
Management Report: Q1 2021/22

Blueco Holdings Limited

10 December 2021

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Executive Summary

Blueco Holdings Limited For the month of September 2021

Summary

Overall

We arrived at the end of September after a strong three months of trading in Q1 (July 01 - September 31). Only two of the four boats were in commission, so we were operating at 50% capacity, and trips were being run at cheaper than normal prices (£125 / day vs normal £150 / day) due to the UK vs high latitudes location. Despite this, the net assets of the company increased by £47,054 during this period.

Bank balance

This is current accounts and protected trust accounts holding future customer money. It is not cash at hand

Cash surplus (deficit)

Please note that this reflects movements of cash between bank accounts and trust accounts where customer money is held and does not reflect net flows in or out of the company

Current assets to liabilities

This remains below our target of 1.5, but is better than might be expected in light of the Covid situation.

	Sep 2021	Aug 2021	Variance
Cash			
Cash received	99,886	46,707	113.9%
Cash spent	129,401	35,579	263.7%
Cash surplus (deficit)	(29,516)	11,129	-365.2%
Closing bank balance	175,149	204,664	-14.4%

Profitability

Income	65,980	58,255	13.3%
Direct costs	12,848	11,272	14.0%
Gross profit (loss)	53,132	46,983	13.1%
Other Income	-	-	0.0%
Expenses	32,891	22,170	48.4%
Profit (loss)	20,241	24,813	-18.4%

Balance Sheet

Debtors	121,699	86,377	40.9%
Creditors	10,756	12,166	-11.6%
Net assets	707,247	687,006	2.9%

Income

Number of invoices issued	39.0	44.0	-11.4%
Average value of invoices	1,546	697	121.8%

Performance

Gross profit margin	80.5%	80.7%	-0.2%
Net profit margin	30.7%	42.6%	-28.0%
Return on investment (p.a.)	34.3%	43.3%	-20.8%

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Executive Summary

Position	Sep 2021	Aug 2021	Variance
Average debtors days	55.3	46.0	20.4%
Average creditors days	7.1	11.3	-37.4%
Short term cash forecast	110,944	74,211	49.5%
Current assets to liabilities	1.4	1.4	4.0%
Term assets to liabilities	2.4	2.3	2.0%

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Profit and Loss

Blueco Holdings Limited For the 3 months ended 30 September 2021

Summary

Nominal codes

A new set of nominal codes have been introduced giving us far greater insight into the detail of the P&L

New office costs

This is unusual expenditure (£8,689.23) which has reduced the overall profit. The move to Victoria Quay was too good an opportunity to miss however and will prove of great benefit to the company ongoing as we now have an office, storage, workshop and boat yard in one place.

Non operational berthing / yard storage

The cost of not having the other two boats operational is not just the lost income but also the costs of storage (£6,618)

	Sep-21	Jun-21	Mar-21	Dec-20
Income				
Expeditions - Sailing	167,568	20,522	-	24,420
Furlough payments	15,235	17,260	17,297	13,310
Merchandise sales (clothing)	12	-	-	-
Merchandise sales (non clothing)	47	-	-	-
Online courses	-	(1,743)	1,743	-
Sales - NOT IN USE	-	(1)	-	(1)
Small Boat Practical courses	1,234	-	-	-
Staff Repayable Expenses - MUST BE REPAID	2	-	-	-
Total Income	184,098	36,038	19,040	37,730
Less Cost of Sales				
Classroom courses - Instructor wages	-	-	-	130
Classroom courses - Material	-	118	-	81
Commissions payable	180	-	-	-
Expedition - Berthing	3,382	512	-	627
Expedition - Cat 2 Medical equipment	244	58	-	295
Expedition - Cat Zero Medical equipment	114	30	-	-
Expedition - Cleaning Costs	192	-	-	-
Expedition - Fuel and gas	2,892	730	-	278
Expedition - Laundry	57	-	-	-
Expedition - Mates wages	11,711	2,250	-	3,048
Expedition - Other Costs	151	-	-	-
Expedition - Paper charts	116	90	-	-
Expedition - Rally entry costs, fines and permits	100	-	-	-
Expedition - Staff travel allowance	1,161	90	-	-
Expedition - Staff travel on Expedition	54	-	-	-
Expedition - Victualling	6,537	1,153	-	1,757
Expedition -Customer Entertainment Bars and Restaurants	45	5	-	82
Expedition- Skippers wages	10,640	2,500	-	3,443

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Profit and Loss

	Sep-21	Jun-21	Mar-21	Dec-20
Insurance Premiums - Yachts	2,704	4,209	1,915	4,209
Online course - running costs	218	213	135	-
Total Cost of Sales	40,497	11,957	2,050	13,949
Gross Profit	143,601	24,081	16,990	23,781
Less Operating Expenses				
Advertising - Online Ads	1,014	1,724	1,097	192
Banking - Commission Received	-	-	(1)	(13)
Banking Charges - Fiserve (Ex First Data)	747	1,141	-	106
Banking Charges - Misc	-	-	-	387
Banking Charges - Paypal charges	-	-	-	24
Banking Charges - PTS	1,168	246	232	-
Banking Charges - Stripe	-	-	37	410
Company running costs	611	125	-	114
Entertainment - Business	172	116	59	22
Entertainment- Non business	-	10	-	-
Insurance Premiums - General Business	489	366	366	366
IT Software and Consumables	717	1,148	676	851
Legal and professional - Accountancy fees	-	-	-	2,245
Legal and professional - Legal fees	1,992	250	1,296	1,500
Legal and professional - RYA, MCA, ASA etc.	808	140	500	350
Legal and professional - Surveyors fees	1,078	-	-	400
Loan Interest paid	8,576	8,514	14,128	7,017
Maintenance - Pumps and Plumbing	445	346	-	-
Maintenance - Yard storage	4,750	4,437	295	6,719
Maintenance - Day workers	270	2,605	-	980
Maintenance - Electrical	-	226	346	-
Maintenance - Engine Consumables (Oils/Lubes/Coolant)	190	78	-	-
Maintenance - Engine Spares	241	-	-	-
Maintenance - Fire and Gas Checks	429	52	31	31
Maintenance - Fixtures and Fittings	805	578	207	639
Maintenance - Food and Travel	134	289	159	148
Maintenance - Foul weather gear	272	-	-	-
Maintenance - Hoist and Cranes	-	1,925	-	-
Maintenance - Hull & Deck Hardware	788	3,131	973	1,315
Maintenance - Interior Engineering	-	1,566	-	-
Maintenance - Life Raft Hire	883	433	87	-
Maintenance - Lifejacket Service and Repair	245	247	-	-
Maintenance - Official Paperwork and Log books	36	70	-	-
Maintenance - Outboard Consumables	42	-	-	-
Maintenance - Postage / delivery Costs	62	-	-	-
Maintenance - Rigging repairs (Not Capex)	-	8,721	1,667	1,549
Maintenance - Sail Repair	307	543	-	-
Maintenance - TO BE ALLOCATED	-	1,138	540	746
Maintenance - Work shop expenses	663	-	-	-
Maintenance:Third party contractors'	-	-	(17,561)	15,200
Marketing - Accomodation, food and travel	10	8	-	87

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Profit and Loss

	Sep-21	Jun-21	Mar-21	Dec-20
Marketing - Commissions and Memberships	28	83	55	-
Marketing - Customer discounts	61	-	500	-
Marketing - Freelance Staff	-	200	400	3,215
Marketing - PR	-	-	500	659
Marketing - SEO	1,102	-	-	-
Marketing - Website ongoing and running costs	1,558	416	1,125	558
Non Operational Berthing	1,868	266	-	-
Office - Accommodation, Food and Travel	477	212	85	32
Office - Communications	269	349	202	219
Office - New office Costs	8,689	-	-	-
Office - Office equipment and Consumables	220	508	313	74
Office - Postage and stationery	108	44	5	5
Office - Rent	2,400	20	-	-
Office - Utilities	27	-	-	-
Premises - Storage Facility	1,104	1,101	1,468	734
Salaries	25,245	27,863	35,625	37,679
Staff - Employer's NIC	3,179	998	4,003	-
Staff - Onwater Staff Training	62	712	-	-
Staff - Pensions - UK staff	617	680	840	757
Staff:Remuneration - UK staff	-	-	-	(6,203)
Virtual Office - Companies Made Simple	301	142	210	60
Total Operating Expenses	75,258	73,766	50,463	79,175
Net Profit	68,344	(49,684)	(33,473)	(55,394)

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Balance Sheet

Blueco Holdings Limited As at 30 September 2021

Summary

YoY comparisons

This is not hugely useful as Blueco Holdings Ltd was only formed June 30 2020 and was largely hibernated until June 2021.

Goodwill & value of assets

As part of the administration and purchase of assets and goodwill from WZ Ltd to Blueco Holdings, it has been ascertained that goodwill had been wrongly calculated / allocated by the administrators. This has now been revised down by £280,298. The value of the yachts (pre revaluation reserve) has been increased by £224,298. The yacht revaluation reserve has been reduced by £275,898. These are accounting changes and are not reflective of the performance of the company.

	30 Sep 2021	30 Sep 2020
Assets		
Bank		
BLUECO HOLDINGS LTD	(140)	4,607
BLUECO HOLDINGS LTD#001	-	147,210
Bluejay Expense Account	787	-
Protected Trust Account	108,550	-
Starling Business Account	65,693	-
Starling Expense Account	259	-
Stripe Online	-	-
Total Bank	175,149	151,817
Current Assets		
Accounts Receivable	121,699	19,336
Company cards used in error - To be repaid to R3	2	-
Prepayments	9,146	438
Total Current Assets	130,847	19,774
Fixed Assets		
Fixed Asset - Website Development	79	-
Goodwill	39,600	319,898
Intangible assets	10,638	6,000
Online courses (development costs)	177	-
Tools and other equipment	27	-
Yachts (Fixed assets)	25,374	19,877
Yachts (Fixed assets):Original cost	324,299	100,000
Yachts (Fixed assets):Original cost:Parts	496	-
Yachts (Fixed assets):Original cost:Third party contractors	11,618	-
Yachts Revaluation	645,602	921,500
Total Fixed Assets	1,057,909	1,367,275
Total Assets	1,363,905	1,538,866

Liabilities

Current Liabilities

Accounts Payable	10,756	2,340
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Balance Sheet

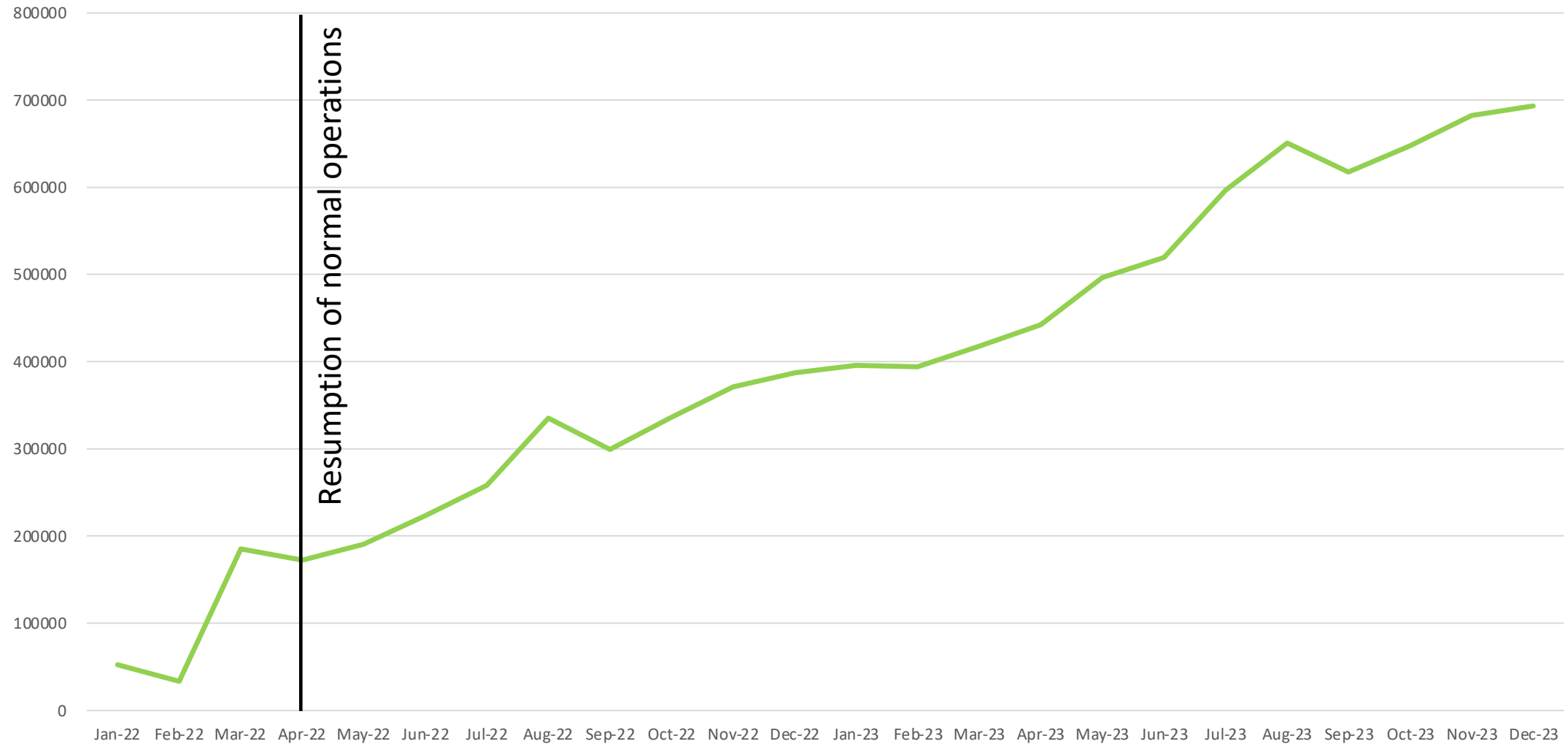
	30 Sep 2021	30 Sep 2020
Accruals	4,000	-
Bad debt provision	-	(5,296)
Income in Advance FY 20/21 Sailing	892	24,616
Income in Advance FY 21/22 Sailing	59,610	9,145
Income in Advance FY 22/23 Sailing	132,004	-
Income in Advance FY 23/24 Sailing	7,038	-
PAYE & NIC Payable	2,636	1,424
Pensions payable	462	726
Student Loan Deductions Payable	-	34
VAT	(6,134)	(1,605)
Wages Payable - Payroll	731	10,255
Total Current Liabilities	211,995	41,640
Non-Current Liabilities		
Bruce Jacobs loan	92,720	24,201
Iain Burnett Loan	300,311	280,500
Matt Taylor loan	106	15,533
Miranda and Edward Sprot loan	302	31,444
Rachael Sprot Loan	170	26,730
Steph and Stanley Jacobs loan	51,053	48,482
Total Non-Current Liabilities	444,663	426,890
Total Liabilities	656,658	468,530
Net Assets	707,247	1,070,336
Equity		
Capital - Sale of Shares Income	234,001	177,001
Capital - x,xxx Ordinary Shares	2	-
Current Year Earnings	68,344	(27,685)
Retained Earnings	(240,702)	(480)
Revaluation reserve	645,602	921,500
Total Equity	707,247	1,070,336

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Projected Cashflow: 2022 - 2023 (expedition sailing division only)

Projected Cashflow: 2022 - 2023 (LF: 0.85)



*includes expected raise in March 2022