

**Company Registration No. 3865691**

**1LMS (HOLDINGS) LIMITED**

**Report and Financial Statements**

**Year ended 30 September 2019**



# **ILMS (HOLDINGS) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2019**

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# **1LMS (HOLDINGS) LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISORS**

### **DIRECTORS**

Keith Hamill  
Ian Hendrie  
Mark Braithwaite  
Julian Nicholls

### **SECRETARY**

Ian Hendrie

### **REGISTERED OFFICE**

LDH House  
St Ives Business Park  
Parsons Green  
St Ives  
Cambridgeshire  
PE27 4AA

# **1LMS (HOLDINGS) LIMITED**

## **STRATEGIC REPORT**

The directors present their strategic report and the financial statements for the year ended 30 September 2019. The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council.

### **PRINCIPAL ACTIVITIES**

1LMS (Holdings) Limited ("The Company") is the holding company for 1Life Management Solutions Limited ("1Life"). The company does not trade, and is expected to continue as such for the foreseeable future.

### **OWNERSHIP AND CAPITAL**

There has been no movement of the ordinary share capital of £1k ordinary shares in 2019 (2018: £1k ordinary shares). There has been no movement of £1,440k preference shares in 2019 (2018: £1,440k preference shares).

### **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The company does not trade, and is expected to continue as such for the foreseeable future. The company holds an investment in 1Life. Determining whether the investment is impaired requires an estimation of the value in use of the cash-generating units to which the investment has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.


### **PRINCIPAL RISKS AND UNCERTAINTIES**

The company is a holding company. Its principal risks and uncertainties are considered to be liquidity risk and solvency risk due to the net liabilities of the company, as well as impairment risk for the carrying value of investments held. The liquidity and solvency risk is mitigated through the use of group financing arrangements, and confirmation has been obtained from the parent company that the loans will not be recalled until 1LMS (Holdings) is able to make repayment. The risk of impairment of the investment is considered on an annual basis by management, assessing the value in use of the underlying investment against the carrying value. Provision for impairment is made to the extent that value in use falls below the carrying value of the asset. This investment is listed in note 6.

### **KEY PERFORMANCE INDICATORS**

The company is a holding company, and as such it does not have any individual key performance indicators (KPIs) that are monitored. There are a number of KPIs for the company held as investment and these are included within their individual financial statements. This investment is listed in note 6.

**By order of the Board**



**Ian Hendrie**  
**Director**

**6 August 2021**

# **ILMS (HOLDINGS) LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the financial statements for the year ended 30 September 2019.

### **MATTERS INCLUDED IN THE STRATEGIC REPORT**

The following matters are set out in the Strategic Report on page 2:

Principal Activities (including Capital Structure)

Business Review

Future developments

Key performance indicators

Principal risks and uncertainties

### **GOING CONCERN**

In assessing the appropriateness of the going concern basis the directors have considered the nature of the business, the principle risks and uncertainties, being the carrying value of the investment, and any required cash flows for the 12 month period following approval of these financial statements. The net current liability position has been considered, all of which is due to other group companies. The directors have concluded that based on this review it is appropriate to adopt the going concern basis in preparing the annual report and financial statements.

### **DIVIDENDS**

The directors do not recommend the payment of a dividend in respect of the year ended 30 September 2019 (2018: Nil).

### **DIRECTORS**

The directors, who served during the year and to the date of this report, unless otherwise stated, were as follows:

Keith Hamill

Ian Hendrie

Mark Braithwaite

Julian Nicholls

### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company treasury team operates procedures designed to reduce financial risk. The policies are approved by the Board and the use of financial instruments is strictly controlled. The company's principal financial instruments comprise intercompany loans. The Company does not use interest rate swaps to manage the interest rate risks.

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

#### ***Cash flow risk***

The company has no exchange rate risk due to no foreign currency being held.

#### ***Credit risk***

The Company's principal financial assets are other receivables, and investments.

The amounts presented in the balance sheet are net of allowances for doubtful receivables.

# **1LMS (HOLDINGS) LIMITED**

## **DIRECTORS' REPORT (continued)**

### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses intercompany debt finance. Further details on liquidity risk is set out in the going concern section above.

### **EVENTS AFTER THE REPORTING PERIOD**

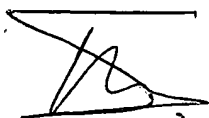
The two subsidiary Company's held through 1Life Management Solutions Limited were dissolved following a strategic review in response to the Covid-19 pandemic. Smart Fit Fitness Limited was dissolved on 13<sup>th</sup> May 2021 and Smart Fit 35 Limited was dissolved on 15<sup>th</sup> May 2021.

There were no events after the reporting period that require disclosing under FRS 102.

### **APPROVAL OF REDUCED DISCLOSURES**

The Company, as a qualifying entity, has taken advantage, in respect of its separate financial statements, of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholders have been notified about the intention to take advantage of the disclosure exemptions and no objections have been received.

**By order of the Board**



**Ian Hendrie**  
**Director**

**6 August 2021**

## **ILMS (HOLDINGS) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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. 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.

# 1LMS (HOLDINGS) LIMITED

## FINANCIAL STATEMENTS Year ended 30 September 2019

### 1LMS (HOLDINGS) LIMITED

#### Balance Sheet As at 30 September 2019

	Note	30 September 2019 £ 000	30 September 2018 £ 000
<b>FIXED ASSETS</b>			
Investments	4	8,424	8,424
Trade and other receivables	5	1	1
Trade and other payables	6	(9,300)	(9,300)
<b>NET CURRENT LIABILITIES</b>		<b>(9,299)</b>	<b>(9,299)</b>
<b>NET LIABILITIES</b>		<b>(875)</b>	<b>(875)</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	1,441	1,441
Share premium account		4,899	4,899
Profit and loss account	8	(7,215)	(7,215)
<b>SHAREHOLDERS' (DEFICIT)/FUNDS</b>		<b>(875)</b>	<b>(875)</b>

The accompanying notes are an integral part of this balance sheet.

The company did not trade during the current year or preceding year and has made neither profit nor loss, nor any other recognised gain or loss.

For the year ending 30 September 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements of 1LMS (Holdings) Limited (company registration no. 3865691) were approved by the Board of Directors and authorised for issue on 6 August 2021.

Signed on behalf of the Board of Directors



Ian Hendrie

Director

6 August 2021



**ILMS (HOLDINGS) LIMITED****FINANCIAL STATEMENTS**  
**Year ended 30 September 2019****ILMS (HOLDINGS) LIMITED****Statement of changes in equity**  
**As at 30 September 2019**

	<b>Called up share capital £'000</b>	<b>Share Premium £'000</b>	<b>Profit and loss account £'000</b>	<b>Total £'000</b>
<b>At 1 October 2017</b>	1,441	4,899	(7,215)	(875)
Result for the financial year and total comprehensive income	-	-	-	-
<b>At 30 September 2018</b>	1,441	4,899	(7,215)	(875)
Result for the financial year and total comprehensive income	-	-	-	-
<b>At 30 September 2019</b>	1,441	4,899	(7,215)	(875)

# **ILMS (HOLDINGS) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 30 September 2019**

### **1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable law and Accounting Standards in the United Kingdom.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council.

#### **General information and basis of accounting**

The financial statements are prepared in accordance with the historical cost convention. Consolidated financial statements have not been prepared as the company is exempt from the obligation to prepare group financial statements and to deliver them to the Registrar of Companies under Section 400 of the Companies Act 2006.

ILMS (Holdings) Limited (the Company) is a company incorporated in the United Kingdom and under the Companies Act.

The Company is a private company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The functional currency of the Company is considered to be pounds sterling, because that is the currency of the economic environment in which the Company operates. These financial statements are also presented in pounds sterling.

The principal activities of the Company and the nature of the Company's operations are set out in the strategic report on page 2.

#### **Basis of preparation and going concern**

In assessing the appropriateness of the going concern basis the directors have considered the nature of the business, the principle risks and uncertainties, being the carrying value of the investment, and any required cash flows for the 12 month period following approval of these financial statements.

The net current liability position has been considered, all of which is due to the group. The directors have received confirmation that Horsforth Holdings Limited will not request repayment of this balance for a period of at least 12 months from the date of signing of the financial statements for the year ended 30 September 2019, unless the liquidity position of the Company reasonably permits earlier repayment. The directors have concluded that based on this review it is appropriate to adopt the going concern basis in preparing the annual report and financial statements.

#### **Investments**

Investments in subsidiary undertakings are stated at cost. Provision is made in respect of any impairment.

#### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

# 1LMS (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2019

### 1. ACCOUNTING POLICIES (continued)

#### Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

# ILMS (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2019

### 1. ACCOUNTING POLICIES (continued)

#### **Financial Reporting Standard 102 – reduced disclosure exemptions**

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions available to it in FRS102 Paragraph 1.12. In preparing these financial statements, exemptions have been taken in respect of:

- The requirements of Section 3; Financial Statement Presentation paragraph 3.17(d), and Section 7, Statement of Cashflows;
- The requirements of Section 11; Basic Financial Instruments paragraphs 11.41(b) - (c), 11.41 (e) - (f), 11.42, 11.44 - .45, 11.47, 11.48(iii) – (iv), 11.48(b) – (c)
- The requirements of Section 12; Other Financial Instruments Issues paragraph 12.26 -27, 12.29(a) – (b) and 12.29A
- The requirements of Section 33; Related Party Disclosures paragraph 33.7.
- The requirements of Section 33.1: Key Management Personnel

The Company's shareholder, Horsforth Holdings Limited, has been notified about the intention to take advantage of the disclosure exemptions and no objections have been received.

#### **Impairment of Assets**

Impairment occurs when the carrying amount of an asset exceeds its recoverable amount.

For assets other than inventories:

- If the recoverable amount is lower than the carrying amount, the Company recognises the difference in profit or loss as an impairment loss;
- The Company assesses at each reporting date if there is any indication of impairment;
- If it is not possible to determine recoverable amount of asset, the company then determines the recoverable amount of the cash-generating unit (CGU) to which it belongs.
- When circumstances that led to impairment no longer exists, the impairment loss is reversed except for reversals of goodwill impairment are not allowed as part of the July 2015 amendments to FRS 102.

### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### ***Critical judgements in applying the Company's accounting policies***

Due to the nature of the business activity, the directors do not consider there to be any critical judgements in applying the Company's accounting policies.

#### ***Key source of estimation uncertainty - impairment of the investment***

Determining whether the investment is impaired requires an estimation of the value in use of the cash-generating units to which the investment has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate based on weighted average cost of capital, in order to calculate present value. The carrying amount of the investment at the balance sheet date was £8,424k. Management have considered appropriate sensitivities in calculating value in use. The growth and discount rates used represent critical judgements.

## 1LMS (HOLDINGS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2019

#### 3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

None of the Directors received emoluments from the company. The emoluments of the directors are paid by other group companies as their services to 1LMS (Holdings) Limited are incidental to their services provided to the other group companies. It is not possible to make an accurate apportionment of the emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments in respect of those directors. In both the current and prior year, no employees were employed by the company.

#### 4. FIXED ASSET INVESTMENT

<b>Shares in group undertaking</b>	<b>£'000</b>
Cost at 30 September 2018 and 30 September 2019	54,239
<b>Provisions for impairment</b>	
At 30 September 2018 and 30 September 2019	(45,815)
<b>Net book value</b>	
At 30 September 2018 and 30 September 2019	<u>8,424</u>

The company has estimated the value in use of the cash-generating units to which the investment has been allocated. In this the entity has estimated the future cash flows expected to arise from the cash-generating unit assuming inflationary growth of 3% only and using a suitable discount rate, based on weighted average cost of capital, in order to calculate present value. No impairment has been recognised in the year (2018: £nil). Management have considered appropriate sensitivities in calculating value in use.

The subsidiary of the company was incorporated and operates solely in the United Kingdom.

Details of subsidiary undertakings	Activity	Percentage held
1Life Management Solutions Limited Ldh House St Ives Business Park Parsons Green St Ives Cambs PE27 4AA	Leisure management	100%
<i>Held through 1Life Management Solutions Limited</i>		
Smart Fit Fitness Limited	Leisure management	100%
Smart Fit 35 Limited	Leisure management	75%

# ILMS (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2019

### 5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 September 2019 £ 000	30 September 2018 £ 000
Amounts owed from parent company	1	1
	<u>1</u>	<u>1</u>

### 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 September 2019 £ 000	30 September 2018 £ 000
Amounts due to group companies	9,300	9,300
	<u>9,300</u>	<u>9,300</u>

Of the amounts owed to the group, £5,398k is owed to the parent company and £3,902k is owed to the subsidiary.

These amounts are unsecured, interest free and repayable on demand.

### 7. CALLED UP SHARE CAPITAL

	30 September 2019 £ 000	30 September 2018 £ 000
<b>Authorised, allotted, issued, called up and fully paid</b>		
87,140 A ordinary and 12,860 B ordinary shares of £0.01 each	1	1
1,440,250 fixed rate preference shares of £1 each	1,440	1,440
	<u>1,441</u>	<u>1,441</u>

The holders of the fixed rate preference shares are entitled to all equity returns up to the value of £3,585,000. The return on preference shares is not guaranteed. Any equity returns over this value are distributed to the ordinary A and B shareholders as a class and divided between the Ordinary Shareholders in proportion to the number of Ordinary Shares held by each of them.

The Company's other reserves are as follows:

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The profit and loss reserve represents cumulative profits or losses, including impairment on the investment.

## **1LMS (HOLDINGS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 30 September 2019**

#### **8. PROFIT AND LOSS ACCOUNT**

**£ 000**

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**At 1 October 2018 and 30 September 2019**

**(7,215)**

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#### **9. RELATED PARTY DISCLOSURES**

As a wholly owned subsidiary undertaking of Horsforth Holdings Limited, the company has taken advantage of the exemption in FRS 102 "Related Party Disclosures" not to disclose transactions with other wholly owned members of the group headed by Horsforth Holdings Limited since that company produces financial statements which are available to the public and which include 1LMS (Holdings) Limited.

#### **10. ULTIMATE PARENT COMPANY**

At the balance sheet date, the directors regard Horsforth Holdings Limited, a company registered in England and Wales, as the ultimate parent company. Horsforth Holdings Limited is the parent undertaking of the largest and smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the consolidated financial statements may be obtained from The Secretary, Horsforth Holdings Limited, LDH House, St Ives Business Park, Parsons Green, St Ives, Cambridgeshire, PE27 4AA.

EOS Partners, a company registered in the USA, is regarded as the ultimate controlling party by virtue of its 95% interest in the equity share capital of Horsforth Holdings Limited.

#### **11. SUBSEQUENT EVENTS**

There have been a number of corporate dissolutions within the group post year-end as noted on page 4.