Docusign Envelope ID: 82CFA3CB-C887-4A22-A820-4C5BD952B36F

Company No. 09842642

TBG Flex Limited

Annual Report and Financial Statements

Year ended 31 March 2025

SATURDAY

AEBZ4VØH

A22 27/09/2025 #69

COMPANIES HOUSE

Contents

		Page
1.	Company information	2
2.	Report of the Directors	3
3.	Strategic Report	6
4.	Independent Auditor's report to the members of TBG Flex Limited	8
5.	Statement of Comprehensive Income	12
6.	Statement of Financial Position	13
7.	Statement of Changes in Equity	14
8.	Accounting policies and explanatory notes to the financial statements	15

1. Company Information

Non- Executive Directors	
Adam Mansell	Chair
Ursula Bennion	Resigned 16 January 2025
Jade Lam	
Richard Stevens	
Chief Executive Officer	Elliott Sweetman (Interim CEO)
Company Secretary	Shaun McLean
Registered Office	2 Bristol Avenue Colindale London NW9 4EW
Registered Number	09842642
Auditor	Grant Thornton UK LLP No 1 Whitehall Riverside Whitehall Road Leeds LS1 4BN
Bankers	Santander UK PLC T54 Ground Floor Ops Bridle Road Bootle Liverpool L30 4GB

2. Report of the Directors

The Board is pleased to present the Annual report and financial statements of TBG Flex Limited for the year ended 31 March 2025.

During the past year Ursula Bennion resigned from the Board, there have been no other changes to the Board. Full details of the current directors can be found on page 2.

Principal activities
TBG Flex Limited is a Company within TheBarnetGroup Limited structure for the recruitment and employment of staff. All new starters within TheBarnetGroup continue to be employed via TBG Flex Limited.

Results for the year
The result for the year was a profit of £19,000 (2024: £5,000). The increased profit relates to additional interest income on bank balances during the year.

Dividends
The Directors do not propose a dividend for the year.

3rd party indemnity provision for Directors
Directors are provided with indemnity insurance procured through TheBarnetGroup Limited for Personal Accident and Directors' and Officers' liability.

Equality, Diversity and Inclusivity Aims
TBG Flex Limited is committed to equality, diversity and inclusivity and our goal is to embed it into our practices and everything we do. We want to ensure that all the people we support receive the best possible service and that everyone is supported to develop and achieve to the best of their abilities.

Our objective is to ensure that services are provided fairly to all the people we support and that all the people we support have equal opportunities.

For the people we support, we:

- Treat them with dignity and respect.
- Consult and involve them in planning the delivery of services.
- Engage with hard-to-reach groups to get their views.
- Target our services in a person-centred way to ensure our service reflect the needs of the people we support.

Employee focus
As an employer we recognise the need for effective communication with employees to encourage involvement in the Company's performance and achieve common awareness of any factors affecting performance. Some specifics of what is done, are:

- The Chief Executive hosts virtual meetings for all staff to attend and can ask questions. These meetings are recorded and available for all staff to access later.
- Appropriate policies and procedures have been developed for the company. The drafting of these includes involving and listening to employees.
- Employees and their Trade Union representatives are consulted on significant issues, an example this year was the closure of a service at 31 March 2024 where consultation was undertaken to redeploy all affected staff, including after this date.
- Take positive action to develop a workforce that reflects the people we support.
- Ensure that all employees are supported to develop and grow to the best of their ability.
- Value the contribution our employees make toward achieving our objectives.
- Ensure that all our employees have equal opportunities.

Charitable donations
TBG Flex Limited made donations of £nil (2024: £nil) for the year to 31 March 2025.

EU Political donations and expenditure
No political donations or expenditure were made for the year to 31 March 2025 (2024: £nil).

Donations to non-EU political parties
No political donations or expenditure were made for the year to 31 March 2025 (2024: £nil).

Payment policy
The Company pays suppliers within suppliers' credit terms.

Directors' Responsibilities Statement
The Directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 101 'Reduced Disclosure Framework'). 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 and 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 confirm that:

- as far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Remuneration Report
The Directors are defined as being the Board members of TBG Flex Limited. The Independent Directors receive emoluments and are entitled to reimbursement of incidental expenses incurred when attending Board meetings and other formal events in their capacity as Board members. The Independent Directors are not entitled to pension benefits. These are the only transactions with the Independent Directors of the Company. Directors' remuneration is disclosed in note 13 to the financial statements.

Going Concern
The company's business activities, its current financial position and factors likely to affect its future development are set out in the strategic report. In preparing the financial statements on the going concern basis, the Board considered the following:

- Management has prepared forecasts (including monthly cash flows) of expected results (including pension obligations) for the 2025/26 and 2026/27 financial years. These demonstrate that the company has sufficient resources to meet all liabilities as they fall due for the foreseeable future and for at least for the 12 months following the approval of these accounts.

- The financial performance of the company is good, with significant reserves. When reviewing the forecasts, the directors recognised that the company relies on two fellow Group companies for all its revenues; the failure of either of these companies could be the 'breaking point' for the company and mean it requiring financial support from its shareholder.
- The London Borough of Barnet has confirmed its intention to offer support to TheBarnetGroup Limited if this is required; such support would then allow TheBarnetGroup Limited to support TBG Flex Limited to meet its liabilities as they fall due in a scenario where exceptional circumstances not reasonably able to be forecast mean significant additional costs or loss of revenue.

The Directors have reviewed the Company's forecasts as described above, on this basis, and the London Borough of Barnet's stated intention to support TheBarnetGroup Limited, the Board consider preparation of the Financial Statements on a going concern basis to be appropriate.

Auditor
Grant Thornton UK LLP were re-appointed as the company's auditors in December 2024 following a tender process. Grant Thornton UK LLP has expressed their willingness to remain in office and a resolution to reappoint Grant Thornton UK LLP as auditor will be proposed at the 28 July 2025 Board meeting.

Other information
The strategic report below and the remainder of these financial statements, includes important information regarding events after the year-end and other relevant matters pertinent to the Company and understanding the operations and financial position of the Company. As such the entire Annual report and financial statements document should be read, not only the Report of the Directors.

Approval and signature
The report of the Directors was approved by the Board on 28 July 2025 and signed on its behalf by:

Adam Mansell

Adam Mansell, Chair

3. Strategic Report

On behalf of the Board, I would like to thank all our staff and partners for their hard work and commitment over the last year. We are facing a number of challenges, including increased demand for homelessness services, a rapidly changing national policy landscape and financial pressures impacting both The Barnet Group and London Borough of Barnet.

We continue to have an excellent relationship with Council elected members and officers. This together with strong stakeholder relationships, has helped us to continue to provide high quality, value for money services to some of the most vulnerable residents in our community.

Business Review

TBG Flex Limited continues to be the entity that all new employees of TheBarnetGroup are employed by. The number of employees has increased from 715 to 749. The company has chosen to keep the margin it charges for employees seconded to fellow Group subsidiaries low, to provide financial support to its trading partners which are experiencing significant financial pressures. These reduced margins are expected to be in place into the future.

Key Financial Performance Indicators

The result for the year was a profit of £19,000 (2024: £5,000), the increased profit relates to additional interest income on bank balances during the year. The Statement of Financial Position presents retained earnings of £1,295,000 on 31 March 2025 *(2024: £1,276,000)*.

The Directors do not propose a dividend for the year.

Key Non-financial Performance Indicators

The number of staff employed through TBG Flex Limited is as follows:

Employees at 31 March 2025 (2024 in brackets)	
Barnet Homes Limited	416 (375)
Your Choice (Barnet) Limited	333 (340)
Total	749 (715)

Principal risks and uncertainties

Customers
TBG Flex Limited's principal source of income is fees from Group members for the employment of staff. As such the Company is dependent on the level of activity of other Group companies. The continued rise in the London Living Wage will mean increased employment costs for the Company and the other Group members who need to re-imburse these costs.

Recruitment and Retention
A key risk for TheBarnetGroup Limited is being able to recruit appropriately skilled staff. As TBG Flex Limited is the employment company within the Group, it is mitigating this risk by ensuring that everyone is at or above the London Living Wage (LLW). As such the Company may be exposed to changes to the economy and wage levels arising from higher inflation and other socio-economic impacts. In mitigation, payment at LLW puts the company among the highest payers of care staff locally, meaning it is less likely to suffer recruitment issues than comparable businesses paying lower wages. Salaries for roles are determined using the Hays salary model. During the current year, the Company has continued to fill most vacancies arising from staff turnover and new posts.

Variable Terms & Conditions
TheBarnetGroup Limited has employees on several different sets of employment terms & conditions as services have come into the Group under Transfer of Undertakings (Protection of Employment) (TUPE) over the years. Human Resources monitor all salaries for similar roles across the Group and a review of TBG Flex Limited employment terms mean limited variance to other employment terms & conditions within the Group, apart from pensions.

Future Developments – TBG Flex Limited
It is expected that the number of employees within TheBarnetGroup employed by TBG Flex Limited over the five-year budget period will be as follows:

TBG Flex Limited staff	Figure at 31 March 2025	Annual increase				
		2025/26	2026/27	2027/28	2028/29	2029/30
Total	749	780	795	815	830	845

Approval and signature
The strategic report was approved by the Board on 28 July 2025 and signed on its behalf by:

Adam Mansell

Adam Mansell, Chair

Independent auditor's report to the members of TBG Flex Limited

Opinion

We have audited the financial statements of TBG Flex Limited (the 'company') for the year ended 31 March 2025, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (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 2025 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as inflation, high energy prices, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The 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.

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 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 strategic report and the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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 the report of the directors.

Matters on which we are required to report by exception

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 3, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity, and the industry in which it operates. We determined that the following laws and regulations were most significant; financial reporting legislation (UK accounting standards and the Companies Act 2006). The engagement team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit;

- We understood how the entity is complying with these legal and regulatory frameworks by making inquiries of management, internal audit, and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes and papers provided to the Audit and Risk Committee, and through our legal and professional expenses review;

- To assess the potential risks of material misstatement, including how fraud might occur, we obtained an understanding of:

  - The entity's operations, including the nature of its sources of income, expected financial statement disclosures and risk that may result in risk of material misstatement; and
  - The entity's control environment, including the adequacy of procedures for authorisation of transactions.

- Audit procedures performed by the engagement team included:

  - Evaluating the processes and controls established to address the risks related to irregularities and fraud;
  - Testing journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
  - Challenging assumptions and judgements made by management in its significant accounting estimates;
  - Identifying and testing related party transactions; and
  - Completion of audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud, or noncompliance with laws and regulations throughout the audit;

- The engagement leader assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the sector in which the entity operates in and their practical experience through training and participation with audit engagements of a similar nature. All team members are qualified accountants or working towards that qualification and are considered to have sufficient knowledge and experience of entities of a similar size and complexity, appropriate to their role within the team.

- A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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.

Victoria McLoughlin

Victoria McLoughlin
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds
28 July 2025

TBG FLEX LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED TO 31 MARCH 2025

Statement of Comprehensive Income

	Note	2025	*2024*
		£'000	*£'000*
Revenue	3	**28,298**	***23,340***
Employee Benefits	9.1	(27,853)	*(22,876)*
Other expenses		(456)	*(456)*
Operating (loss)/profit for the year	4	**(11)**	***8***
Finance income	5	33	-
Finance costs	5	(3)	*(3)*
Profit before tax		**19**	***5***
Income Tax Expense	12	-	-
Profit after tax		**19**	***5***
Total comprehensive income for the period		**19**	***5***

The accompanying accounting policies and notes on pages 15 to 24 form part of these financial statements.

TBG FLEX LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025	*2024*
		£'000	*£'000*
ASSETS			
Non-current assets			
Loan to associated company	6	550	*550*
Current assets			
Trade and other receivables	7	1,127	*621*
Cash and cash equivalents	8	366	*349*
		1,493	***970***
Total assets		**2,043**	***1,520***
EQUITY and LIABILITIES			
EQUITY			
Revenue reserve		1,295	*1,276*
Retained earnings		**1,295**	***1,276***
Total Equity		**1,295**	***1,276***
LIABILITIES			
Current liabilities			
Trade and other payables	11	748	*244*
Current tax liabilities	12	-	-
		748	***244***
Total liabilities		**748**	***244***
Total equity and liabilities		**2,043**	***1,520***

The financial statements were authorised and approved by the Board on 28 July 2025 and signed on its behalf by:

Adam Mansell

Adam Mansell, Chair

Company Number: 09842642

The accompanying accounting policies and notes on pages 15 to 24 form part of these financial statements.

TBG FLEX LIMITED

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity	Total revenue reserve and retained earnings
	£'000
Balance as at 1 April 2023	1,271
Profit for the period	5
Balance as at 31 March 2024	**1,276**
Balance as at 1 April 2024	1,276
Profit for the period	19
Balance as at 31 March 2025	**1,295**

The accompanying accounting policies and notes on pages 15 to 24 form part of these financial statements.

TBG FLEX LIMITED

ACCOUNTING POLICIES AND EXPLNATORY NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

1. General information and statement of compliance

The Company is incorporated and domiciled in England. The address of the Registered Office is 2 Bristol Avenue, Colindale, London NW9 4EW.

The Company's registration number is 09842642.

The Company's principal activities are the recruitment and employment of new staff within TheBarnetGroup Limited.

BASIS OF PREPARATION

These financial statements are for the year ended 31 March 2025 and are presented in British Pounds Sterling rounded to the nearest thousand which is the Company's functional and presentational currency.

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and on a historical cost basis unless otherwise stated in the accounting policies. The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraph 52 the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases; the requirements of paragraph 58 of IFRS 16.
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
- paragraph 79(a)(iv) of IAS 1; and
- paragraph 73(e) of IAS 16 Property, Plant and Equipment.
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements.
- IFRS 7, 'Financial instruments: Disclosures'
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements.
- the requirements of IAS 7 Statement of Cash Flows.
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures.
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a Group.

New standards, amendments, IFRIC interpretations and new relevant disclosure requirements
There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2025 that have a material impact on the company's financial statements.

The principal accounting policies of the Company are set out below and have been consistently applied in this accounting period.

TBG FLEX LIMITED
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
Going Concern
The company's business activities, its current financial position and factors likely to affect its future development are set out in the strategic report. In preparing the financial statements on the going concern basis, the Board considered the following:

- Management has prepared forecasts (including monthly cash flows) of expected results (including pension obligations) for the 2025/26 and 2026/27 financial years. These demonstrate that the company has sufficient resources to meet all liabilities as they fall due for the foreseeable future and for at least for the 12 months following the approval of these accounts.
- The financial performance of the company is good, with significant reserves. When reviewing the forecasts, the directors recognised that the company relies on two fellow Group companies for all its revenues; the failure of either of these companies could be the 'breaking point' for the company and mean it requiring financial support from its shareholder.
- The London Borough of Barnet has confirmed its intention to offer support to TheBarnetGroup Limited if this is required; such support would then allow TheBarnetGroup Limited to support TBG Flex Limited to meet its liabilities as they fall due in a scenario where exceptional circumstances not reasonably able to be forecast mean significant additional costs or loss of revenue.

The Directors have reviewed the Company's forecasts as described above, on this basis, and the London Borough of Barnet's stated intention to support TheBarnetGroup Limited, the Board consider preparation of the Financial Statements on a going concern basis to be appropriate.

Revenue

The Companies revenue is derived from recruitment and employment of staff for the Group companies. Revenue represents the value (excluding value added tax) of services supplied and management fee to which the Company was entitled in respect of the financial period. Revenue comprises the value of services provided (excluding VAT) in the normal course of business. All revenue is measured at fair value of consideration. Management fee income and revenue from recharges is recognised when the recharge is incurred and it is probable that the economic benefit of the service will flow to the Company and the amount can be measured reliably.

Interest income
Interest received on bank deposits is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable. Any interest receivable that is due has been accrued accordingly.

Operating expenses
Operating expenses are recognised in the statement of comprehensive income upon utilisation of the service or at the date of their origin.

Financial instruments
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value, except for financial assets and financial liabilities carried at fair value through profit and loss, which is measured initially at fair value.

Financial assets and financial liabilities are measured subsequently as described below.

TBG FLEX LIMITED
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Financial assets

Financial assets can be classified in the following categories: at amortised cost, at fair value through other comprehensive income, and at fair value through profit or loss. The classification depends on the business model within which the financial asset is held and contractual cash flow characteristics of the financial asset. Management determines the classification of its financial assets at initial recognition.

All income and expenses relating to financial assets are recognised in profit and loss and are presented within 'finance cost', 'finance income' or 'other financial items', except for impairment of trade receivables which is presented within 'other expenses'.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions, and is not designated as at fair value through profit or loss:
• it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
• its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company holds trade and other receivables at amortised cost.

The Company recognises impairment losses for most financial assets (except for purchased or originated credit-impaired financial assets) on initial recognition at an amount equal to 12-month expected credit losses, which reflect the portion of lifetime cash shortfalls resulting from possible default events within 12 months after the reporting date. However, if there is a significant increase in credit risk since initial recognition, the impairment loss is measured at an amount equal to full lifetime expected credit losses, which reflect the lifetime cash shortfalls resulting from all possible default events over the life of the financial asset.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit losses.

Loss allowances for the loan to associated company are initially measured at an amount equal to 12-month expected credit losses. If there is a significant increase in credit risk since initial recognition, the impairment loss will be measured at an amount equal to full lifetime expected credit losses.

Financial liabilities

Financial liabilities include borrowings and trade and other payables.

Financial liabilities

Financial liabilities include borrowings and trade and other payables.

Financial liabilities 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 entity after deducting all its financial liabilities.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest related charges recognised as an expense in finance cost in profit or loss. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to profit or loss on an accruals basis using the effective interest method, and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

TBG FLEX LIMITED
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Contract assets
If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised when the Company satisfies a performance obligation but does not have an unconditional right to consideration. Contract assets are in contrast to receivables, which represent the Company's unconditional right to an amount of consideration (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets are subject to the impairment requirements under IFRS 9. Consistent with trade and other receivables, the Company measures lifetime expected credit losses for contract assets.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or when consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or when the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation.

Trade and other payables
Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost.

Generally, this results in their recognition at their nominal value.

Income tax
The relationship between the Company, TheBarnetGroup Limited and the London Borough of Barnet has been recognised as one of mutual trading. Consequently, any activities between the Company, its parent company and the London Borough of Barnet are not liable to Corporation Tax. Albeit not under a direct ALMO structure, HM Revenue and Customs states that in substance the Company's trading activities are that of an ALMO, therefore profits and losses incurred as a result, fall outside the scope of Corporation Tax. Income tax expense represents the sum of tax currently payable and deferred tax where applicable. The Corporation Tax currently payable is based on the taxable profit for the period from taxable ordinary activities, which have been generated from trading with third parties and investment income (interest received).

Deferred tax is provided on timing differences that have arisen but not reversed by the statement of financial position date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the statement of financial position date. Deferred tax assets and liabilities are not discounted.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the statement of financial position date.
Changes in deferred tax assets or liabilities are recognised as a component of tax expense in profit or loss, except where they relate to items that are charged or credited in other comprehensive income or directly to equity (such as share-based payments), in which case the related deferred tax is also charged or credited in other comprehensive income or directly to equity.

Cash and cash equivalents
Cash and cash equivalents comprise cash in hand, deposits repayable on demand and other short-term liquid resources. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Short term liquid resources are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. They comprise term deposits with financial institutions.

TBG FLEX LIMITED
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Equity and reserves
Retained earnings include all current retained profits.

Post-employment benefits and short-term employee benefits
The Company operates a personal Pension Scheme with Legal & General to which both Employees and the Employer make contributions. Employees also have the option each year to use some of their salary to purchase a medical savings plan, dental health cover or participate in a voucher scheme.

A "defined contribution plan" is a pension plan under which the Company pays fixed contributions into an independent entity. The Company has no legal or constructive obligations after its payment of the fixed contribution.

The contributions to the plan are recognised as an expense in the period relevant to when the employee services are received.

Provisions, contingent liabilities and contingent assets
Provisions and contingent liabilities are recognised when the Company has a present obligation because of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date and are discounted to present value where the effect is material. The Company has no contingent assets.

Significant management judgements in applying accounting policies
When preparing the financial statements, management undertakes several judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgements, estimates and assumptions made by management, and will seldom equal estimated results.

Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below:

Determining the timing of revenue recognition

Revenue is recognised in the period in which the services are provided.

Provisions

Provisions would mainly be in relation to insurance excess on public liability claims, staff redundancy and pension strain costs.
The estimate includes potential legal and compensation costs. It is possible that some of the claims may take several years to process through the legal system. Estimation uncertainties exist particularly regarding the timing and amount of expenditure.

TBG FLEX LIMITED

3. REVENUE

Revenue is attributable to the principal activities of the Company and arises solely within the United Kingdom.

	2025	*2024*
	£'000	*£'000*
Recharges and Management fee paid by companies within TheBarnetGroup Limited in respect of:		
Income from recharges	27,765	*22,760*
Management fee	533	*580*
Total income	28,298	*23,340*
Total revenue	**28,298**	***23,340***

The company's principal activity is the recruitment and employment of staff. In addition, TBG Flex Limited offers flexible benefits to employees within TheBarnetGroup Limited.

The company derives all its income from providing transactional services to fellow Group companies, where revenue is recognised at a point in time.

4. PROFIT FOR THE YEAR

The profit for the period has been arrived at after charging the following:

	2025	*2024*
	£'000	*£'000*
Employee salaries and benefits	27,853	*22,876*
Auditor's remuneration for the audit of the financial statements	15	*15*

5. FINANCE INCOME AND FINANCE COSTS

	2025	*2024*
	£'000	*£'000*
Finance income:		
Bank deposit and short-term investment interest	33	-
Finance costs:		
Bank charges	3	*3*

TBG FLEX LIMITED

6. LOAN TO ASSOCIATED COMPANY

	2025	2024
	£'000	£'000
Your Choice (Barnet) Limited loan facility	550	550
Less Amount repayable within 12 months (classified as current asset)	-	-
Long Term Loan Receivable	**550**	***550***

The Your Choice (Barnet) Limited loan facility is subject to an interest rate of 6% per annum payable monthly in arrears. In the case of default, the interest rate shall be 8% per annum payable in arrears from the due date for such payment until actual payment is received. The loan agreement has no fixed end date.

7. TRADE RECEIVABLES

	2025	2024
	£'000	£'000
Amounts receivable within one year:		
Amount due from Parent company	-	-
Amount due from related parties	274	518
Financial assets	**274**	***518***
Prepayments and accrued income from related parties	754	-
Prepayments and accrued income	99	103
Non-financial assets	**853**	***103***
Trade and other receivables	**1,127**	***621***

All related party transactions are unsecured, receivable on demand and are made on agreed terms.

8. CASH AND CASH EQUIVALENTS

	2025	2024
	£'000	£'000
Bank accounts	366	349

9. EMPLOYEE REMUNERATION

9.1. EMPLOYEE BENEFIT EXPENSE

	2025	2024
	£'000	£'000
Wages and salaries	24,695	20,355
Social security costs	2,366	1,905
Pensions costs	792	616
	27,853	***22,876***

TBG FLEX LIMITED

9.1.1 DIRECTORS' REMUNERATION

The Non-Executive Directors are defined as being the members of TBG Flex Limited's Board who are not executive officers of TBG Flex Limited. The Non-Executive Directors received emoluments for the financial year and were entitled to reimbursement of incidental expenses incurred when attending board meetings and other formal events in their capacity as board members. The Non-Executive Directors are not entitled to pension benefits.

	2025	*2024*
Emoluments received:	£'000	*£'000*
Ursula Bennion	2	*1*
Jade Lam	2	*2*
Adam Mansell	2	*2*
John Stephen	-	*1*
Richard Stevens	2	*1*
Robert Webber	-	*1*
	8	***8***

Directors' salary costs are included in Salary Recharges.
There are no Executive Directors.

9.2. EMPLOYEES

The average number of permanent employees (excluding agency staff) employed by the Company during the period was:

	2025	*2024*
Chief Executive Office	-	*1*
Service	735	*635*
Non-Executive Directors of the Group and subsidiaries	13	*12*
	748	***648***

10. PENSIONS AND OTHER EMPLOYEE OBLIGATIONS

The Company operates a pension scheme for employees termed as default investment option which is the Legal & General (PMC) Multi-Asset Fund 3.

The Pension Scheme operates as a private scheme for each employee (excluding Directors). Employees contribute up to 10% towards the pension. The employer makes contributions up to 10%.

TBG FLEX LIMITED

11. TRADE AND OTHER PAYABLES

	2025	*2024*
	£'000	*£'000*
Current:		
Trade payables	36	-
Amount owed to parent undertaking	-	*4*
Amount owed to related party	595	*148*
Financial liabilities	631	*152*
Other payables	40	*70*
Other taxation and social security	52	-
Accruals	25	*22*
	748	***244***

All related party transactions are unsecured, payable on demand and made on agreed terms.

The Company aims to pay all suppliers within the contract or invoice payment terms and within the limits set by the late payment legislation.

12. ANALYSIS OF TAX CHARGE/(CREDIT) FOR THE PERIOD

	Current period		Prior period	
	Derived	Accounts	Derived	Accounts
Current tax	**£'000**	**£'000**	**£'000**	**£'000**
UK corporation tax at 25% (PY: 25%)	-	-	-	-
Deferred tax				
Origination and reversal of timing differences	-	-	-	-
Tax on profit on ordinary activities	-	-	-	-
Deferred tax (asset)/liability not recognised	2	2	2	2

TBG FLEX LIMITED

12. ANALYSIS OF TAX CHARGE/(CREDIT) FOR THE PERIOD (continued)

Reconciliation of tax charge

Profit on ordinary activities before tax	19	19	5	5
Tax on ordinary activities at standard CT rate of 25.00% (PY:25.00%)	5	5	1	1
Effects of:				
Income not taxable for tax purposes	(13)	(13)	(1)	(1)
Losses eliminated	10	10	-	-
Movement in deferred tax not recognised	(2)	(2)	-	-
Tax charge/(credit) for the period	-	-	-	-

13. RELATED PARTY TRANSACTIONS

13.1 Non-Executive Directors

The Non-Executive Directors are defined as being the members of TBG Flex Limited Board. The Non-Executive Directors received emoluments for the financial period and were entitled to reimbursement of incidental expenses incurred when attending Board meetings and other formal events in their capacity as Board members.

The Non-Executive Directors are not entitled to pension benefits.

The transactions below are the only transactions with the Non-Executive Directors of the Company.

	2025 £'000	***2024*** *£'000*
Remuneration	8	*8*

13.2 Transactions with related parties

	2025 £'000	***2024*** *£'000*
Amounts due from Barnet Homes Limited	8,918	-
Amounts due to Barnet Homes Limited	595,239	*134,000*
Amounts due from Your Choice (Barnet)	1,019,000	*518,000*
Amounts due to TheBarnetGroup Limited	-	*18,000*
Loans due from Your Choice (Barnet) Limited	550,000	*550,000*

14. Controlling parties

The ultimate parent entity is London Borough of Barnet by virtue of its controlling interest in TheBarnetGroup Limited, which in turn owns the entire issued share capital of TBG Flex Limited.

The smallest Group to consolidate these financial statements is TheBarnetGroup Limited. The largest Group to consolidate these financial statements is London Borough of Barnet. Copies of TheBarnetGroup Limited and London Borough of Barnet accounts can be obtained from 2 Bristol Avenue, Colindale, London NW9 4EW.