

REGISTERED NUMBER: 05532481 (England and Wales)

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
AUDITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
IMPOWER HOLDINGS LIMITED**

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IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)

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FOR THE YEAR ENDED 31 MARCH 2022**

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IMPOWER HOLDINGS LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 MARCH 2022

DIRECTORS:

Q Baer - Chairman
M Cresswell
S Skinner
B A Hakin
A Lury
G Davies
N D Evans

REGISTERED OFFICE:

4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

BUSINESS ADDRESS:

1.01-05 at Level 1
322 High Holborn
London
WC1V 7PB

REGISTERED NUMBER:

05532481 (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 HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors present their strategic report of the company and the group for the year ended 31 March 2022.

REVIEW OF BUSINESS

IMPOWER is a consultancy business that helps public service organisations produce lasting, positive change in complex systems. Our approach enables organisations to make the required mindset shift - towards a focus on outcomes and working across organisational and system boundaries - and provides the tools that make this easier.

As the world starts to emerge from two years of a pandemic, the business has undergone change and a new CEO and CFO have been appointed to lead the next stage of growth and development. Their experience and expertise will enable the company to identify and take advantage of the significant opportunities in the market and will strengthen the financial and operational capabilities of the business to support further growth in turnover and margin.

The business continues to invest for growth, with an increased focus on marketing and new business activities which will raise the Company's profile and expand the range and depth of client relationships. Our people continue to be the life blood of the business and ensuring they thrive during their time with the business is a key objective of the senior team.

In the year to 31 March 2022, IMPOWER strengthened the offering to our clients and continued to deliver better outcomes for the end user. The business is committed to delivering effective solutions and best advice to our clients. The business has continued to diversify its offer servicing both local government and the National Health Service where our approach to managing complex systems is delivering tangible and realisable benefits throughout the health and care interface.

KEY PERFORMANCE INDICATORS

The Principal Key Performance Indicators (KPIs) remain turnover, operating profit and cash management.

The company performed well during the year with an increase in turnover to £12.2m (2021: £10.6m) for the year to 31 March 2022. The continued growth in turnover reflects the businesses strength in developing the offering to support government departments and local authorities. Profit before taxation decreased to £1.3m (2021: £1.5m) due to employee restructuring costs and an increase in use of external consultants to help drive growth into new markets.

	31-3-2022	31-03-2021
Turnover	12,210,645	10,620,616
Gross Profit	5,771,207	4,958,906
Gross Profit Margin	47.3%	46.7%
Expenditure	10,932,636	9,148,428
Profit Before Taxation	1,272,505	1,467,415
Net Assets	3,729,202	3,609,391
Cash at Bank	2,634,733	2,894,802
Trade Debtors	2,551,713	1,953,560
Trade Creditors	230,564	20,750
Average Employees	66	58

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk facing the business is the impact the macro environment will have on our clients, their end users and our staff. The risk of a winter of discontent due to rising inflation and fuel prices, driven by the continued war in Ukraine, plus the risk of further covid outbreaks, makes the coming months uncertain for all.

Turnover at IMPOWER could be impacted positively or negatively by these risks, as our clients grapple to manage their limited budgets in challenging times. The business must ensure we are best placed to help our current and future clients to maximise their scarce resources and engage IMPOWER to help them to achieve that goal.

Attracting and retaining the right talent in the business remains a risk. The employment market remains buoyant, and the Directors are committed to ensuring our staff are challenged and able to progress within IMPOWER.

IMPOWER HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

SECTION 172(1) STATEMENT

Our outlook

The Directors understand the business and the evolving environment in which we operate. The strategy set by the Board is based on these key priorities - expand reach in key markets, achieve better outcomes for our clients, and nurture and grow our people.

Our clients

Our clients and the work we do for them is the bedrock of our business and the reason we can attract and retain our people. The relationships and trust our teams build with our clients enable us to change thinking and behaviours to facilitate improvements to their organisations and thereby improve people's lives.

Our people

Our people and their development are intrinsically linked to the success of our client projects and achieving our strategic goals. IMPOWER have strived to ensure that our people can work flexibly, allowing a balance of location between office, client and home, wherever that may be.

We engage with our people regularly throughout the year and through a variety of means. We believe that it is important to bring our people together in person, as well as virtually and have frequent in person events.

It is important to the business that our people are listened to, and their views are responded to. We undertake various employee surveys during the year such as: Engagement, DEI, L&D skills and needs. We share the outputs with our employees and strive to make business decisions that show we have heard what has been said and we have responded to them.

ON BEHALF OF THE BOARD:



Q Baer - Chairman - Director

20 October 2022

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of providing management consultancy.

DIVIDENDS

An interim dividend of £13.076792 per A Ordinary and Employee share was paid on 12 January 2022. An interim dividend of £0.00085 per C Ordinary share was paid on 12 January 2022. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2022 will be £850,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

Q Baer - Chairman
M Cresswell
S Skinner
B A Hakin
A Lury
G Davies
N D Evans

Other changes in directors holding office are as follows:

P Maduramuthu - resigned 23 November 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 Financial Reporting Standard 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

IMPOWER HOLDINGS LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2022**

AUDITORS

The auditors, Hartley Fowler LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Q Baer - Chairman - Director

20 October 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF IMPOWER HOLDINGS LIMITED

Opinion

We have audited the financial statements of Impower Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company affairs as at 31 March 2022 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF IMPOWER HOLDINGS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 four, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures;
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF IMPOWER HOLDINGS LIMITED

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

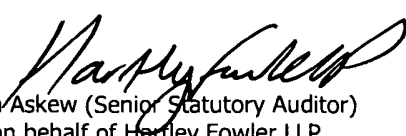
- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

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. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.



Jonathan Askew (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

24 October 2022

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
TURNOVER		12,210,645	10,620,616
Administrative expenses		10,932,636	9,148,428
OPERATING PROFIT	4	1,278,009	1,472,188
Interest receivable and similar income		265	1,058
		1,278,274	1,473,246
Interest payable and similar expenses	5	5,769	5,831
PROFIT BEFORE TAXATION		1,272,505	1,467,415
Tax on profit	6	246,744	64,175
PROFIT FOR THE FINANCIAL YEAR		1,025,761	1,403,240
OTHER COMPREHENSIVE INCOME			
Share option reserve		(55,950)	76,082
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		(55,950)	76,082
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		969,811	1,479,322
Profit attributable to: Owners of the parent		1,025,761	1,403,240
Total comprehensive income attributable to: Owners of the parent		969,811	1,479,322

The notes form part of these financial statements

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)**CONSOLIDATED BALANCE SHEET
31 MARCH 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Intangible assets	9	183,052	186,458
Tangible assets	10	63,773	52,350
Investments	11	-	-
		<u>246,825</u>	<u>238,808</u>
CURRENT ASSETS			
Debtors	12	3,447,935	2,391,629
Cash at bank		<u>2,634,613</u>	<u>2,894,682</u>
		6,082,548	5,286,311
CREDITORS			
Amounts falling due within one year	13	<u>3,255,401</u>	<u>2,587,138</u>
NET CURRENT ASSETS		<u>2,827,147</u>	<u>2,699,173</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,073,972	2,937,981
PROVISIONS FOR LIABILITIES	17	<u>59,605</u>	<u>43,425</u>
NET ASSETS		<u><u>3,014,367</u></u>	<u><u>2,894,556</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	800	800
Share option reserve	19	142,427	198,377
Retained earnings	19	<u>2,871,140</u>	<u>2,695,379</u>
		<u><u>3,014,367</u></u>	<u><u>2,894,556</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 20 October 2022 and were signed on its behalf by:



Q Baer - Chairman - Director

The notes form part of these financial statements

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)**COMPANY BALANCE SHEET
31 MARCH 2022**

		2022	2021
	Notes	£	£
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	-	-
Investments	11	825,002	825,002
		<u>825,002</u>	<u>825,002</u>
CURRENT ASSETS			
Debtors	12	720	720
CREDITORS			
Amounts falling due within one year	13	<u>715,556</u>	<u>715,556</u>
NET CURRENT LIABILITIES		<u>(714,836)</u>	<u>(714,836)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>110,166</u>	<u>110,166</u>
CAPITAL AND RESERVES			
Called up share capital	18	800	800
Retained earnings		<u>109,366</u>	<u>109,366</u>
		<u>110,166</u>	<u>110,166</u>
Company's profit for the financial year		<u>850,000</u>	<u>650,000</u>

The financial statements were approved by the Board of Directors and authorised for issue on 20 October 2022 and were signed on its behalf by:



Q Baer - Chairman - Director

The notes form part of these financial statements

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Retained earnings £	Share option reserve £	Total equity £
Balance at 1 April 2020	800	1,942,139	122,295	2,065,234
Changes in equity				
Total comprehensive income	-	1,403,240	76,082	1,479,322
Dividends	-	(650,000)	-	(650,000)
Balance at 31 March 2021	800	2,695,379	198,377	2,894,556
Changes in equity				
Total comprehensive income	-	1,025,761	(55,950)	969,811
Dividends	-	(850,000)	-	(850,000)
Balance at 31 March 2022	800	2,871,140	142,427	3,014,367

The notes form part of these financial statements

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2020	800	109,366	110,166
Changes in equity			
Total comprehensive income	-	650,000	650,000
Dividends	-	(650,000)	(650,000)
Balance at 31 March 2021	<u>800</u>	<u>109,366</u>	<u>110,166</u>
Changes in equity			
Total comprehensive income	-	850,000	850,000
Dividends	-	(850,000)	(850,000)
Balance at 31 March 2022	<u><u>800</u></u>	<u><u>109,366</u></u>	<u><u>110,166</u></u>

The notes form part of these financial statements

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	746,626	977,157
Finance costs paid		(5,769)	(5,831)
Tax paid		(20,750)	-
Net cash from operating activities		<u>720,107</u>	<u>971,326</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(99,922)	(148,974)
Purchase of tangible fixed assets		(28,211)	(12,369)
Interest received		265	1,058
Net cash from investing activities		<u>(127,868)</u>	<u>(160,285)</u>
Cash flows from financing activities			
Equity dividends paid		(850,000)	(650,000)
Net cash from financing activities		<u>(850,000)</u>	<u>(650,000)</u>
(Decrease)/increase in cash and cash equivalents		<u>(257,761)</u>	<u>161,041</u>
Cash and cash equivalents at beginning of year	2	<u>2,892,374</u>	<u>2,731,333</u>
Cash and cash equivalents at end of year	2	<u><u>2,634,613</u></u>	<u><u>2,892,374</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2022 £	2021 £
Profit before taxation	1,272,505	1,467,415
Depreciation charges	92,287	28,824
Loss on disposal of fixed assets	2,200	-
Share option reserve movement	(55,950)	76,082
Finance costs	5,769	5,831
Finance income	(265)	(1,058)
	<u>1,316,546</u>	<u>1,577,094</u>
Increase in trade and other debtors	(1,056,306)	(425,335)
Increase/(decrease) in trade and other creditors	<u>486,386</u>	<u>(174,602)</u>
Cash generated from operations	<u><u>746,626</u></u>	<u><u>977,157</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2022

	31/3/22 £	1/4/21 £
Cash and cash equivalents	2,634,613	2,894,682
Bank overdrafts	-	(2,308)
	<u><u>2,634,613</u></u>	<u><u>2,892,374</u></u>

Year ended 31 March 2021

	31/3/21 £	1/4/20 £
Cash and cash equivalents	2,894,682	2,731,333
Bank overdrafts	(2,308)	-
	<u><u>2,892,374</u></u>	<u><u>2,731,333</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21 £	Cash flow £	At 31/3/22 £
Net cash			
Cash at bank and in hand	2,894,682	(260,069)	2,634,613
Bank overdrafts	(2,308)	2,308	-
	<u><u>2,892,374</u></u>	<u><u>(257,761)</u></u>	<u><u>2,634,613</u></u>
Total	<u><u>2,892,374</u></u>	<u><u>(257,761)</u></u>	<u><u>2,634,613</u></u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. STATUTORY INFORMATION

Impower Holdings 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 General 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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they have continued to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The group consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to the balance sheet date. The accounts are adjusted, where appropriate, to conform to group accounting policies. Any intra-group sales and profit are eliminated fully on consolidation.

In the parent company financial statements investments in subsidiaries are accounted for at cost less impairment.

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.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

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.

Computer software is being amortised evenly over its estimated useful life of four years.

Tangible fixed assets

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

Plant and machinery - 33% on cost and 20% on cost

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 within one year or less.

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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

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

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.

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'.

3. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	6,448,868	5,884,002
Social security costs	656,476	491,364
Other pension costs	315,382	198,412
	<u>7,420,726</u>	<u>6,573,778</u>

The average number of employees during the year was as follows:

	2022	2021
Consultants	50	43
Support	16	15
	<u>66</u>	<u>58</u>

	2022	2021
	£	£
Directors' remuneration	1,557,821	1,236,748
Directors' pension contributions to money purchase schemes	<u>92,792</u>	<u>37,626</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2022	2021
Money purchase schemes	<u>1</u>	<u>1</u>

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****3. EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Emoluments etc	456,632	322,726
Pension contributions to money purchase schemes	16,894	11,104

4. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£	£
Other operating leases	175,305	272,345
Depreciation - owned assets	35,212	20,055
Loss on disposal of fixed assets	2,200	-
Computer software amortisation	57,075	8,769
Auditors' remuneration	12,000	11,000
Auditors' remuneration for non audit work	23,289	11,547
Foreign exchange differences	-	2,247

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Bank interest and charges	5,769	5,831

6. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	230,564	20,750
Deferred tax	16,180	43,425
Tax on profit	246,744	64,175

UK corporation tax has been charged at 19% (2021 - 19%).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £	2021 £
Profit before tax	<u>1,272,505</u>	<u>1,467,415</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	241,776	278,809
Effects of:		
Expenses not deductible for tax purposes	(3,419)	13,578
Capital allowances in excess of depreciation	(7,793)	(34,395)
Utilisation of tax losses	-	(237,242)
Deferred tax	<u>16,180</u>	<u>43,425</u>
Total tax charge	<u>246,744</u>	<u>64,175</u>

Tax effects relating to effects of other comprehensive income

	2022 Gross £	Tax £	Net £
Share option reserve	<u>(55,950)</u>	<u>-</u>	<u>(55,950)</u>
	2021 Gross £	Tax £	Net £
Share option reserve	<u>76,082</u>	<u>-</u>	<u>76,082</u>

7. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

8. DIVIDENDS

		2022 £	2021 £
Employee shares of £0.01 each	Interim	464,906	355,516
A Ordinary shares of £0.01 each	Interim	385,085	294,477
C Ordinary shares of £0.01 each	Interim	9	7
		<u>850,000</u>	<u>650,000</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

9. INTANGIBLE FIXED ASSETS

Group			
	Goodwill £	Computer software £	Totals £
COST			
At 1 April 2021	635,080	195,227	830,307
Additions	-	53,669	53,669
At 31 March 2022	635,080	248,896	883,976
AMORTISATION			
At 1 April 2021	635,080	8,769	643,849
Amortisation for year	-	57,075	57,075
At 31 March 2022	635,080	65,844	700,924
NET BOOK VALUE			
At 31 March 2022	-	183,052	183,052
At 31 March 2021	-	186,458	186,458

10. TANGIBLE FIXED ASSETS

Group		Plant and machinery £
COST		
At 1 April 2021		196,797
Additions		48,835
Disposals		(114,823)
At 31 March 2022		130,809
DEPRECIATION		
At 1 April 2021		144,447
Charge for year		35,212
Eliminated on disposal		(112,623)
At 31 March 2022		67,036
NET BOOK VALUE		
At 31 March 2022		63,773
At 31 March 2021		52,350

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 April 2021 and 31 March 2022	825,002
NET BOOK VALUE	
At 31 March 2022	825,002
At 31 March 2021	825,002

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Impower Consulting Limited

Registered office: 1.01-05 At Level 1 322 High Holborn, London, England, WC1V 7PB
Nature of business: Management consultancy

	%
Class of shares:	holding
Ordinary	100.00

Impower Ventures Limited

Registered office: 4th Floor Tuition House, 27-37 St George's Road, Wimbledon, London SW19 4EU
Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	2,551,713	1,953,560	-	-
Other debtors	45,451	103,012	600	600
Prepayments and accrued income	850,771	335,057	120	120
	<u>3,447,935</u>	<u>2,391,629</u>	<u>720</u>	<u>720</u>

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts (see note 14)	-	2,308	120	120
Trade creditors	625,775	450,308	-	-
Amounts owed to group undertakings	-	-	715,436	715,436
Tax	230,564	20,750	-	-
Social security and other taxes	187,217	155,173	-	-
VAT	437,269	270,323	-	-
Other creditors	49,109	38,243	-	-
Accruals and deferred income	1,725,467	1,650,033	-	-
	<u>3,255,401</u>	<u>2,587,138</u>	<u>715,556</u>	<u>715,556</u>

14. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	<u>-</u>	<u>2,308</u>	<u>120</u>	<u>120</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	92,159	9,837
Between one and five years	-	2,459
	<u>92,159</u>	<u>12,296</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	Company	
	2022	2021
	£	£
Bank overdrafts	<u>120</u>	<u>120</u>

Bank overdrafts are secured by a fixed and floating charge on the company's assets.

IMPOWER HOLDINGS LIMITED (REGISTERED NUMBER: 05532481)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****17. PROVISIONS FOR LIABILITIES**

	Group	
	2022 £	2021 £
Deferred tax		
Accelerated capital allowances	59,605	43,425
	<u>59,605</u>	<u>43,425</u>
Group		
		Deferred tax £
Balance at 1 April 2021		43,425
Provided during year		16,180
Balance at 31 March 2022		<u>59,605</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Number:	Class:	Nominal value:	2022 £	2021 £
35,552	Employee shares	£0.01	356	356
29,448	A Ordinary	£0.01	294	294
25	B Ordinary	£1.00	25	25
10,000	C Ordinary	£0.01	100	100
2,500	D Ordinary	£0.01	25	25
			<u>800</u>	<u>800</u>

A Ordinary and Employee shares have voting rights with entitlement to the balance of any dividend declared after any prior rights of the C Ordinary shares.

B Ordinary shares have no voting rights or entitlement to any dividend declared.

C Ordinary shares have voting rights with entitlement to 0.001% of the total amount of any dividend declared.

D Ordinary shares have voting rights with entitlement to dividends declared on the class where the exit value would be greater than £7,000,000.

19. RESERVES

Share option reserve - represents the fair value of share options granted to employees that have not yet been exercised.

Retained earnings - represents all current and prior period retained profits and losses.

20. RELATED PARTY DISCLOSURES

The key management personnel of the company are considered to be the directors of the company. Their total remuneration is disclosed in note 3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

21. SHARE-BASED PAYMENT TRANSACTIONS

The company 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 subsidiary company Impower Consulting Limited, the share options being issued by this 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			
EMI								
Directors	27,150	-	-	(12,750)	14,400	0-3 years	£0.01	
Employees	10,000	-	-	(2,300)	7,700	0 years	£0.01	
Total	37,150	-	-	(15,050)	22,100			
Unapproved								
Directors	8,200	-	-	-	8,200	0-3 years	£0.01	
Total	8,200	-	-	-	8,200			

In arriving at the fair value, each grant of an option is valued separately using Black Scholes Model and the resulting fair value charged to the profit and loss 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 on 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