

Independence Matters

A social enterprise reinvesting in the people that matter

THURSDAY



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Annual Report and Financial Statements 2017-18

Corporate Information

Independence Matters is a Community Interest Company domiciled in the United Kingdom.

Directors

Paul Slyfield	Tina Cutting (appointed 17/11/2017, resigned 27/06/2018)
Sarah Nice	Philip Field
Janice Dane	Karen Hester
Julian Brown (resigned 17/11/2017)	Shaun Houldey
Sylvia Barrett-Jones	Matt Evans (resigned 18/07/2017)
	Davina Tanner (resigned 17/07/2017)

Secretary

Paul Slyfield

Registered Address

Dereham Community Hub
Rashs Green
Dereham
Norfolk
NR19 1JG

Auditors

Ernst & Young LLP
Cambridge Business Park
Cowley Road
Cambridge
CB4 0DZ

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
West Midlands
B3 2ES

Strategic Report

The Directors present the Strategic Report for the year ended 31 March 2018.

Principal Activity

The principal activity during the year was the delivery of Personal and Community Support Services. The company benefits communities by providing care and support to its most vulnerable members, to enable them to lead independent and integrated lives within those communities.

Business Review

The Company began operations on 1 November 2013.

The profit after taxation for the year to 31 March 2018 is £104,874 (2017 - £385,942).

The directors do not recommend the payment of any dividends.

The Company has adopted FRS 101 and has taken advantage of the disclosure exemptions allowed under this standard. The Company's parent undertaking, Norfolk County Council ("NCC"), was notified of and did not object to the use of disclosure exemptions under FRS 101.

The Company's key financial and other performance indicators during the year were as follows:

	2017/18	2016/17
Average number of people supported through:		
Community Hubs	532	500
Personal Assistant Service	72	103
Respite Centre (Residential)	13	13
Mental Health Support Centre	6	6
Home Support	12	12
Independent Living	46	46
Quick ratio (Current Assets (less inventory) / Current Liabilities)	1.29	1.27
Current Ratio (Current Assets / Current Liabilities)	1.32	1.30

	£	£
Turnover	14,211,904	13,932,978
Profit for period after taxation	104,874	385,942

The Directors are satisfied with the performance of the company this period. The financial target for the period was to generate a small surplus to re-invest into the activities of the company, and the company has outperformed this target. This was achieved through finding additional sources of income such as private clients, and through making short term cost savings.

The Social Enterprise Board sets out the objectives and the long term strategy of the Company. It is in charge of monitoring the performance of the Company in line with the performance criteria set out in the Contract with NCC.

The products manufactured by the Company through Norfolk Industries have minimal environmental impact, in fact the raw materials used are mainly waste products from other industries. The Board believes that good environmental practices across the whole Company support the Company's business strategy, by enhancing the reputation of the Company and by enforcing the Community service ethos.

On the 4th April 2017 the company acquired 100% of the share capital of Breckland Care at Home CIC, an organisation providing care in the customers home. £3 was paid to acquire the share capital and £46,000 paid to acquire the loan payable to a partnership in which the previous shareholders were engaged in. The book value of the loan purchased was £194,943.

Principal Risks and Uncertainties

The Company maintains a risk register to ensure that all perceived actual and future risks are captured and mitigation actions are recorded. The register uses a standard risk matrix and scoring regime and is monitored on a monthly basis at Senior Management Team meetings. The risk register is also presented to the Board during the quarterly board meetings.

Contract Risk

The Company has a service contract with its parent entity, Norfolk County Council (NCC), which owns 49% of the total shares, to provide Personal and Community Support Services to Norfolk residents.

A large proportion of the Company's turnover is received through the contract with NCC, which was due for review in the year 2017 with the option to extend for a further two year period. The contract has been extended for a further two year period. The Company is reviewing the current service provision and a plan is being developed to provide services in a more cost effective way to develop a service model that can demonstrate an improved value for money. Any financial risk will be mitigated by reviewing costs and improving efficiency to ensure that the company can tender competitively for services in the future and by developing new ways of providing services. Details of amounts received by the Company from NCC can be found in Note 17 to the accounts 'Related Party Transactions'.

Credit, Liquidity and Cash flow Risk

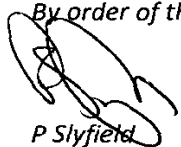
Credit risk is the risk that one party to a transaction will cause financial loss for the other party by failing to discharge an obligation. The Company reduces the risk of such losses by not extending a material amount of credit

to any one client, except NCC as per the terms of the contract in place. Details of the Company's receivables are shown on the balance sheet. A rolling twelve month cash flow is produced to ensure that the Company has enough cash to meet its obligations.

Liquidity risk is the risk that the entity will encounter difficulty in meeting obligations associated with financial liabilities. A current ratio of 1.0 or higher suggests that an entity has sufficient resources to pay its creditors. The quick ratio removes the effect of stock on the ratio, as it is the least liquid of the current assets. The Company's current and quick ratios for the year ended 31 March 2018 are 1.32 and 1.29 respectively (for the year ended 31 March 2017 - 1.30 and 1.27 respectively).

Cash flow risk is the risk of exposure to variability in cash flows. The Company receives regular large monthly payments through its contract with Norfolk County Council and from clients towards the costs of services. As such, cash is received evenly throughout the year, and no significant cash flow risk is foreseen.

By order of the Board



P Slyfield

Finance Director

19th October 2018

Directors' Report

Registered Number 08530621

The Directors present their Report and Financial Statements for the year ended 31 March 2018.

Directors

A list of current Directors is disclosed in the Corporate Information on page 3.

Dividends

The directors do not recommend payment of any dividend.

Future Developments

As a staff-led social enterprise and Community Interest Company, people are at the heart of all we do. We are locally-based and proud that all our profits are reinvested back into the organisation and the communities we serve.

Our dedicated and skilled staff provide highly flexible, person centred support to a wide range of people, including older people and adults with dementia, learning disabilities, physical disabilities and mental health problems.

The Company has a Stakeholder Board to represent the customers and two members of this board are nominated to be Directors who sit on the main Company Board.

The Company has the intention to continue operating in the Personal and Community Support Service sector for the foreseeable future. The Directors hope that the profitable position of the Company will continue in order that further investment may be made into the Company and the communities it serves. The Company is looking at ways to provide both growth and an enhanced service, and to deliver Value for Money for the Company and its customers. Business planning is identifying a number of options which will be fully explored with our customers. The possibility of growth through acquisitions is also part of the long term strategy.

The Company is looking at developing different models of care to enhance value for money and is working to expand the number of private customers.

Employee involvement

As a Social Enterprise, we consider our employees to be key stakeholders of the business. We seek their views through a series of staff consultations and a Staff Board which represents the views of staff. Two members of the Staff Board are nominated to be Directors who sit on the Company's Board. 51% of the shares of the company are held by an Employee Trust Company for the benefit of all the company's employees. The Staff Board meet on a regular basis.

We also employ a number of apprentices many of whom then go on to become permanent employees.

Disabled employees

We work very closely with vulnerable people to empower them to live independent lives. We will not discriminate against members of staff because of a disability or perceived disability and actively welcome applications from people with disabilities. The company values the contribution of existing staff with disabilities and will treat staff fairly should they become disabled.

Further to the above the Company has a division called Norfolk Industries which manufactures supplies for the pet market. A number of the employees are disabled and we provide both employment opportunities and training to enhance people's lives.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 4 to 6. The financial position of the Company is set out in these financial statements. The Company has adequate financial resources in conjunction with a major service contract and a growing list of private clients. As a consequence, the directors believe that the company is well placed to manage its business risks successfully.

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Auditors

The Directors will recommend the reappointment of Ernst & Young LLP as auditors to the Board.

Directors' Statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 3. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



P Slyfield

Finance Director

19th October 2018

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable UK 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 FRS 101. 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 for the period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on a going concern basis, unless they consider that to be inappropriate.

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.

Independent Auditors' Report to the Members of Independence Matters CIC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENCE MATTERS CIC

Opinion

We have audited the financial statements of Independence Matters CIC for the year ended 31 March 2018 which comprise the Statement of Changes in Equity, the Statement of Comprehensive Income, the Balance Sheet and the related notes¹ to 18, 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2018 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 below. 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the 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 strategic report and the 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.

Matters on which we are required to report by exception

In the light of the 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 or directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' responsibilities statement set out on page 9, 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 <https://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

Ernst and Young

Stephen Clark (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Birmingham

Date

22 October 2018

Notes:

1. The maintenance and integrity of the Independence Matters CIC web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independence Matters CIC

Registered Company Number: 08530621

Statement of Changes in Equity for the year ended 31 March 2018

	Equity Share Capital	Retained Earnings	Total Equity
	£	£	£
Balance at 31 March 2017	100	677,578	677,678
Changes in Equity during 2017-18			
Profit for the year	-	<u>104,874</u>	<u>104,874</u>
Total Comprehensive Income for the year	-	<u>104,874</u>	<u>104,874</u>
Balance at 31 March 2018	<u>100</u>	<u>782,452</u>	<u>782,552</u>

Independence Matters CIC

Registered Company number: 08530621

Statement of Comprehensive Income for the year ended 31 March 2018

		£	£
	Notes	2017/18	2016/17
Turnover	3	14,211,904	13,932,978
Cost of Sales		<u>(14,007,529)</u>	<u>(13,698,012)</u>
Gross Profit		204,375	234,966
Administrative expenses		(478,476)	(430,611)
Distribution expenses		(42,019)	(36,343)
Other expenses		(48,080)	(38,665)
Other operating income	6	<u>486,542</u>	<u>752,087</u>
Operating Profit		122,342	481,434
Interest receivable		6,308	4,586
Interest payable		<u>(640)</u>	<u>(940)</u>
Profit on ordinary activities before taxation		128,010	485,080
Tax on profit on ordinary activities	7	<u>(23,154)</u>	<u>(99,138)</u>
Profit for the period		<u>104,856</u>	<u>385,942</u>

Independence Matters CIC
Registered Company Number: 08530621
Balance Sheet as at 31 March 2018

	Notes	£ 2017/18	£ 2016/17
ASSETS			
Fixed Assets			
Intangible Fixed Assets	8	14,277	27,055
Tangible Fixed Assets	8	<u>18,125</u>	<u>14,315</u>
Total Fixed Assets		32,402	41,370
Called-up share capital not paid		100	100
Current assets			
Inventories		78,212	73,877
Debtors			
<i>Trade debtors</i>		251,263	199,025
<i>Amounts owed by group undertakings</i>	15	805,144	1,248,935
<i>Other debtors</i>		76,147	9,558
Deferred tax		5,176	1,541
Cash and cash equivalents	9	<u>1,780,151</u>	<u>1,203,722</u>
Total current assets		<u>2,996,093</u>	<u>2,736,658</u>
TOTAL ASSETS		<u>3,028,595</u>	<u>2,778,128</u>

Capital and Reserves

Allotted share capital	14	100	100
Profit and loss account		<u>782,434</u>	<u>677,578</u>
		<u>782,534</u>	<u>677,678</u>

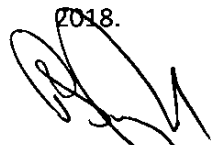
LIABILITIES**Creditors**

Short term employee benefits	12	242,907	173,143
Payments received on account		-	514,000
Trade creditors	10	81,296	36,549
Amounts owed to group undertakings	15	625,054	919,554
Other creditors including taxation and social security	10	1,270,015	866,525
Corporation Tax		<u>26,789</u>	<u>90,679</u>

Total current liabilities		<u>2,246,061</u>	<u>2,100,450</u>
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TOTAL LIABILITIES		<u>3,028,595</u>	<u>2,778,128</u>
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These statements were approved and authorised for issue by the board and signed on its behalf on 19th October 2018.



P Slyfield
Finance Director

Notes to the Financial Statements:

1. Authorisation of Financial Statements and Statement of Compliance with FRS 101

The financial statements of Independence Matters CIC for the year ended 31 March 2018 were authorised for issue by the Board of Directors on 1 October 2018 and the Balance Sheet was signed on the Board's behalf by Mr Paul Slyfield, Finance Director. Independence Matters CIC is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The financial statements are prepared under the historical cost convention.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

Paragraph 8(g): The Company is exempt from the requirements of the following paragraphs of IAS 1 Presentation of Financial Statements:

- Paragraph 10(d) and (f): The Company is exempt from preparing a Statement of Cash Flows.
- Paragraph 16: The Company shall not present a statement of compliance with IFRS.
- Paragraph 38(a), (b), (c) and (d): The Company is exempt from providing prior year information for all balances in the financial statements.
- Paragraph 40(a), (b), (c) and (d) The Company is exempt from restating prior year disclosure notes where they relate to the current period.
- Paragraph 111: The Company is exempt from the presentation requirements relating to the Statement of Cash Flows.
- Paragraphs 134, 135 and 136: The Company is exempt from disclosing information regarding its objectives, policies and processes for the management of Capital.

Paragraph 8(h): The Company is exempt from the requirements of IAS 7 *Statement of Cash Flows*. The Company is not required to present a Statement of Cash Flows along with related notes.

Paragraph 8(j): The Company is exempt from the requirements of paragraph 17 of IAS 24 *Related Party Transactions*. The Company is not required to provide information about transactions with related parties, other than between two or more members of the group.

Paragraph 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64(p), B64(q)(ii)

B66 and B67 of IFRS 3 Business Combinations as equivalent disclosers are included in the consolidated financial statements of the group in which this entity is consolidated.

Information not here disclosed under exemption can be found in the Group accounts of Norfolk County Council, being the parent entity of the Company.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except when otherwise indicated.

The Company is taking advantage of s400 of the Companies Act not to prepare consolidated accounts as this group is a wholly owned subsidiary.

The results of the Company are included in the consolidated financial statements of Norfolk County Council which are publicly available through the Council's website at: <https://www.norfolk.gov.uk/what-we-do-and-how-we-work/our-budget-and-council-tax/statement-of-accounts>

2. Accounting Policies

2.1 Basis of Preparation

The Statement of Accounts summarises the Company's transactions for the 2017-18 financial year and its position at the year end of 31 March 2018.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2018.

2.2 Fixed Assets

Assets purchased with a value greater than £500 are capitalised and depreciated over their useful life. Periodic reviews are undertaken to ensure any impairment of value is recognised and accounted for.

2.3 Going Concern

A Company's financial statements should be prepared on a going concern basis, that is, the financial statements should be prepared on the assumption that the Company will continue in operational existence for the foreseeable future. This means in particular that the Statement of Comprehensive Income and Balance Sheet assume no intention to curtail significantly the scale of the operation.

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Turnover and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Company transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Company.
- Revenue from the provision of services is recognised when the Company can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Company.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as stock on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the balance sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

2.5 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 7 days or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Employee Benefits

Benefits payable during employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Company. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at

the wage and salary rates applicable in the following accounting year in as far as they are known, being the period in which the employee takes the benefit.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Company to terminate an employee's contract before the normal retirement date or an employee's decision to accept voluntary redundancy. These are charged on an accruals basis to the relevant service line in the Statement of Comprehensive Income.

Post-Employment Benefits

Employees of the Company are members of two separate pension schemes:

- National Employment Savings Trust (NEST); and
- The Local Government Pensions Scheme, administered by Norfolk County Council

These have been accounted for as defined contribution schemes in the Accounts, with a liability recognised in the balance sheet only in so far as payments for the 2017-18 year remain outstanding.

Accumulated Absences

The assumptions used to calculate the amount carried forward into the next financial year were that:

- the leave entitlement would be taken equally throughout the employee's leave year; and
- the employee's flex position would be neutral at 31st March.

The surplus or deficit hours as calculated using these assumptions were multiplied by a notional hourly rate, calculated from the salary rates for 2017-18, the most up-to-date confirmed rates at time of calculation.

The accrual made is the total of this cost for each employee.

2.7 Events after the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Financial Statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Financial Statements are adjusted to reflect such events.
- those that are indicative of conditions that arose after the reporting period – the Financial Statements are not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the financial statements.

2.8 Inventories

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventory is assigned using either the lower of cost or net realisable value.

2.9 Foreign Currency Translation

The Company's functional currency and presentation currency is pounds sterling. Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

2.10 Debtors

Trade debtors, which generally have 30 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount.

2.11 Tax

Current tax liabilities are measured at the amount expected to be paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

2.12 Leases and Tenancies at will

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as *operating leases*.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

2.13 VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

In applying the accounting policies set out in this note, the Company has to make certain judgements about complex transactions or those involving uncertainty about future events. There were no significant judgements to be disclosed in the financial statements.

3. Turnover

Turnover recognised in the Statement of Comprehensive Income is analysed as follows:

	2018	2017
	£	£
Grants	43,083	45,190
Sale of goods	223,650	298,476
Sale of services	<u>13,945,171</u>	<u>13,589,312</u>
Total	<u>14,211,904</u>	<u>13,932,978</u>
Income received from Group undertakings	13,080,709	12,850,022
Income received from other sources	<u>1,131,195</u>	<u>1,082,956</u>
Total	<u>14,211,904</u>	<u>13,932,978</u>

4. Auditors' Remuneration

The Company was charged the following amounts by its external auditors.

	2018	2017
	£	£
Audit of the Financial Statements	20,000	20,000
Taxation Services	1,800	1,800

5. Staff costs and Directors' remuneration

	2018	2017
	£	£
Wages and Salaries (excluding pension costs)	10,856,604	10,752,554
Defined Contribution pension costs	1,086,168	1,141,514
Social Security Costs	735,366	697,114
Other employee related costs	<u>180,949</u>	<u>383,385</u>
Total	<u>12,859,087</u>	<u>12,974,567</u>

The average number of staff for the period is made up as follows:

	2018	2017
	No. of staff	No. of staff (restated)
Administration	102	105
Operations	<u>378</u>	<u>377</u>
Total FTE	<u>480</u>	<u>482</u>

The figures and the comparatives show the full time equivalent numbers.

Directors' Remuneration

	2018	2017
	No/£	No/£
Number of Directors who receive remuneration	5	5
Directors' remuneration	122,170	119,362
Short term employee benefits relating to Director – Accumulated Absences	(1,124)	(296)
Defined Contribution Pension costs	14,107	15,121
In respect of the highest paid director:		
Remuneration	70,286	67,504
Defined Contribution pension costs	13,846	15,121
None of the other Directors received remuneration in respect of their Director services to the company.		

6. Other Operating Income

	2018	2017
	£	£
Rental Income	57,842	48,363
Other Income	26,740	61,189
Costs recoverable from parent undertaking	<u>401,960</u>	<u>642,535</u>
Total	<u>486,542</u>	<u>752,087</u>

7. Taxation

	2018	2017
	£	£
Prior year corporation tax		(2,041)
Current year tax	(26,789)	(98,638)
Deferred tax from timing differences	3,635	1,622
Deferred tax adjustment due to tax rate change		<u>(81)</u>
Total tax charged	<u>(23,154)</u>	<u>(99,138)</u>

Reconciliation

Tax charge at 19% on Ordinary Activities	(24,322)	(97,016)
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Timing differences	<u>(2,467)</u>	<u>(1,622)</u>
Current year tax charge	<u>(26,789)</u>	<u>(98,638)</u>

The current tax charge is the calculation of the tax computation which will give rise to a payment due in 2018/19. Deferred tax arises from timing differences between capital allowances and the depreciation charge in these accounts.

8. Fixed Assets

Fixed assets are capitalised at cost at the time that they are brought into use. Computer equipment is depreciated on a straight line method over 3 years. No revaluation has taken place.

Intangible Assets	Computer software	Total
Cost	£	£
Brought Forward 1 st April 2017	40,582	40,582
Additions	<u>2,250</u>	<u>2,250</u>
Carried Forward 31 st March 2018	<u>42,832</u>	<u>42,832</u>
Depreciation		
Brought Forward 1 st April 2017	13,527	13,527
Charge for year	<u>15,028</u>	<u>15,028</u>
Carried Forward 31 st March 2018	<u>28,555</u>	<u>28,555</u>
Net Value Brought forward 1 st April 2017	<u>27,055</u>	<u>27,055</u>
Net Value Carried forward 31 st March 2018	<u>14,277</u>	<u>14,277</u>

Tangible Assets	Equipment	Computer hardware	Total
Cost	£	£	£
Brought Forward 1 st April 2017	0	21,473	21,473
Additions	<u>3,707</u>	<u>10,973</u>	<u>14,680</u>
Carried Forward 31 st March 2018	<u>3,707</u>	<u>32,446</u>	<u>36,153</u>
Depreciation			
Brought Forward 1 st April 2017	0	7,158	7,158
Charge for year	<u>55</u>	<u>10,815</u>	<u>10,871</u>
Carried Forward 31 st March 2018	<u>55</u>	<u>17,973</u>	<u>18,028</u>

Net Value Brought forward 1 st April 2017		<u>14,315</u>	<u>14,315</u>
Net Value Carried forward 31 st March 2018	<u>3,652</u>	<u>14,473</u>	<u>18,125</u>

9. Cash and Cash equivalents

	2018	2017
	£	£
Cash at bank and in hand	25,151	18,722
Short term deposits with Money Market	<u>1,755,000</u>	<u>1,185,000</u>
	<u>1,780,151</u>	<u>1,203,722</u>

The Company invests balances in call accounts with one or two high street banks via an SLA with NCC. During the year the average amount deposited was £1,366,277 with an average interest rate of 0.3107%. (2017 - average amount deposited £1,478,945, average interest rate 0.3637%)

10. Creditors

Trade Creditors are unsecured, non-interest bearing and are normally settled on 30 day terms. Other creditors are also non-interest bearing.

11. Obligations under Leases

The Company leases buildings for its operations under short term lease arrangements or tenancies at will. These are treated in the accounts as operating leases, as they do not meet the definition of finance leases. Most of the leases are at peppercorn rent.

Employee lease cars are managed via the parent entity and are paid for by the employee via salary sacrifice, so there is no lease arrangement for or with the company. This arrangement ceased during the year under review.

Part of the organisation utilising leases is Norfolk Industries. This is a standalone part of the parent entity which manufactures and sells a variety of pet bedding products under its own separate branding. Operated by a staff comprised of approximately 50% of individuals with disabilities, Norfolk Industries meets client care and socialisation needs, helps to assist with the achievement of organisational social objectives and also generates an income stream for the parent entity.

Machinery owned by the parent entity is employed by Norfolk Industries, with the exception of a forklift, which is a business-critical item hired under an operating lease. Costs for this lease are expected to be approximately £3,300 per year on an ongoing basis.

12. Short term employee benefits- Accumulated Absences

The Accumulated Absences accrual was made for the cost of holiday entitlement and flex leave earned by employees, but not taken before the year-end, which employees can carry forward into the next financial year. This was estimated based on holiday entitlement and flex leave outstanding at 31 March 2018 at £242,907 (2016 - £173,143).

13. Pensions accounted for as defined contribution schemes

The Company makes defined contributions to the Local Government Pension Scheme (LGPS) through Norfolk Pension Fund, which is administered by Norfolk County Council. The Norfolk Pension Fund Pensions Committee act as trustees of the fund, to make decisions and take responsibility for the management of the fund. The members of the Pensions Committee are elected members of the County Council and other employers in the fund as well as one employee representative. The LGPS is a defined benefit scheme. Norfolk County Council, as the parent of the Company, bears the risk of the defined benefit plan, with the Company making defined contributions only.

	2017-18	2016-17
	£	£
Employers Contributions to Defined Contribution plans recognised as an expense in the year		
LGPS	1,066,097	1,139,621
NEST	<u>20,071</u>	<u>1,893</u>
Total	<u>1,086,168</u>	<u>1,141,514</u>

14. Authorised and Issued Share Capital (Not Paid)

	2017-18	2016-17
	£	£
Authorised and Issued Share Capital		
Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Total	<u>100</u>	<u>100</u>

15. Related Party Transactions

During the year the Company entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, and trading balances outstanding at 31 March 2018 are as follows:

	2017-18				
	Sales	Grants	Purchases	Amounts owed to related parties	Amounts owed by related parties
	£	£	£	£	£
Breckland Care at Home (subsidiary)	13,607	-	-	-	11,224
Parent entity (Norfolk County Council)	13,475,418	-	198,114	519,791	793,920

Fellow subsidiaries

(ESPO, Norse and Norfolk Pension Fund)	-	-	31,697	105,263	-
Total	<u>13,489,025</u>	<u>0</u>	<u>229,811</u>	<u>625,054</u>	<u>805,144</u>

Terms and Conditions of transactions with related parties:

Sales and Purchases are made on an arm's length basis. Balances with entities that are not subsidiaries are non-interest bearing, are unsecured, and are expected to be settled within 30 days of invoice date. Terms and conditions for transactions with related parties have the same conditions. During the periods ended 31 March 2018 and 2017, the Company has made no provision for doubtful debts relating to amounts owed by related parties. Amounts owed to related parties include payments received in advance. The payments in advance figure of £500,000 is to be deducted against payments to be received in the next 12 months. Related party agreements regarding operating leases are disclosed in note 12. Remuneration relating to the directors of the Company have been disclosed in note 5.

16. Post Balance sheet events

It was decided by the board that the activities of the subsidiary, Breckland Care at Home would be discontinued. The staff and customers have been transferred to another homecare provider covering the same geographical area.

17. Contingent liabilities

There are no contingent liabilities at the year end.

18. Ultimate Group undertaking

The Company's immediate and ultimate parent undertaking is Norfolk County Council. The Company is included within these group accounts which are publicly available at:

<https://www.norfolk.gov.uk/what-we-do-and-how-we-work/our-budget-and-council-tax/statement-of-accounts>

CIC 34

Community Interest Company Report

	For official use <i>(Please leave blank)</i>	
<i>Please complete in typescript, or in bold black capitals.</i>	Company Name in full	Independence Matters CIC
	Company Number	08530621
	Year Ending	31 March 2018

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

As a staff-led social enterprise and Community Interest Company, people are at the heart of all we do. We are locally-based and proud that all our profits are reinvested back into the organisation and the communities we serve.

Our dedicated and skilled staff provide highly flexible, person centred support to a wide range of people, including older people and adults with dementia, learning disabilities, physical disabilities and mental health problems.

(continued on attached continuation sheet)

(If applicable, please just state "A social audit report covering these points is attached").

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

Our stakeholders are:

1. Norfolk County Council (NCC)

NCC is our principle funder and owns 49% of the share capital of the company. NCC exercises its influence through the Enterprise Development Board (EDB), a group comprising Councillors, senior executives of NCC, senior executives of the Company and union representation. The EDB nominates a Director who sits on the Company's Board

(continued on attached continuation sheet)

(If applicable, please just state "A social audit report covering these points is attached").

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

This information is provided in the accounts in note 5.

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

No transfer of assets other than for full consideration has been made.

(Please continue on separate continuation sheet if necessary.)

CIC 34

CONTINUATION SHEET

*Please
complete in
typescript, or
in bold black
capitals.*

**Company Name in
full**

Independence Matters CIC

Company Number

08530621

Year Ending

31 March 2018

PLEASE CLEARLY INDICATE THE PART YOU ARE CONTINUING HERE

Part 1

Our aim is to enable people to maintain the level of independence that is right for them and their family carers, and helps them to live fulfilling and active lives in the heart of their communities.

We work in partnership with Social and Health Care Commissioners and Norfolk County Council (NCC) to provide a flexible range of services that are available on both a pre-arranged, on-going basis and to people and carers in crisis and emergency situations.

Through our pet bedding manufacturer, Norfolk Industries , we offer employment skills to people with disabilities and who find the workplace a challenging environment . We are also looking to develop employment opportunities wherever we can.

Over the year we have supported, on average, each day:

532 through our Community Hubs

72 through our Personal Assistant Service

13 through our Respite Service and 8 through our Mental Health Support Service

58 people to live independantly in their own homes

We also employ 4 disabled people in our sheltered workshop.

CIC 34

CONTINUATION SHEET

Please complete in typescript, or in bold black capitals.

Company Name in full

Independence Matters CIC

Company Number

08530621

Year Ending

31 March 2018

PLEASE CLEARLY INDICATE THE PART YOU ARE CONTINUING HERE

.Part 2

2. Our Employees

As a Social Enterprise, we consider our employees to be key stakeholders of the business. We seek their views through staff consultations and a Staff Board. Two members of the Staff Board are nominated to be Directors of the Company. 51% of the shares of the Company are held through an Employee Trust for the benefit of all the Company's employees

3. Customers

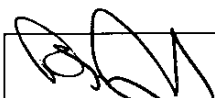
The people who benefit from our services and use our services, their families and carers are important stakeholders in the Company. User groups for our services nominate delegates to the Stakeholder Consultation Board which advises the Company Board on issues relevant to customers. Two members of the Stakeholder Consultation Board are nominated as Directors on the main Company Board

4. The Company also has a non-executive directors who can bring commercial and other relevant skills to the Board.

PART 5 – SIGNATORY

The original report must be signed by a director or secretary of the company

Signed



Date

11/11/18

Office held (delete as appropriate) Director/Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Paul Slyfield (Finance Director)	
Tel 01362 654641	
DX Number	DX Exchange

When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG

The accounts and CIC34 **cannot** be filed online

(N.B. Please enclose a cheque for £15 payable to Companies House)