

**REGISTERED NUMBER: 03876501 (England and Wales)**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019  
FOR  
IMPOWER CONSULTING LIMITED**



**IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Balance Sheet</b>	<b>2</b>
<b>Notes to the Financial Statements</b>	<b>3</b>

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# **IMPOWER CONSULTING LIMITED**

## **COMPANY INFORMATION FOR THE YEAR ENDED 31 MARCH 2019**

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### **DIRECTORS:**

Q Baer - Chairman  
M Cresswell  
J Ainger  
J Cooper  
A Lury

### **REGISTERED OFFICE:**

112-114 Middlesex Street  
London  
E1 7HY

### **REGISTERED NUMBER:**

03876501 (England and Wales)

### **AUDITORS:**

Hartley Fowler LLP  
Statutory Auditors  
Chartered Accountants  
4th Floor Tuition House  
27-37 St George's Road  
Wimbledon  
London  
SW19 4EU

**IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)****BALANCE SHEET  
31 MARCH 2019**

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Intangible assets	4	-	-
Tangible assets	5	48,056	68,281
		<u>48,056</u>	<u>68,281</u>
<b>CURRENT ASSETS</b>			
Debtors	6	1,902,920	2,019,328
Cash at bank and in hand		1,351,339	259,887
		<u>3,254,259</u>	<u>2,279,215</u>
<b>CREDITORS</b>			
Amounts falling due within one year	7	1,381,472	1,040,452
<b>NET CURRENT ASSETS</b>		<u>1,872,787</u>	<u>1,238,763</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,920,843</u>	<u>1,307,044</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		825,001	825,001
Share option reserve		187,863	11,390
Retained earnings		907,979	470,653
<b>SHAREHOLDERS' FUNDS</b>		<u>1,920,843</u>	<u>1,307,044</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 10 September 2019 and were signed on its behalf by:



M Cresswell - Director

The notes form part of these financial statements

# **IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)**

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

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### **1. STATUTORY INFORMATION**

Impower Consulting Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

### **2. ACCOUNTING POLICIES**

#### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

#### **Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

#### **Significant judgements and estimates**

The directors have made a number of estimates and assumptions regarding the future, and made some significant judgements in applying the accounting policies. These are shown below:

##### **(i) Accrued income**

The directors use their judgement in estimating amounts of work done at the balance sheet date but not invoiced.

##### **(ii) Deferred income**

The directors use their judgement in estimating amounts invoiced at the balance sheet date in respect of work to be undertaken in future accounting periods.

#### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue earned under contracts to provide professional services is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its performance under these contracts, measured at the fair value of the right to consideration. Revenue is recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations as an accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

#### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, is being amortised evenly over its estimated useful life of ten years.

Goodwill was fully amortised in 2014.

#### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Furniture, fixtures & fittings - 25% on a straight line basis

Computer equipment - 25% on a straight line basis

## **IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)**

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

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#### **2. ACCOUNTING POLICIES - continued**

##### **Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

##### **Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

##### **Basic financial instruments**

Cash in hand is measured at transaction price.

Debtors: Trade, other debtors and amounts owed by participating interests are measured at transaction price. Trade debtors are amounts due from customers for goods or services performed in the ordinary course of business less any impairment provision. These are recognised as current assets as collection is due within one year or less.

Creditors: Amounts falling due within one year are measured at transaction price. Trade Creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business. These are classified as current liabilities as payment is due on year or less.

Creditors: Amounts falling due after more than one year are measured at transaction price. Bank loans falling due after more than one year are interest bearing loans that are classified as non current liabilities as payment is due in more than on year.

##### **Dividends**

Dividends are recognised in the company's financial statements in the year in which they are approved in general meetings by the company's shareholders. Interim dividends are recognised when they are paid.

##### **Share capital**

Ordinary shares are classified as equity.

# IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)

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

### 2. ACCOUNTING POLICIES - continued

#### Share options

The group operates an EMI share option scheme and an unapproved share option scheme for certain employees, engaging in equity settled share based payment transactions in respect of services received. Details of the options within this scheme are set out in the Share Based Payment Transactions note.

It is the policy of the group to grant share options that have an exercise price representing fair market value at the date of grant. Fair market values have been determined using the Black Scholes model, which takes into account the exercise price of the option, the current share price, the risk free interest rate, the expected volatility of the share price over the life of the option and other relevant factors. This in accordance with FRS 102 'Share-based Payment.'

#### Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

### 3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 45 (2018 - 48).

### 4. INTANGIBLE FIXED ASSETS

	Goodwill £
<b>COST</b>	
At 1 April 2018	
and 31 March 2019	635,080
<b>AMORTISATION</b>	
At 1 April 2018	
and 31 March 2019	635,080
<b>NET BOOK VALUE</b>	
At 31 March 2019	-
At 31 March 2018	-

Goodwill was fully amortised in 2014.

**IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019****5. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 April 2018	117,882	154,851	272,733
Additions	-	15,236	15,236
Disposals	-	(23,506)	(23,506)
At 31 March 2019	117,882	146,581	264,463
<b>DEPRECIATION</b>			
At 1 April 2018	97,151	107,301	204,452
Charge for year	11,866	23,595	35,461
Eliminated on disposal	-	(23,506)	(23,506)
At 31 March 2019	109,017	107,390	216,407
<b>NET BOOK VALUE</b>			
At 31 March 2019	8,865	39,191	48,056
At 31 March 2018	20,731	47,550	68,281

**6. DEBTORS**

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	960,928	1,053,128
Amounts owed by group undertakings	715,511	715,511
Other debtors	226,481	160,689
	1,902,920	1,929,328
Amounts falling due after more than one year:		
Other debtors	-	90,000
Aggregate amounts	1,902,920	2,019,328

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Bank loans and overdrafts	91	-
Trade creditors	59,987	141,292
Taxation and social security	290,062	306,404
Other creditors	1,031,332	592,756
	1,381,472	1,040,452



**IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)**

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

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**8. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	169,189	222,190
Between one and five years	22,134	197,718
	<u>191,323</u>	<u>419,908</u>

**9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Jonathan Askew (Senior Statutory Auditor)  
for and on behalf of Hartley Fowler LLP

**10. CONTINGENT LIABILITIES**

The parent undertaking, iMPower Holdings Limited, has provided a cross guarantee to the bank in respect of the subsidiary, iMPower Consulting Limited.

**11. ULTIMATE CONTROLLING PARTY**

The immediate and ultimate parent company is iMPower Holdings Limited, a company registered in England.

## IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)

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

#### 12. SHARE-BASED PAYMENT TRANSACTIONS

The parent company iMPower Holdings Limited operates two share option schemes, an EMI scheme and an unapproved option scheme. These are in respect of employee and director services received by the company, the share options being issued in the parent company.

The following share options are in issue at the year end:

Options Granted						Vesting period (from date of grant)	Exercise price per ordinary share
	Brought forward	Non conditional	Conditional	Options exercised / lapsed	Carried forward		
<b>EMI</b>							
Directors	1,700	-	14,100	(1,200)	14,600	0-3 years	£0.01
Employees	-	-	7,800	(2,600)	5,200	0 years	£0.01
Total	<b>1,700</b>	<b>-</b>	<b>21,900</b>	<b>(3,800)</b>	<b>19,800</b>		
<b>Unapproved</b>							
Directors	1,200	-	2,800	(1,200)	2,800	0-3 years	£0.01
Total	<b>1,200</b>	<b>-</b>	<b>2,800</b>	<b>(1,200)</b>	<b>2,800</b>		

In arriving at the fair value, each grant of an option is valued separated using the Black Scholes Model and the resulting fair value charged to the profit and loss account over the vesting period. This applies to all schemes.

The expected life used in the model has been adjusted, based on management's best estimate for the effects of non transferability, exercise restrictions and behavioural considerations. The following table lists the assumptions used in the model:

Expected volatility	20%
Risk free interest rate	1.25%
Expected life of option (years)	10
Exercise price	£0.01
Expected dividends	None

#### 13. PRINCIPAL ACTIVITY

The principal activity of the company for the year under review was that of providing management consultancy.

In this year iMPower grew its role as a valued partner of public service organisations, with a focus on the management of complexity and the dual challenges of reduced funding and increasing demand. The company has taken a leading role in the delivery of service transformation through large multi-year cultural change programmes, resulting in substantial and sustainable improvements in costs and outcomes.

The company has extended its market-leading position in the use of behavioural science and behavioural economics to drive innovation and improved outcomes in public services, and won the Management Consultancy Association's Thought Leader of the Year Award. Original research and insights featured prominently in national debates, and the opinion of senior management is regularly being sought by the media.

In the coming year the company will continue to make strategic hires to extend the reach of its work, and will continue to stretch the boundaries of innovation in public services and as a consequence grow the size and impact of the solutions it delivers for clients.