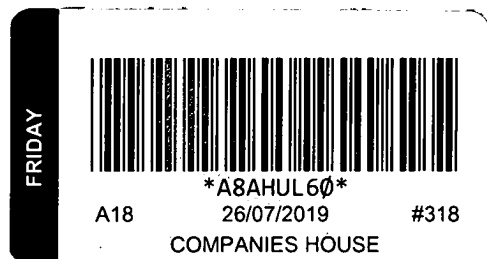


Registration number: 10121109

**INDEPENDENCE AND WELL BEING ENFIELD LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

Hazlewoods LLP  
Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT



## **INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

### **CONTENTS**

Company Information	1
Strategic Report	2 to 3
Directors' Report	4 to 5
Statement of Directors' Responsibilities	6
Independent Auditor's Report	7 to 8
Profit and Loss Account	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 to 21
Detailed Profit and Loss Account	22 to 24

## **INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	M Gadsby J M Glenn M M Millat P Sutton H Yusuf F Barras F Hussain
<b>Company secretary</b>	Castlegate Secretaries Limited
<b>Registered office</b>	London Borough Of Enfield Council PO Box 50 Civic Centre Silver Street London EN1 3XA
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

## **INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their strategic report for the year ended 31 March 2019.

Independence & Well Being Enfield is a Local Authority Trading Company wholly owned by Enfield Council. Established under a Teckal exemption, the company operates as a department within the Council to comply with the control function.

Services provided are Adult Social Care in nature including Nursing Care, Domiciliary Care, Day Care and Community Equipment Services.

A comprehensive Business Plan has been developed scoping opportunities to increase revenue and continue the trajectory of improved performance.

#### **Company Directors:**

Cllr Hass Yusuf - Chair of the Board  
Marc Gadsby - Managing Director  
Monamie Millat - Commercial Director  
Julia Glenn - Director of Innovation  
Paul Sutton - Council Director  
Florence Barras - Non- Executive Director  
Farooq Hussain - Non- Executive Director

In the main, the services operated by Independence & Well Being are managed within an agreed budget. Improvements in performance are visible later in the year preparing a stable platform for growth going forward.

The pricing model for the Nursing Home operated on behalf of Enfield Council has been re-calculated to be more in line with market comparators and this is a positive step for the company. The Shareholder is in agreement with the true cost of Independence & Well Being and are in the process of adjusting the Management fee accordingly.

Improving standards in the Nursing Home will increase referral numbers of Nursing residents bringing with them eligibility for Funded Nursing Care (FNC) contributions from the NHS. This is a revenue stream on top of the management fee for operating the home.

The company continues to operate four services regulated by the Care Quality Commission (CQC). It is important to maintain or obtain a rating of at least 'Good' to reflect the quality of the services provided.

2018/19 revenue increased on previous years though Shareholders have expressed desire for more visible growth of the company following initial years of establishment and stabilisation. It should be noted however that the terms and conditions of the workforce steers the company to the more complex aspect of Adult Social Care where specialism often attracts a premium.

Welfare services are considered to be an exempt supply for the purposes of VAT. The introduction of a large Care Home into the portfolio has encouraged a review of the VAT status of the entire estate. This review has potential to change the way the company approaches VAT, however it is noted not to impinge on the company's sustainability.

Following initial years of establishment and stabilisation, Independence & Well Being saw 2018/19 revenue increase on previous years as reflected in the financial accounts.

Having established a stable platform for the business we anticipate stronger growth in coming years.

Independence & Well Being delivers high quality, accessible social care services whilst operating within the control of Local Government conditions and Governance.

## INDEPENDENCE AND WELL BEING ENFIELD LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

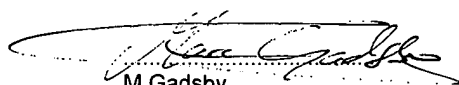
#### Fair review of the business

The results for the year which are set out in the profit and loss account show turnover of £15,362,017 (2018 - £13,113,929) and a profit before tax of £nil (2018 - £182,827). At 31 March 2019, the company had net assets of £404,950 (2018 - £366,522). The directors consider the performance for the year and the financial position at the year end to be satisfactory.

#### Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to government funding in the current economic climate.

Approved by the Board on 03/07/19 and signed on its behalf by:



M Gadsby  
Director

## **INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report and the financial statements for the year ended 31 March 2019.

#### **Directors of the company**

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

M Gadsby

J M Glenn

M M Millat (appointed 20 August 2018)

P Sutton (appointed 3 August 2018)

H Yusuf (appointed 3 August 2018)

Cllr A Cazimoglu (resigned 2 August 2018)

C A Frederick (resigned 1 January 2019)

R L Greene (resigned 1 January 2019)

The following directors were appointed after the year end:

F Barras (appointed 1 May 2019)

F Hussain (appointed 1 May 2019)

#### **Financial instruments**

##### ***Objectives and policies***

The board constantly monitors the company's trading results and revise projections as appropriate to ensure that the company can meet its future obligations as they fall due.

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

The company is exposed to the usual credit and cash flow risks associated with selling on credit and manages this through credit control procedures.

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009', the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The company has sufficient resources available through the provision of funds from its parent undertaking, The London Borough of Enfield Council, and continues to trade profitably, generating positive cash flows. The directors have prepared forecasts for the next 12 months that indicate that these trends will continue and that these cash flows will be sufficient for the company to meet its commitments as they fall due. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

#### **Employment of disabled persons**

The company's policy is to consider the recruitment of disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

#### **Employee involvement**

The company encourages the involvement of employees in its management through regular departmental meetings.

**INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019**

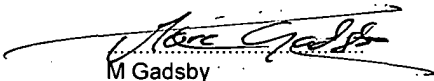
**Disclosure of information to the auditors**

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

**Reappointment of auditors**

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 03/07/19 and signed on its behalf by:

  
M Gadsby  
Director

## **INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has 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.



## **INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

#### **Opinion**

We have audited the financial statements of Independence and Well Being Enfield Limited (the 'company') for the year ended 31 March 2019, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

#### **Other information**

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

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

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

## INDEPENDENCE AND WELL BEING ENFIELD LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENCE AND WELL BEING ENFIELD LIMITED

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 directors' 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 Statement of Directors' Responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### 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 Howard (Senior Statutory Auditor)

For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

Date: 23 Jul 2019

**INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Turnover	3	15,362,017	13,113,929
Cost of sales		<u>(9,362,841)</u>	<u>(7,809,333)</u>
Gross profit		5,999,176	5,304,596
Administrative expenses		<u>(5,999,176)</u>	<u>(5,101,311)</u>
Operating profit		-	203,285
Exceptional items	5	<u>-</u>	<u>(20,458)</u>
Profit before tax	4	-	182,827
Taxation	9	<u>38,428</u>	<u>(38,657)</u>
Profit for the financial year		<u><u>38,428</u></u>	<u><u>144,170</u></u>

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

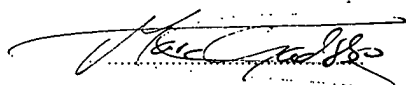
The notes on pages 12 to 21 form an integral part of these financial statements.

**INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

**(REGISTRATION NUMBER: 10121109)  
BALANCE SHEET AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	10	<u>190,534</u>	<u>287,634</u>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	11	8,911	36,489
Cash at bank and in hand		<u>4,725,797</u>	<u>4,108,884</u>
		4,734,708	4,145,373
Creditors: Amounts falling due within one year	12	<u>(4,526,433)</u>	<u>(4,020,597)</u>
Net current assets		<u>208,275</u>	<u>124,776</u>
Total assets less current liabilities		398,809	412,410
Provisions for liabilities	9	<u>6,141</u>	<u>(45,888)</u>
Net assets		<u>404,950</u>	<u>366,522</u>
<b>Capital and reserves</b>			
Called up share capital	14	1	1
Profit and loss account		<u>404,949</u>	<u>366,521</u>
Total equity		<u>404,950</u>	<u>366,522</u>

Approved and authorised by the Board on 23/07/19 and signed on its behalf by:



M Gadsby  
Director

The notes on pages 12 to 21 form an integral part of these financial statements.

**INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019**

	<b>Share capital</b> £	<b>Profit and loss</b> <b>account</b> £	<b>Total</b> £
At 1 April 2018	1	366,521	366,522
Profit for the year	-	38,428	38,428
At 31 March 2019	<u>1</u>	<u>404,949</u>	<u>404,950</u>

	<b>Share capital</b> £	<b>Profit and loss</b> <b>account</b> £	<b>Total</b> £
At 1 April 2017	1	357,546	357,547
Prior year adjustment	-	(135,195)	(135,195)
At 1 April 2017 (As restated)	1	222,351	222,352
Profit for the year	-	144,170	144,170
At 31 March 2018	<u>1</u>	<u>366,521</u>	<u>366,522</u>

The notes on pages 12 to 21 form an integral part of these financial statements.

## INDEPENDENCE AND WELL BEING ENFIELD LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

London Borough Of Enfield Council  
PO Box 50  
Civic Centre  
Silver Street  
London  
EN1 3XA

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

##### Cash flow statement

The company has not presented a cash flow statement on the grounds that it is a wholly owned subsidiary and a group cash flow statement is included in the financial statements of the parent company.

##### Name of parent of group

These financial statements are consolidated in the financial statements of London Borough of Enfield Council.

The financial statements of London Borough of Enfield Council may be obtained from Companies House.

##### Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

##### Judgements and estimation uncertainty

These financial statements do not contain any significant judgements or estimation uncertainty.

##### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, and specific criteria have been met for each of the company's activities.

## INDEPENDENCE AND WELL BEING ENFIELD LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### Tax

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

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

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

#### Depreciation

Depreciation is charged so as to write off the cost of assets as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	20% reducing balance

#### Cash and cash equivalents

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

#### Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

#### Share capital

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

## INDEPENDENCE AND WELL BEING ENFIELD LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### **Defined contribution pension obligation**

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

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

#### **Financial instruments**

##### ***Classification***

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding 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.

##### ***Impairment***

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

### **3 Revenue**

The total turnover of the company has been derived from its principal activity wholly undertaken in the United Kingdom.



**INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**4 Profit before tax**

Arrived at after charging:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Depreciation expense	106,490	59,733
Operating lease expense - property	799,305	1,118,384
Operating lease expense - plant and machinery	<u>23,309</u>	<u>32,527</u>

**5 Exceptional items**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Exceptional expenses	<u>-</u>	<u>20,458</u>

The exceptional expense in the prior year related to redundancy costs.

**6 Staff costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	6,174,354	6,028,229
Social security costs	526,133	486,120
Pension costs, defined contribution scheme	<u>1,030,445</u>	<u>-</u>
	<u>7,730,932</u>	<u>6,514,349</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No.</b>
Administration	35	34
Care	<u>266</u>	<u>245</u>
	<u>301</u>	<u>279</u>

**INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**7 Directors' remuneration**

The directors' remuneration for the year was as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Remuneration	191,336	18,000
Contributions paid to money purchase schemes	34,394	-
	<u>225,730</u>	<u>18,000</u>

In respect of the highest paid director:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Remuneration	97,161	-
Company contributions to money purchase pension schemes	16,516	-
	<u>113,677</u>	<u>-</u>

**8 Auditors' remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Audit of the financial statements	4,500	4,500
	<u>4,500</u>	<u>4,500</u>

**INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**9 Taxation**

Tax charged/(credited) in the profit and loss account

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Current taxation</b>		
UK corporation tax	37,155	23,554
UK corporation tax adjustment to prior periods	<u>(23,554)</u>	<u>-</u>
	13,601	23,554
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>(52,029)</u>	<u>15,103</u>
Tax (receipt)/expense in the income statement	<u><u>(38,428)</u></u>	<u><u>38,657</u></u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2018 - the same as the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Profit before tax	<u>-</u>	<u>182,827</u>
Corporation tax at standard rate	-	34,737
Effect of expense not deductible in determining taxable profit (tax loss)	44,642	-
Other small differences	-	166
Deferred tax (credit)/expense from unrecognised tax loss or credit	(52,029)	15,103
Tax decrease from effect of capital allowances and depreciation	(7,487)	(11,349)
Over provision of corporation tax	<u>(23,554)</u>	<u>-</u>
Total tax (credit)/charge	<u><u>(38,428)</u></u>	<u><u>38,657</u></u>

**Deferred tax**

Deferred tax assets and liabilities

	<b>Asset</b>
	<b>£</b>
<b>2019</b>	
Accelerated capital allowances	9,145
Short term timing differences	<u>(15,286)</u>
	<u><u>(6,141)</u></u>
<b>2018</b>	
Accelerated capital allowances	45,888
Short term timing differences	<u>-</u>
	<u><u>45,888</u></u>

INDEPENDENCE AND WELL BEING ENFIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

10 Tangible assets

	Furniture, fittings and equipment £
<b>Cost</b>	
At 1 April 2018	382,831
Additions	<u>9,390</u>
At 31 March 2019	<u>392,221</u>
<b>Depreciation</b>	
At 1 April 2018	95,197
Charge for the year	<u>106,490</u>
At 31 March 2019	<u>201,687</u>
<b>Carrying amount</b>	
At 31 March 2019	<u>190,534</u>
At 31 March 2018	<u>287,634</u>

11 Debtors

	2019 £	2018 £
Trade debtors	2,946	36,488
Other debtors	1	1
Prepayments	<u>5,964</u>	-
	<u>8,911</u>	<u>36,489</u>

12 Creditors

	Note	2019 £	2018 £
<b>Due within one year</b>			
Trade creditors		67,566	101,859
Amounts due to group undertakings	16	3,810,236	2,697,844
Social security and other taxes		484,854	1,086,606
Outstanding defined contribution pension costs		119,709	103,901
Other creditors		6,913	6,833
Corporation tax liability	9	<u>37,155</u>	<u>23,554</u>
		<u>4,526,433</u>	<u>4,020,597</u>

## INDEPENDENCE AND WELL BEING ENFIELD LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### 13 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £1,030,445 (2018 - £Nil).

Contributions totalling £119,709 (2018 - £103,901) were payable to the scheme at the end of the year and are included in creditors.

##### Defined benefit pension schemes

###### London Borough of Enfield Pension Fund

The company operates a defined benefit pension scheme in the UK.

A full actuarial valuation was carried out as at 31 March 2019 by a qualified, independent actuary. The valuation for FRS102 purposes as at 31 March 2019 was based on a set of assumptions and assumes that the experience of the fund will be in line with these assumptions.

The defined benefit pension liability has been indemnified by London Borough of Enfield Council, and as such no provisions have been included within the financial statements for Independence and Well Being Enfield Limited. However, this note sets out the key assumptions and elements if it were to be included.

##### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the statement of financial position are as follows:

	2019 £	2018 £
Fair value of scheme assets	18,386,000	15,528,000
Present value of defined benefit obligation	<u>(26,091,000)</u>	<u>(22,781,000)</u>
	(7,705,000)	(7,253,000)
Other amounts recognised in the statement of financial position	<u>-</u>	<u>1,233,010</u>
Defined benefit pension scheme deficit	<u>(7,705,000)</u>	<u>(6,019,990)</u>

##### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

	2019 £
Present value at start of year	22,781,000
Current service cost	1,993,000
Interest cost	595,000
Actuarial gains and losses	571,000
Benefits paid	(183,000)
Contributions by scheme participants	<u>334,000</u>
Present value at end of year	<u>26,091,000</u>

## INDEPENDENCE AND WELL BEING ENFIELD LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### **Fair value of scheme assets**

Changes in the fair value of scheme assets are as follows:

	<b>2019</b>
	<b>£</b>
Fair value at start of year	15,528,000
Interest income	419,000
Actuarial gains and losses	1,258,000
Employer contributions	1,030,000
Contributions by scheme participants	334,000
Benefits paid	<u>(183,000)</u>
Fair value at end of year	<u>18,386,000</u>

#### **Analysis of assets**

The major categories of scheme assets are as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	21	23
Equity instruments	44	51
Debt instruments	28	19
Property	<u>7</u>	<u>7</u>
	<u>100</u>	<u>100</u>

#### **Return on scheme assets**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Return on scheme assets	<u>1,677,000</u>	<u>16,000</u>

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

#### **Principal actuarial assumptions**

The principal actuarial assumptions at the statement of financial position date are as follows:

	<b>2019</b>	<b>2018</b>
	<b>%</b>	<b>%</b>
Discount rate	2.40	2.60
Future salary increases	3.70	3.60
Future pension increases	2.20	2.10
Inflation	<u>2.20</u>	<u>2.10</u>

**INDEPENDENCE AND WELL BEING ENFIELD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**Post retirement mortality assumptions**

	2019 Years	2018 Years
Current UK pensioners at retirement age - male	24.00	25.00
Current UK pensioners at retirement age - female	26.00	27.00
Future UK pensioners at retirement age - male	25.00	27.00
Future UK pensioners at retirement age - female	<u>28.00</u>	<u>29.00</u>

**14 Share capital**

**Allotted, called up and fully paid shares**

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

**15 Obligations under leases and hire purchase contracts**

**Operating leases**

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	<u>370,734</u>	<u>349,908</u>

**16 Related party transactions**

**Summary of transactions with parent**

During the year, the company received management fees of £15,135,631 (2018 - £11,761,998) from its parent undertaking, which has been shown within turnover in the profit and loss account. Other services were received during the year worth £423,409 (2018 - £1,351,931) consisting of management time supporting other services provided by Independence and Well Being Enfield Limited. SLA charges were also charged from Enfield Council within the year, at a cost of £1,280,022 (2018 - £1,145,014). The balance at the year end was £3,815,290 (2018 - £2,697,844) owed to Enfield Council.

Prior to his resignation, the company paid for services worth £800 to Article Consulting Limited, a company controlled by C E Frederick. The transactions were at an arms length basis.

Prior to his resignation, the company paid for services worth £6,500 to Robert Greene for financial consultancy. the transactions were at an arms length basis.

**17 Parent and ultimate parent undertaking**

The company's immediate and ultimate parent undertaking is The London Borough Of Enfield Council, incorporated in England and Wales.