in any of our supply chains. We expect that our suppliers will hold their own suppliers to the same high standards.

On behalf of the board

Mr D S Storer

**Director**

21 December 2021

## **8POINT8 SUPPORT LIMITED**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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The directors present their annual report and financial statements for the period ended 30 September 2021.

#### **Principal activities**

The principal activity of the company continued to be that of wireless telecommunications.

The financial statements are for the 6 month period ended 30 September 2021.

#### **Results and dividends**

The results for the period are set out on page 10.

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

#### **Directors**

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

Mr M Debnam  
Mr K M Hampson  
Mr D S Storer

#### **Auditor**

Azets Audit Services Limited were appointed auditor to the company following their acquisition of the trade of Garbutt & Elliott Audit Limited on 1 December 2021. In accordance with s487(2) of the Companies Act 2006 they are deemed reappointed annually.

#### **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

Mr D S Storer  
**Director**

21 December 2021

## **8POINT8 SUPPORT LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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The directors are responsible 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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. 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.

## 8POINT8 SUPPORT LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 8POINT8 SUPPORT LIMITED

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#### Opinion

We have audited the financial statements of 8Point8 Support Limited (the 'company') for the period ended 30 September 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 *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 30 September 2021 and of its profit for the period 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.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## 8POINT8 SUPPORT LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF 8POINT8 SUPPORT LIMITED

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the company's regulatory and legal correspondence. We discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, employment legislation and health and safety and, in the current climate, Covid-19 regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

## **8POINT8 SUPPORT LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF 8POINT8 SUPPORT LIMITED**

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To identify risks of material misstatement due to fraud we considered the opportunities, incentives and pressures that may exist within the company to commit fraud. Our risk assessment procedures included: enquiry of directors to understand the high-level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and incentive schemes in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures, we identified the greatest potential for fraud in the following areas:

- revenue recognition and in particular the risk that revenue is recorded in the wrong period; and
- subjective accounting estimates

Both fraud risks arise due to a desire to present stronger results and enable management to benefit from enhanced incentives. As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation.
- assessing significant accounting estimates for bias.
- testing the timing and recognition of revenue and, in particular, that it was appropriately recognised.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

## **8POINT8 SUPPORT LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF 8POINT8 SUPPORT LIMITED**

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#### **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 Davey (Senior Statutory Auditor)**  
**For and on behalf of Azets Audit Services Limited**

21 December 2021

**Chartered Accountants**  
**Statutory Auditor**

Triune Court  
Monks Cross Drive  
York  
YO32 9GZ

## 8POINT8 SUPPORT LIMITED

### STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2021

		Period ended 30 September 2021 £	Period ended 31 March 2021 £
	Notes		
<b>Turnover</b>	<b>3</b>	8,508,875	12,541,904
Cost of sales		(7,038,574)	(12,189,264)
<b>Gross profit</b>		<b>1,470,301</b>	<b>352,640</b>
Administrative expenses		(1,047,076)	(2,531,646)
Other operating income		201,042	1,042,189
<b>Operating profit/(loss)</b>	<b>4</b>	<b>624,267</b>	<b>(1,136,817)</b>
Interest receivable and similar income	<b>7</b>	8,227	15,370
Interest payable and similar expenses	<b>8</b>	(50,443)	(216,300)
Loss on investment assets		(5,000)	(16,917)
<b>Profit/(loss) before taxation</b>		<b>577,051</b>	<b>(1,354,664)</b>
Tax on profit/(loss)	<b>9</b>	(115,000)	205,000
<b>Profit/(loss) for the financial period</b>		<b>462,051</b>	<b>(1,149,664)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

## 8POINT8 SUPPORT LIMITED

### BALANCE SHEET AS AT 30 SEPTEMBER 2021

		30 September 2021		31 March 2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	10		294,520		384,346
Tangible assets	11		213,722		271,945
Investments	12		87,000		104,500
			<u>595,242</u>		<u>760,791</u>
<b>Current assets</b>					
Stocks	14	540,621		276,121	
Debtors	15	6,034,748		5,098,895	
Cash at bank and in hand		<u>1,045,637</u>		<u>3,657,608</u>	
		7,621,006		9,032,624	
<b>Creditors: amounts falling due within one year</b>	16	<u>(7,790,541)</u>		<u>(9,746,488)</u>	
<b>Net current liabilities</b>			<u>(169,535)</u>		<u>(713,864)</u>
<b>Total assets less current liabilities</b>			425,707		46,927
<b>Creditors: amounts falling due after more than one year</b>	17		(150,085)		(228,356)
<b>Provisions for liabilities</b>					
Deferred tax liability	20	50,000	<u>(50,000)</u>	55,000	<u>(55,000)</u>
<b>Net assets/(liabilities)</b>			<u>225,622</u>		<u>(236,429)</u>
<b>Capital and reserves</b>					
Called up share capital	23		200		200
Profit and loss reserves			<u>225,422</u>		<u>(236,629)</u>
<b>Total equity</b>			<u>225,622</u>		<u>(236,429)</u>

The financial statements were approved by the board of directors and authorised for issue on 21 December 2021 and are signed on its behalf by:

Mr D S Storer  
Director

Company Registration No. 07370013

## 8POINT8 SUPPORT LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 March 2020	200	913,035	913,235
Period ended 31 March 2021:			
Loss and total comprehensive income for the period	-	(1,149,664)	(1,149,664)
Balance at 31 March 2021	200	(236,629)	(236,429)
Period ended 30 September 2021:			
Profit and total comprehensive income for the period	-	462,051	462,051
Balance at 30 September 2021	200	225,422	225,622

## 8POINT8 SUPPORT LIMITED

### STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

		30 September 2021	31 March 2021
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash (absorbed by)/generated from operations	27	(2,401,314)	4,863,563
Interest paid		(50,443)	(216,300)
<b>Net cash (outflow)/inflow from operating activities</b>		(2,451,757)	4,647,263
<b>Investing activities</b>			
Purchase of intangible assets		(15,782)	(97,336)
Purchase of tangible fixed assets		(32,001)	(51,240)
Proceeds on disposal of tangible fixed assets		-	149,327
Proceeds on disposal of investments		12,500	86,083
Interest received		8,227	15,370
<b>Net cash (used in)/generated from investing activities</b>		(27,056)	102,204
<b>Financing activities</b>			
Repayment of borrowings		(35,793)	(71,448)
Repayment of bank loans		-	(682,438)
Payment of finance leases obligations		(117,365)	(287,706)
<b>Net cash used in financing activities</b>		(153,158)	(1,041,592)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(2,631,971)	3,707,875
Cash and cash equivalents at beginning of period		3,657,608	(50,267)
<b>Cash and cash equivalents at end of period</b>		1,025,637	3,657,608
<b>Relating to:</b>			
Cash at bank and in hand		1,045,637	3,657,608
Invoice discounting facility		(20,000)	-

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

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#### 1 Accounting policies

##### Company information

8Point8 Support Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 12 Yorkshire Way, Armthorpe, Doncaster, DN3 3FE.

#### 1.1 Accounting convention

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

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 £1.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

During FY Sept 21 (6 month period) Telecoms divisions saw significantly improved revenue, and as such this was a return to profit, and normalized trading levels (Post Covid), and as anticipated and forecasted. During the half year, continued to improve and make significant forward gains, especially in the months with greater turnover levels.

Going forward for FY Sept 22, we are able to continue to benefit from the 5G work and ever-increasing Media activities as they return post covid. New customers and increased throughput from existing customers are expected in the next FY. The company has also invested heavily in a new ERP system, funded through a mix of loan borrowing and internal cashflow and this is now adding benefits to data quality and efficiency.

In a bid to help the company return to profitability and consequently improve its cashflow situation, the company has agreed uplifts on some key customer contracts. Additional new customer contracts have also been secured for the next FY, and we expect to see additional growth which will in turn improve profitability and the overall improvement of the balance sheet.

The company has traditionally provided cashflow support to companies with common shareholdings, however following the closure of 8point8 Rail Limited, there will be no further funding allowing the company to support the increase in net working capital requirements. Similarly with other linked companies.

The directors have considered all factors, including in the wider economy, as part of their assessment of going concern. Although the current economic climate creates both cashflow and profitability risks for the company, the directors believe on balance that they have sufficient resources to enable trading to continue for a period of at least one year from the date of approval of the financial statements, on the basis of information currently available to them as at the point of approving these. Accordingly, these financial statements have been prepared on the going concern basis.

#### 1.3 Reporting period

The financial statements are for the 6 month period ended 30 September 2021. Hence the prior period figures which represent 13 months trading will not be entirely comparable.

#### 1.4 Turnover

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

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 1 Accounting policies

(Continued)

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

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

#### 1.5 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.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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	12.5% straight line
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#### 1.6 Tangible fixed assets

Tangible fixed assets 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:

Plant and equipment	17% straight line and 25% reducing balance
Fixtures and fittings	20% straight line and 15% reducing balance
Computers	33% straight line and 33% reducing balance
Motor vehicles	25% straight line and 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.

#### 1.7 Fixed asset investments

Fixed asset investments in a number of motor vehicles and bikes are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

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#### 1 Accounting policies

(Continued)

##### 1.8 Impairment of fixed 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 is estimated to be less than its carrying amount, the carrying amount of the asset 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 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 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.

##### 1.9 Stocks

Stocks 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 stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks 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.

##### 1.10 Cash at bank and in hand

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 overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

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#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

---

#### 1 Accounting policies

(Continued)

##### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.12 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.

#### 1.13 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 profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. 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.

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

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#### 1 Accounting policies

(Continued)

##### 1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

##### 1.15 Retirement benefits

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

##### 1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

##### 1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

##### 1.18 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 in the period are included in profit or loss.

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 2 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.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Recognition of profit on long term contracts

The company undertakes a number of contracts which run over an extended period on which revenue and profits are recognised as disclosed in note 1.4 on which there is a key judgment as to the stage of completion. This stage is identified by reference to the total costs attributable to a contract, with budgets being created at the outset based on management experience.

#### 3 Turnover and other revenue

	30 September 2021 £	31 March 2021 £
Turnover analysed by class of business		
Wireless telecommunication services	8,508,875	12,541,904
	<b>2021</b> <b>£</b>	<b>2021</b> <b>£</b>
Turnover analysed by geographical market		
United Kingdom	8,508,875	12,541,904
	<b>2021</b> <b>£</b>	<b>2021</b> <b>£</b>
Other significant revenue		
Interest income	8,227	15,370
Grants received	201,042	1,042,189

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 4 Operating profit/(loss)

	30 September 2021	31 March 2021
	£	£
Operating profit/(loss) for the period is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	-	373
Government grants	(201,042)	(1,042,189)
Fees payable to the company's auditor for the audit of the company's financial statements	19,000	23,000
Depreciation of owned tangible fixed assets	46,503	146,776
Depreciation of tangible fixed assets held under finance leases	31,719	70,096
Loss/(profit) on disposal of tangible fixed assets	12,002	(24,739)
Amortisation of intangible assets	33,225	66,227
Loss on disposal of intangible assets	72,383	-
Operating lease charges	45,774	162,058
	<u>          </u>	<u>          </u>

#### 5 Employees

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

	30 September 2021 Number	31 March 2021 Number
Operating activities	80	85
Management and administration	28	35
	<u>          </u>	<u>          </u>
Total	108	120
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2021 £	2021 £
Wages and salaries	2,258,654	4,687,969
Social security costs	232,344	485,731
Pension costs	44,479	109,234
	<u>          </u>	<u>          </u>
	2,535,477	5,282,934
	<u>          </u>	<u>          </u>

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 6 Directors' remuneration

	30 September 2021 £	31 March 2021 £
Remuneration for qualifying services	132,855	148,631
Company pension contributions to defined contribution schemes	1,973	3,814
	<u>134,828</u>	<u>152,445</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021 - 3).

#### 7 Interest receivable and similar income

	30 September 2021 £	31 March 2021 £
<b>Interest income</b>		
Other interest income	8,227	15,370
	<u>8,227</u>	<u>15,370</u>

#### 8 Interest payable and similar expenses

	30 September 2021 £	31 March 2021 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	4,713	49,201
Other interest on financial liabilities	44,165	151,610
	<u>48,878</u>	<u>200,811</u>
<b>Other finance costs:</b>		
Interest on finance leases and hire purchase contracts	762	12,029
Other interest	803	3,460
	<u>50,443</u>	<u>216,300</u>

#### 9 Taxation

	30 September 2021 £	31 March 2021 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	120,000	(190,000)
	<u>120,000</u>	<u>(190,000)</u>

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 9 Taxation

(Continued)

	30 September 2021	31 March 2021
<b>Deferred tax</b>		
Origination and reversal of timing differences	(17,000)	(15,000)
Changes in tax rates	12,000	-
	<u>          </u>	<u>          </u>
Total deferred tax	(5,000)	(15,000)
	<u>          </u>	<u>          </u>
Total tax charge/(credit)	115,000	(205,000)
	<u>          </u>	<u>          </u>

The actual charge/(credit) for the period can be reconciled to the expected charge/(credit) for the period based on the profit or loss and the standard rate of tax as follows:

	2021 £	2021 £
Profit/(loss) before taxation	577,051	(1,354,664)
	<u>          </u>	<u>          </u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	109,640	(257,386)
Tax effect of expenses that are not deductible in determining taxable profit	(6,640)	38,374
Effect of change in corporation tax rate	12,000	-
Other permanent differences	-	14,012
	<u>          </u>	<u>          </u>
Taxation charge/(credit) for the period	115,000	(205,000)
	<u>          </u>	<u>          </u>

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 10 Intangible fixed assets

	Software £
<b>Cost</b>	
At 1 April 2021	479,904
Additions	15,782
Disposals	(77,764)
	<u>417,922</u>
At 30 September 2021	<u>417,922</u>
<b>Amortisation and impairment</b>	
At 1 April 2021	95,558
Amortisation charged for the period	33,225
Disposals	(5,381)
	<u>123,402</u>
At 30 September 2021	<u>123,402</u>
<b>Carrying amount</b>	
At 30 September 2021	<u>294,520</u>
	<u>384,346</u>
At 31 March 2021	<u>384,346</u>

#### 11 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2021	113,204	86,118	204,590	404,496	808,408
Additions	26,097	-	5,904	-	32,001
Disposals	(48,717)	(36,098)	(28,063)	-	(112,878)
	<u>90,584</u>	<u>50,020</u>	<u>182,431</u>	<u>404,496</u>	<u>727,531</u>
At 30 September 2021	<u>90,584</u>	<u>50,020</u>	<u>182,431</u>	<u>404,496</u>	<u>727,531</u>
<b>Depreciation and impairment</b>					
At 1 April 2021	74,145	72,329	146,574	243,415	536,463
Depreciation charged in the period	8,899	6,103	23,893	39,327	78,222
Eliminated in respect of disposals	(45,981)	(34,270)	(20,625)	-	(100,876)
	<u>37,063</u>	<u>44,162</u>	<u>149,842</u>	<u>282,742</u>	<u>513,809</u>
At 30 September 2021	<u>37,063</u>	<u>44,162</u>	<u>149,842</u>	<u>282,742</u>	<u>513,809</u>
<b>Carrying amount</b>					
At 30 September 2021	<u>53,521</u>	<u>5,858</u>	<u>32,589</u>	<u>121,754</u>	<u>213,722</u>
	<u>39,059</u>	<u>13,789</u>	<u>58,016</u>	<u>161,081</u>	<u>271,945</u>
At 31 March 2021	<u>39,059</u>	<u>13,789</u>	<u>58,016</u>	<u>161,081</u>	<u>271,945</u>

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 11 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	30 September 2021 £	31 March 2021 £
Motor vehicles	112,726	144,445

Depreciation charged against assets held under finance lease amounts to £31,719 (March 2021 - £70,096).

#### 12 Fixed asset investments

	30 September 2021 £	31 March 2021 £
Unlisted investments	87,000	104,500

Investments represent specialist motor vehicles and other similar assets held for their appreciation in value.

Included in the above are assets with a value of £87,000 (March 2021 - £104,500) held under hire purchase contracts.

#### Movements in fixed asset investments

	Investments £
<b>Cost or valuation</b>	
At 1 April 2021	104,500
Disposals	(17,500)
At 30 September 2021	87,000
<b>Carrying amount</b>	
At 30 September 2021	87,000
At 31 March 2021	104,500

#### 13 Financial instruments

	30 September 2021 £	31 March 2021 £
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	87,000	104,500

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 14 Stocks

	30 September 2021 £	31 March 2021 £
Raw materials and consumables	540,621	276,121

#### 15 Debtors

	30 September 2021 £	31 March 2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,140,771	1,734,496
Gross amounts owed by contract customers	2,641,938	1,525,502
Corporation tax recoverable	404,000	404,000
Other debtors	1,423,670	1,069,922
Prepayments and accrued income	424,369	364,975
	<u>6,034,748</u>	<u>5,098,895</u>

#### 16 Creditors: amounts falling due within one year

		30 September 2021 £	31 March 2021 £
Bank loans and overdrafts	18	20,000	-
Obligations under finance leases	19	80,028	158,473
Other borrowings	18	76,922	73,364
Payments received on account		3,157,135	3,641,934
Trade creditors		1,671,322	1,573,133
Corporation tax		334,000	214,000
Other taxation and social security		1,752,802	2,884,766
Deferred income	21	-	611,531
Other creditors		123,136	111,389
Accruals and deferred income		575,196	477,598
		<u>7,790,541</u>	<u>9,746,488</u>

The security relating to bank loans, finance leases and other borrowings is detailed on notes 18 and 19.

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 17 Creditors: amounts falling due after more than one year

		30 September 2021 £	31 March 2021 £
	Notes		
Obligations under finance leases	19	6,070	44,990
Other borrowings	18	144,015	183,366
		<u>150,085</u>	<u>228,356</u>

The security relating to finance leases is detailed on note 19.

#### 18 Loans and overdrafts

	30 September 2021 £	31 March 2021 £
Bank overdrafts	20,000	-
Other loans	220,937	256,730
	<u>240,937</u>	<u>256,730</u>
Payable within one year	96,922	73,364
Payable after one year	144,015	183,366
	<u>144,015</u>	<u>183,366</u>

Within bank loans is an amount of £20,000 (2021 - £nil) due within one year relating to an invoice financing facility. The invoice finance facility is secured by a floating charge over property and asset rights.

Other loans includes an amount of £220,937 (2021 - £256,730) relating to borrowings due for repayment by instalments by May 2024.

#### 19 Finance lease obligations

	30 September 2021 £	31 March 2021 £
Future minimum lease payments due under finance leases:		
Within one year	81,637	168,636
In two to five years	6,091	46,490
	<u>87,728</u>	<u>215,126</u>
Less: future finance charges	(1,630)	(11,663)
	<u>86,098</u>	<u>203,463</u>

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 19 Finance lease obligations

(Continued)

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years, with an average remaining lease term of less than 1 year. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

#### 20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 30 September 2021 £	Liabilities 31 March 2021 £
<b>Balances:</b>		
Accelerated capital allowances	50,000	55,000
<b>Movements in the period:</b>		2021 £
Liability at 1 April 2021		55,000
Credit to profit or loss		(17,000)
Effect of change in tax rate - profit or loss		12,000
Liability at 30 September 2021		50,000

#### 21 Deferred income

	30 September 2021 £	31 March 2021 £
Other deferred income	-	611,531

#### 22 Retirement benefit schemes

	30 September 2021 £	31 March 2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	44,479	109,234

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.

At 30 September 2021, unpaid pension contributions totalling £18,033 (31 March 2021 - £15,670) were included within other creditors.

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 23 Share capital

	30 September 2021 Number	31 March 2021 Number	30 September 2021 £	31 March 2021 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of £1 each	190	190	190	190
Ordinary B shares of £1 each	10	10	10	10
	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

#### 24 Operating lease commitments

##### Lessee

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:

	30 September 2021 £	31 March 2021 £
Within one year	52,611	99,615
Between two and five years	21,973	21,973
	<u>74,584</u>	<u>121,588</u>

#### 25 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	30 September 2021 £	31 March 2021 £
Aggregate compensation	<u>324,582</u>	<u>420,852</u>

##### Transactions with related parties

During the period the company entered into the following transactions with related parties:

	Sales		Purchases	
	30 September 2021 £	31 March 2021 £	30 September 2021 £	31 March 2021 £
Other related parties	<u>61,841</u>	<u>146,220</u>	<u>385,209</u>	<u>35,669</u>

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 25 Related party transactions (Continued)

	30 September 2021 £	31 March 2021 £
<b>Amounts due to related parties</b>		
Other related parties	260,403	130,559

The following amounts were outstanding at the reporting end date:

	30 September 2021 £	31 March 2021 £
<b>Amounts due from related parties</b>		
Other related parties	692,677	614,322

#### 26 Directors' transactions

Description	% Rate	Opening balance £	Interest charged £	Closing balance £
Mr M Debnam	2.50	265,012	3,313	268,325
Mr K M Hampson	2.50	268,869	3,361	272,230
Mr D S Storer	2.50	124,286	1,554	125,840
		658,167	8,228	666,395

## 8POINT8 SUPPORT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2021

#### 27 Cash (absorbed by)/generated from operations

	30 September 2021 £	31 March 2021 £
Profit/(loss) for the period after tax	462,051	(1,149,664)
<b>Adjustments for:</b>		
Taxation charged/(credited)	115,000	(205,000)
Finance costs	50,443	216,300
Investment income	(8,227)	(15,370)
Loss/(gain) on disposal of tangible fixed assets	12,002	(24,739)
Loss on disposal of intangible assets	72,383	-
Amortisation and impairment of intangible assets	33,225	66,227
Depreciation and impairment of tangible fixed assets	78,222	216,872
Loss on sale of investments	5,000	16,917
<b>Movements in working capital:</b>		
Increase in stocks	(264,500)	(148,260)
(Increase)/decrease in debtors	(935,853)	2,284,690
(Decrease)/increase in creditors	(1,409,529)	2,994,059
(Decrease)/increase in deferred income	(611,531)	611,531
<b>Cash (absorbed by)/generated from operations</b>	<b>(2,401,314)</b>	<b>4,863,563</b>

#### 28 Analysis of changes in net funds

	1 April 2021 £	Cash flows £	30 September 2021 £
Cash at bank and in hand	3,657,608	(2,611,971)	1,045,637
Bank overdrafts	-	(20,000)	(20,000)
	3,657,608	(2,631,971)	1,025,637
Borrowings excluding overdrafts	(256,730)	35,793	(220,937)
Obligations under finance leases	(203,463)	117,365	(86,098)
	3,197,415	(2,478,813)	718,602

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