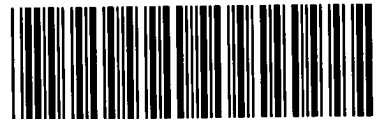


**REGISTERED NUMBER: 03876501 (England and Wales)**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020  
FOR  
IMPOWER CONSULTING LIMITED**

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

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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# **IMPOWER CONSULTING LIMITED**

## **COMPANY INFORMATION FOR THE YEAR ENDED 31 MARCH 2020**

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### **DIRECTORS:**

J Ainger  
Q Baer - Chairman  
J Cooper  
A Lury  
P Maduramuthu  
J W Swaffield

### **REGISTERED OFFICE:**

125 Old Broad Street  
London  
EC2N 1AR

### **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 2020**

|  | Notes | 2020<br>£        | 2019<br>£        |
|--|-------|------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                  |
| Intangible assets                            | 4     | -                | -                |
| Tangible assets                              | 5     | 60,036           | 48,056           |
|  |       | <u>60,036</u>    | <u>48,056</u>    |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |
| Debtors                                      | 6     | 2,681,129        | 1,902,920        |
| Cash at bank and in hand                     |       | 2,731,453        | 1,351,339        |
|  |       | <u>5,412,582</u> | <u>3,254,259</u> |
| <b>CREDITORS</b>                             |       |                  |                  |
| Amounts falling due within one year          | 7     | 2,692,549        | 1,381,472        |
| <b>NET CURRENT ASSETS</b>                    |       | <u>2,720,033</u> | <u>1,872,787</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>2,780,069</u> | <u>1,920,843</u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                  |
| Called up share capital                      |       | 825,001          | 825,001          |
| Share option reserve                         |       | 122,295          | 187,863          |
| Retained earnings                            |       | 1,832,773        | 907,979          |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u>2,780,069</u> | <u>1,920,843</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 and authorised for issue on 24 June 2020 and were signed on its behalf by:



Q Baer - Chairman - 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 2020**

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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 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

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2020**

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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 one 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 2020**

### **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 at an exercise price of 1p. Year end 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 (2019 - 45).

### **4. INTANGIBLE FIXED ASSETS**

|                                      | Goodwill<br>£ |
|--------------------------------------|---------------|
| <b>COST</b>                          |               |
| At 1 April 2019<br>and 31 March 2020 | 635,080       |
| <b>AMORTISATION</b>                  |               |
| At 1 April 2019<br>and 31 March 2020 | 635,080       |
| <b>NET BOOK VALUE</b>                |               |
| At 31 March 2020                     | -             |
| At 31 March 2019                     | -             |

Goodwill was fully amortised in 2014.

**IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2020****5. TANGIBLE FIXED ASSETS**

|                        | Land and<br>buildings<br>£ | Plant and<br>machinery<br>etc<br>£ | Totals<br>£ |
|------------------------|----------------------------|------------------------------------|-------------|
| <b>COST</b>            |                            |                                    |             |
| At 1 April 2019        | 117,882                    | 146,581                            | 264,463     |
| Additions              | -                          | 44,691                             | 44,691      |
| Disposals              | (117,882)                  | (6,844)                            | (124,726)   |
| At 31 March 2020       | -                          | 184,428                            | 184,428     |
| <b>DEPRECIATION</b>    |                            |                                    |             |
| At 1 April 2019        | 109,017                    | 107,390                            | 216,407     |
| Charge for year        | 8,865                      | 23,846                             | 32,711      |
| Eliminated on disposal | (117,882)                  | (6,844)                            | (124,726)   |
| At 31 March 2020       | -                          | 124,392                            | 124,392     |
| <b>NET BOOK VALUE</b>  |                            |                                    |             |
| At 31 March 2020       | -                          | 60,036                             | 60,036      |
| At 31 March 2019       | 8,865                      | 39,191                             | 48,056      |

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 2020<br>£        | 2019<br>£        |
|------------------------------------|------------------|------------------|
| Trade debtors                      | 1,625,937        | 960,928          |
| Amounts owed by group undertakings | 715,436          | 715,511          |
| Other debtors                      | 339,756          | 226,481          |
|                                    | <u>2,681,129</u> | <u>1,902,920</u> |

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

|                              | 2020<br>£        | 2019<br>£        |
|------------------------------|------------------|------------------|
| Bank loans and overdrafts    | -                | 91               |
| Trade creditors              | 509,818          | 59,987           |
| Taxation and social security | 513,753          | 290,062          |
| Other creditors              | 1,668,978        | 1,031,332        |
|                              | <u>2,692,549</u> | <u>1,381,472</u> |

**8. LEASING AGREEMENTS**

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

|                            | 2020<br>£      | 2019<br>£      |
|----------------------------|----------------|----------------|
| Within one year            | 235,017        | 169,189        |
| Between one and five years | 12,297         | 22,134         |
|                            | <u>247,314</u> | <u>191,323</u> |



**IMPOWER CONSULTING LIMITED (REGISTERED NUMBER: 03876501)****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2020****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.

**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<br>(from date of grant) | Exercise price per ordinary share |
|-------------------|-----------------|-----------------|--------------|----------------------------|-----------------|--|-----------------------------------|
|                   | Brought forward | Non conditional | Conditional  | Options exercised / lapsed | Carried forward |  |                                   |
| <b>EMI</b>        |                 |                 |              |                            |                 |  |                                   |
| Directors         | 14,600          | -               | 2,200        | (8,700)                    | 8,100           | 0-3 years                              | £0.01                             |
| Employees         | 5,200           | -               | 3,300        | -                          | 8,500           | 0 years                                | £0.01                             |
| <b>Total</b>      | <b>19,800</b>   | <b>-</b>        | <b>5,500</b> | <b>(8,700)</b>             | <b>16,600</b>   |  |                                   |
| <b>Unapproved</b> |                 |                 |              |                            |                 |  |                                   |
| Directors         | 2,800           | -               | 4,900        | -                          | 7,700           | 0-3 years                              | £0.01                             |
| <b>Total</b>      | <b>2,800</b>    | <b>-</b>        | <b>4,900</b> | <b>-</b>                   | <b>7,700</b>    |  |                                   |

In arriving at the fair value, each grant of an option is valued separately 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.

The business has made significant progress over the last twelve months, reflecting the investment the Company has made in developing new skills and methods to support public services in the delivery of transformation programmes. Much of this investment has been based on the company's unique insight into the complexity of local public services - EDGEWORK.

IMPOWER's reputation and client relationships remain key strengths. During the year the company entered into a number of Delivery Partnerships - multi-year relationships to help clients deliver large and ambitious transformation programmes.

The company is well positioned to withstand the potential impact of the pandemic and emerge in an even stronger position to support public services to innovate and reform in the years ahead.