

**SOUTH EAST INDEPENDENT  
LIVING LIMITED**

**Report and Financial  
Statements**

**For the financial year ended  
31<sup>st</sup> March 2021**

**Company Registration Number: 08710235  
(England and Wales)**

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## **Company Information**

### **Board Directors**

Mary Hope (Chair)

Roger Eastwood

Eastbourne Homes Limited

### **Company Secretary**

Jane McCarthy-Penman

### **Registered Office**

Town Hall  
Grove Road  
Eastbourne  
East Sussex  
BN21 4UG

**Company Registration Number: 08710235**

### **Auditor**

RSM UK Audit LLP  
Chartered Accountants  
Portland  
25 High Street  
Crawley  
West Sussex  
RH10 1BG

### **Bankers**

Lloyds Bank plc  
City Office  
PO Box 72  
Bailey Drive  
Gillingham Business Park  
GILLINGHAM  
Kent  
ME8 0LS

# Annual Report 2020/21

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## Directors' Report

### For the Year Ended 31<sup>st</sup> March 2021

The Directors present their annual report and financial statements for the year ended 31<sup>st</sup> March 2021.

#### Principal Activities

The principal activity of the Company is the delivery of short-term housing floating support for people of 60-years and over who live in Eastbourne, Lewes and Wealden districts.

#### Future Developments

East Sussex County Council confirmed that the Housing Floating Support contract will go to market and are due to invite bids from 19<sup>th</sup> May 2021. On the 6<sup>th</sup> April 2021, the SEILL Board made the decision not to bid, nor make a joint bid with a potential partner for this contract, therefore SEILL will end the delivery of the STEPS to stay independent contract on the 22<sup>nd</sup> November 2021. Permanent members of SEILL staff are eligible for TUPE transfer to the new provider which will start as part of the service transition from September 2021.

SEILL have continued to deliver both telephone and face-to-face housing support during the COVID-19 lockdown and resulting social restrictions. Referrals have grown steadily, especially self-referrals which have grown through positive word of mouth from clients within their networks. Visiting staff continue to minimise risk of infection through the use of PPE and working at a social distance when face-to-face with clients. All staff have taken advantage of early access to the COVID vaccine via Adult Social Care Occupational Health.

SEILL will continue to deliver excellent, person centred housing support up to the end of the contract and maintain the outstanding reputation achieved over the previous 9-years of service.

#### 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

#### Basis other than Going Concern

After making appropriate enquiries, including the review of financial forecasts, the board of Directors has a reasonable expectation that the Company will not continue in operational existence for the foreseeable future which is at least 12 months from the date of approval of the financial statements in light of the contract with East Sussex County Council coming to an end in November 2021.

The Board's decision to not bid for the new contract means that the company will not be in operational existence for the foreseeable future. Therefore, the company's accounts have been prepared on basis other than Going Concern as the company will cease to be in operation from 1<sup>st</sup> December 2021.

#### Auditor

RSM 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 as appointed as auditors in the absence of an Annual General Meeting.

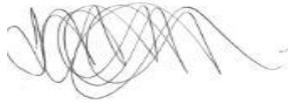
## **Directors' Report (continued) For the Year Ended 31<sup>st</sup> March 2021**

### **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 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**  
**Company Secretary**

## **Directors' Responsibilities Statement**

### **For the Year Ended 31<sup>st</sup> March 2021**

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 the 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 and loss of the company for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and 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 website, which is shared with Eastbourne Borough Council and Lewes District Council. Legislation in the 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**

### **Opinion**

We have audited the financial statements of South East Independent Living Limited (the 'company') for the year ended 31 March 2021 which comprise the statement of comprehensive income, balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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. 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.

### **Emphasis of matter – Non-going concern basis of accounting**

We draw attention to note 1 of the financial statements which describes the preparation of the financial statements on a non-going concern basis. As described in note 1, the company is expected to cease trading in the year ended 31 March 2022 and the directors have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting.

Our opinion is not modified in respect of this matter.

### **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 contained within the annual report. 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.

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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 course of 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 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; 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.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 6, 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.

## **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities.

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The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Health and Safety at Work Act 1974 and the Data Protection Act 2018. We performed audit procedures to inquire of management the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities where available.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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.

*RSM UK Audit LLP*

DOMINIC BLYTHE (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Portland, 25 High Street  
Crawley  
West Sussex  
RH10 1BG

Date: 20 September 2021

# Annual Report 2020/21

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## Statement of Comprehensive Income for the year ended 31<sup>st</sup> March 2021

		Year ended 31 March 2021 £	Year ended 31 March 2020 £
Turnover		860,593	852,188
Administrative expenses		(773,014)	(825,710)
<b>Operating Profit</b>		<b>87,579</b>	<b>26,478</b>
Interest payable and similar charges		2,000	(5,000)
<b>Profit before taxation</b>	<b>2</b>	<b>89,578</b>	<b>21,478</b>
Taxation	<b>4</b>	(21,556)	(3,479)
<b>Profit for the financial year</b>	<b>8</b>	<b>68,022</b>	<b>17,999</b>
<b>Other comprehensive income net of taxation</b>			
Actuarial (loss)/gain on defined benefit pension schemes	<b>7</b>	(78,000)	267,000
<b>Total comprehensive (loss)/ income for the year</b>		<b>(9,978)</b>	<b>284,999</b>

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## Balance Sheet

As at 31<sup>st</sup> March 2021

	Notes	2021 £	2020 £
<b>Current assets</b>			
Debtors	5	1,586	54,272
Cash at bank and in hand		480,546	321,898
		<u>482,132</u>	<u>376,170</u>
<b>Creditors: amounts falling due within one year</b>	6	(138,440)	(122,500)
<b>Net current assets</b>		<u>343,692</u>	<u>253,670</u>
<b>Net assets excluding pension liability</b>		<u>343,692</u>	<u>253,670</u>
<b>Defined benefit pension asset/ (liability)</b>	7	(46,000)	54,000
<b>Net assets</b>		<u><u>297,692</u></u>	<u><u>307,670</u></u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss reserves	8	297,691	307,669
<b>Total equity</b>		<u><u>297,692</u></u>	<u><u>307,670</u></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 20<sup>th</sup> September 2021 and are signed on its behalf by:



.....  
Mary Hope (Chair)

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 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 Town Hall, Grove Road, Eastbourne, East Sussex, BN21 4UG

#### 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.

#### Basis other than Going Concern

The company’s contract with East Sussex County Council, which generates the income for the company, has been extended to at least 22 November 2021. The company continues to be cash positive and, while this is expected to continue in the forecast period, the directors have received written confirmation from its parent Eastbourne Homes Limited that it will continue to provide support if required.

The Board of Directors have agreed not to retender for the contract as such, the company will effectively cease operation on or before 1<sup>st</sup> December 2021 necessitating the adoption of Basis other than going concern.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services net of VAT and trade discounts.

#### 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.

## Notes to the Financial Statements (continued) For the Year Ended 31<sup>st</sup> March 2021

### 1. Accounting Policies (Continued)

#### Financial Instruments

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.

## Notes to the Financial Statements (continued) For the Year Ended 31<sup>st</sup> March 2021

### 1. Accounting Policies (Continued)

#### 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.

#### 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.

## Notes to the Financial Statements (continued) For the Year Ended 31<sup>st</sup> March 2021

### 1. Accounting Policies (Continued)

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.

#### 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 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 unitised fund. Costs include the regular cost of providing benefits, which is intended should remain at a substantial level of current and expected future earnings of the employees covered.

#### 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.

## Notes to the Financial Statements (continued) For the Year Ended 31st March 2021

### 1. Accounting Policies (Continued)

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 Profit before taxation

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Profit before taxation is stated after charging:		
Fees payable to the company's auditors for the audit of the company's financial statements	<u>4,517</u>	<u>2,415</u>

### 3 Employees

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

	Year ended 31 March 2021 Number	Year ended 31 March 2020 Number
Total	<u>30</u>	<u>31</u>

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## Notes to the Financial Statements (continued) For the Year Ended 31st March 2021

4	Taxation	Year ended 31 March 2021	Year ended 31 March 2020
		£	£
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	17,380	-
	Adjustments in respect of prior periods	4,176	3,479
	Total current tax	<u>21,556</u>	<u>3,479</u>
5	<b>Debtors</b>	<b>2021</b>	<b>2020</b>
	Amounts falling due within one year:	£	£
	Trade debtors	-	51,394
	Other debtors	1,586	2,878
		<u>1,586</u>	<u>54,272</u>
6	<b>Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
		£	£
	Trade creditors	3,102	342
	Amounts due to group undertakings	1	1
	Other taxation and social security	39,109	49,175
	Corporation tax	17,380	-
	Other creditors	78,848	72,982
		<u>138,440</u>	<u>122,500</u>

Included within other creditors is £2,979 (2020: £2,963) a balance in relation to amounts unpaid to pension schemes as at the year end.

## Notes to the Financial Statements (continued) For the Year Ended 31st March 2021

### 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 2021 by a qualified independent actuary.

#### Key assumptions

	<b>2021</b>	<b>2020</b>
	%	%
Discount rate	2.00%	2.30%
Expected rate of increase of pensions in payment	2.85%	1.80%
Expected rate of salary increases	2.85%	1.80%

#### *Mortality assumptions*

The assumed life expectations on retirement at age 65 are:

	<b>2021</b>	<b>2020</b>
	Years	Years
Retiring today		
- Males		
- Females	21.1	21.6
	23.7	23.9
Retiring in 20 years		
- Males	21.9	22.5
- Females	25.0	25.3

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## Notes to the Financial Statements (continued) For the Year Ended 31st March 2021

### 7 Retirement benefit schemes (Continued)

Amounts recognised in the profit and loss account:

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Current service cost	51,000	68,000
Net interest on defined benefit liability	(2,000)	5,000
Administrative expenses	1,000	-
Total costs	<u>50,000</u>	<u>73,000</u>

Amounts taken to other comprehensive income:

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Actual return on scheme assets	201,000	(143,000)
Less: calculated interest element	22,000	(25,000)
Administrative expenses	1,000	-
Return on scheme assets excluding interest income	178,000	(168,000)
Actuarial changes related to obligations	(256,000)	435,000
Total (Expenditure)/income	<u>(78,000)</u>	<u>267,000</u>

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

	2021 £	2020 £
Present value of defined benefit obligations	1,193,000	874,000
Fair value of plan assets	<u>(1,147,000)</u>	<u>(928,000)</u>
Deficit/(Surplus) in scheme	<u>46,000</u>	<u>(54,000)</u>

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## Notes to the Financial Statements (continued) For the Year Ended 31st March 2021

### 7 Retirement benefit schemes (Continued)

Movements in the present value of defined benefit obligations:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Liabilities at 1 April 2020	874,000	1,215,000
Current service cost	51,000	68,000
Contributions from scheme members	9,000	8,000
Benefits Paid	(17,000)	(12,000)
Actuarial gains and losses	256,000	(435,000)
Interest cost	20,000	30,000
At 31 March 2021	<u>1,193,000</u>	<u>874,000</u>

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

Movements in the fair value of plan assets:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fair value of assets at 1 April 2020	928,000	1,043,000
Interest income	22,000	25,000
Contributions by the employer	28,000	32,000
Contributions by scheme members	9,000	8,000
Benefits Paid	(17,000)	(12,000)
Administrative expenses	(1,000)	-
Return on plan assets (excluding amounts included in net interest)	178,000	(168,000)
At 31 March 2021	<u>1,147,000</u>	<u>928,000</u>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Equity instruments	869,000	817,400
Property	86,000	85,200
Bonds	172,000	8,200
Cash	20,000	17,200
	<u>1,147,000</u>	<u>928,000</u>

The company expects to contribute £29,000 to its defined benefit pension plans in the year ended 31 March 2022.

## Notes to the Financial Statements (continued) For the Year Ended 31st March 2021

8	Reserves	2021 £	2020 £
	At the beginning of the year	307,669	22,670
	Profit for the year	68,022	17,999
	Actuarial differences recognised in other comprehensive income	(78,000)	267,000
	At the end of the year	<u>297,691</u>	<u>307,669</u>

## 9 Parent company

Eastbourne Homes Limited is the immediate parent company and is registered in England and Wales. Eastbourne Homes Limited is the largest and smallest group for which consolidated accounts including South East Independent Living Limited are prepared, the company is exempt from disclosing related party transactions that are wholly within the Group.

The consolidated accounts for Eastbourne Homes Limited are available from Town Hall, Grove Road, Eastbourne, East Sussex, BN21 4UG. The ultimate parent undertaking and controlling party is Eastbourne Borough Council.