

Company Registration No. 08710235 (England and Wales)

**SOUTH EAST INDEPENDENT LIVING LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2016**

SOUTH EAST INDEPENDENT LIVING LIMITED

COMPANY INFORMATION

Directors	R C Eastwood M E R Hope Eastbourne Homes Limited
Secretary	J K R McCarthy-Penman
Company number	08710235
Registered office	1 Grove Road Eastbourne East Sussex BN21 4TW
Auditors	RSM UK Audit LLP Chartered Accountants Marlborough House Victoria Road South Chelmsford Essex CM1 1LN

SOUTH EAST INDEPENDENT LIVING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors present their annual report and financial statements for the year ended 31 March 2016. The previous period ended 31 March 2015 ran for an 18 month period from 30 September 2013.

Principal activities

The principal activity of the company is the delivery of a short term housing floating support service for people of 65 and over who live in the Eastbourne, Lewes and Wealden districts.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R C Eastwood
M E R Hope
Eastbourne Homes Limited

Auditor

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board



J K R McCarthy-Penman

Secretary

21st July 2016

SOUTH EAST INDEPENDENT LIVING LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

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

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

- select suitable accounting policies and 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Eastbourne Homes Limited website. Legislation in United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST INDEPENDENT LIVING LIMITED

We have audited the financial statements on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Directors' Report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Directors' Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST INDEPENDENT LIVING LIMITED (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

RSM UK Audit LLP

Andrew Monteith (Senior Statutory Auditor)

for and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

Marlborough House

Victoria Road South

Chelmsford

Essex

CM1 1LN

10th August 2016

SOUTH EAST INDEPENDENT LIVING LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Year ended 31 March 2016 £	18 month period ended 31 March 2015 £
Turnover		899,470	1,196,174
Administrative expenses		(942,237)	(1,175,426)
Operating (loss)/profit		(42,767)	20,748
Interest payable and similar charges		(7,000)	(12,000)
(Loss)/profit before taxation	2	(49,767)	8,748
Taxation	4	(4,131)	(5,000)
(Loss)/profit for the financial year	8	(53,898)	3,748
Other comprehensive income net of taxation			
Actuarial gain/(loss) on defined benefit pension schemes	7	116,000	(110,000)
Total comprehensive income for the year		62,102	(106,252)

SOUTH EAST INDEPENDENT LIVING LIMITED**BALANCE SHEET****AS AT 31 MARCH 2016**

	Notes	2016 £	£	2015 £	£
Current assets					
Debtors	5	125,096		274,404	
Cash at bank and in hand		116,123		259,180	
		<u>241,219</u>		<u>533,584</u>	
Creditors: amounts falling due within one year	6	<u>(164,368)</u>		<u>(435,835)</u>	
Net current assets			76,851		97,749
Net assets excluding pension liability			76,851		97,749
Defined benefit pension liability	7		<u>(121,000)</u>		<u>(204,000)</u>
Net liabilities			<u>(44,149)</u>		<u>(106,251)</u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves	8		<u>(44,150)</u>		<u>(106,252)</u>
Total equity			<u>(44,149)</u>		<u>(106,251)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 21/3/16 and are signed on its behalf by:



.....
R C Eastwood
Director

SOUTH EAST INDEPENDENT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Company information

South East Independent Living Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Grove Road, Eastbourne, East Sussex, BN21 4TW.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements are the first financial statements of South East Independent Living Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of South East Independent Living Limited for the year ended 31 March 2015 were prepared in accordance with Financial Reporting Standard for Smaller Entities (FRSSE).

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from the FRSSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Further details of the impact of the transition to FRS 102 can be found in note 9.

Going concern

South East Independent Living Limited has the continued support of Eastbourne Homes Limited, its parent company and this has been confirmed in writing. The Directors therefore have no reason to believe that the company will not be able to meet its liabilities for the 12 months from the approval of the financial statements and have prepared the accounts on the going concern basis.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

SOUTH EAST INDEPENDENT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (Continued)

Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

SOUTH EAST INDEPENDENT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables are initially recognised at transaction price where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

SOUTH EAST INDEPENDENT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (Continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

The Company participates in the Local Government Pension Scheme (LGPS), a defined benefit pension scheme administered by East Sussex County Council (ESCC). The assets of the scheme are invested and managed independently of the finances of the Company. Contributions are based on pension costs of the Company's unutilised fund. Costs include the regular cost of providing benefits, which it is intended should remain at a substantial level of current and expected future earnings of the employees covered.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method.

Gains/losses

Gains or losses recognised in the profit or loss:

- The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost.
- The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.
- Net interest on the defined benefit asset/liability comprises the interest cost on the defined benefit obligation and interest income on the plan assets, calculated by multiplying the fair value of the plan assets at the beginning of the period by the rate used to discount the benefit obligation.

Gains or losses recognised in other comprehensive income:

- Actuarial gains and losses.
- The difference between the interest income on the plan assets and the actual return on the plan assets.

2 (Loss)/profit before taxation

	Year ended 31 March 2016	18 month period ended 31 March 2015
(Loss)/profit before taxation is stated after charging:	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	2,000	1,500

SOUTH EAST INDEPENDENT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	Year ended 31 March 2016 Number	18 month period ended 31 March 2015 Number
Total	37	33

4 Taxation

	Year ended 31 March 2016 £	18 month period ended 31 March 2015 £
Current tax		
UK corporation tax on profits for the current period	-	5,000
Adjustments in respect of prior periods	4,131	-
Total current tax	4,131	5,000

5 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	62,813	-
Amounts due from group undertakings	8,403	-
Other debtors	53,880	274,404
	125,096	274,404

SOUTH EAST INDEPENDENT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

6 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	152	149
Amounts due to group undertakings	7,318	303,354
Corporation tax	-	5,000
Other taxation and social security	112,847	120,049
Other creditors	44,051	7,283
	<u>164,368</u>	<u>435,835</u>

Included within other creditors is £7,225 (2015: £7,187) a balance in relation to amounts unpaid to pension schemes as at the year end.

7 Retirement benefit schemes

Defined benefit schemes

East Sussex Pension Fund (ESPF)

The ESPF is a multi-employer scheme, administered by ESCC under the regulations governing the LGPS, a defined benefit pension scheme. The most recent full actuarial valuation was on 31 March 2016 by a qualified independent actuary.

Key assumptions

	2016 %	2015 %
Discount rate	3.5%	3.2%
Expected rate of increase of pensions in payment	2.2%	2.5%
Expected rate of salary increases	4.2%	4.4%

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2016 Years	2015 Years
Retiring today		
- Males	22.2	22.2
- Females	24.4	24.4
Retiring in 20 years		
- Males	24.2	24.2
- Females	26.7	26.7

SOUTH EAST INDEPENDENT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

7 Retirement benefit schemes (Continued)

Amounts recognised in the profit and loss account:

	Year ended 31 March 2016 £	18 month period ended 31 March 2015 £
Current service cost	88,000	100,000
Net interest on defined benefit liability	7,000	12,000
Total costs	<u>95,000</u>	<u>112,000</u>

Amounts taken to other comprehensive income:

	Year ended 31 March 2016 £	18 month period ended 31 March 2015 £
Actual return on scheme assets	(9,000)	(60,000)
Less: calculated interest element	18,000	18,000
Return on scheme assets excluding interest income	9,000	(42,000)
Actuarial changes related to obligations	(125,000)	152,000
Total (income)/costs	<u>(116,000)</u>	<u>110,000</u>

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

	2016 £	2015 £
Present value of defined benefit obligations	729,000	723,000
Fair value of plan assets	(608,000)	(519,000)
Deficit in scheme	<u>121,000</u>	<u>204,000</u>

SOUTH EAST INDEPENDENT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

7 Retirement benefit schemes (Continued)

Movements in the present value of defined benefit obligations:

	2016 £
Liabilities at 1 April 2015	723,000
Current service cost	88,000
Contributions from scheme members	18,000
Actuarial gains and losses	(125,000)
Interest cost	25,000
At 31 March 2016	<u>729,000</u>

The defined benefit obligations arise from plans which are wholly or partly funded.

Movements in the fair value of plan assets:

	2016 £
Fair value of assets at 1 April 2015	519,000
Interest income	18,000
Contributions by the employer	62,000
Contributions by scheme members	18,000
Return on plan assets (excluding amounts included in net interest)	(9,000)
At 31 March 2016	<u>608,000</u>

The analysis of the scheme assets at the reporting date were as follows:

	2016 £	2015 £
Equity instruments	419,000	404,000
Property	73,000	52,000
Bonds	97,000	47,000
Cash	19,000	16,000
	<u>608,000</u>	<u>519,000</u>

The company expects to contribute £62,000 to its defined benefit pension plans in the year ended 31 March 2017.

SOUTH EAST INDEPENDENT LIVING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

8 Reserves

	2016	2015
	£	£
At the beginning of the year	(106,252)	-
(Loss)/profit for the year	(53,898)	3,748
Actuarial differences recognised in other comprehensive income	116,000	(110,000)
At the end of the year	<u>(44,150)</u>	<u>(106,252)</u>

9 Transition to FRS102

Descriptions of the effect of the transition to FRS 102 on the profit and loss are given below. The transition to FRS 102 had no impact on the statement of financial position for the comparative period reported under previous UK GAAP.

As a result of the transition to FRS 102, components of the defined benefit pension scheme are presented differently in the statement of total comprehensive income. The effect was an increase in profit for the period of £16,000 and a reduction in the actuarial loss reported in other comprehensive income by the same amount. There was no change in the value of total comprehensive income.

10 Parent company

Eastbourne Homes Limited is the immediate parent company, and is registered in England and Wales. Eastbourne Homes is the largest and smallest group for which consolidated accounts including South East Independent Living Limited are prepared. The consolidated accounts for Eastbourne Homes Limited are available from its registered office. The ultimate parent undertaking and controlling party is Eastbourne Borough Council.

