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Company No. 07873969

Your Choice (Barnet) Limited

Annual Report and Financial Statements

Year ended 31 March 2025

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1. Company Information

Non-Executive Directors	
Eamon McGoldrick	Chair
Penelope Farrar	
Adam Mansell	
Richard Stevens	
Chief Executive Officer and Executive Director	Elliott Sweetman (Interim CEO)
Executive Officer	Julie Riley – Executive Director of Care & Support
Company Secretary	Shaun McLean
Registered Office	2 Bristol Avenue Colindale London NW9 4EW
Registered Number	07873969
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 the financial statements of Your Choice (Barnet) Limited for the year ended 31 March 2025.

Since the last Annual Report, there have been no changes to the directors of the business. The names of the directors who served during the year can be found on page 2.

Principal activities
Your Choice (Barnet) Limited (the 'Company') is a Local Authority Trading Company (LATC) ultimately owned by the London Borough of Barnet (the 'Council') via TheBarnetGroup Limited, that commenced its operations on 1 February 2012 delivering specialist care and support services to adults with a range of physical and learning disabilities. Since then, additional residential services for older people have also been taken on.

Results for the year
The Company recorded a loss of £495,000 (2024: £561,000 loss) before the actuarial loss on the pension scheme of £2,017,000 (2024: £1,674,000 actuarial profit).

Dividends
The Directors do not propose a dividend for the year *(2024: £nil).*

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
Your Choice (Barnet) 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 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 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.

Charitable donations
No charitable donations were made by Your Choice (Barnet) Limited for the year ended 31 March 2025, *(2024: £nil).*

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

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

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

Statement of Directors' Responsibilities
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 Your Choice (Barnet) 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. Executive Directors, who are fully employed as officers of the Company, receive pension benefits. Independent directors' remuneration is disclosed in note 11 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 key risks to these forecasts are occupancy levels at Dell Field Court and Meadowside care homes. The reduced revenue is only partially offset by reduced staffing costs, but this will mean reduced contribution to fixed overheads as minimum staffing levels have to be maintained so will result in significant losses at extreme levels of voids. The Company has agreed parent organisation financial support if losses exceed a specified threshold.
- In line with International Accounting Standard 19, the Company's pension liability is recognised in full in the Statement of Financial Position and this is stated at £0.192m as at 31 March 2025 *(2024: £1.78m asset)*. The London Borough of Barnet has fully guaranteed the Company's pension deficit at the point the employees were transferred to the company on 1 February 2012, which was a pension liability of £3.471m and 7 July 2019, which is a pension liability of £1.136m. International Accounting Standard 19 relates to the assessment of the employer's liability in respect of the pension scheme, which has the impact of increasing or reducing the pension deficit on the Statement of Financial Position. This is an accounting rule which shows the current estimate of future pension costs and

has no impact on the Company's current liquidity as the current pension contribution rates are expected to be sufficient (so no further cashflow pressure) to fund this valuation deficit over the next 15 years.

- 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 Your Choice (Barnet) 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. Based on these 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

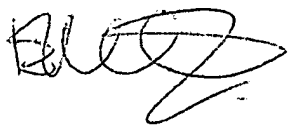
The challenging operating environment and weak financial performance this year has meant that liquidity is an issue for the business. The Company agreed a commercial contract to replace the historical 'caretaking' contract for the running of two care homes. Demand by private customers has been well below expectations and this has been a significant contributor to the losses in this year and will likely affect results in the coming financial year. Financial support by the parent organisation to the Company has been agreed if losses exceed a specified amount. Plans for the operation of these care homes after March 2026 are being developed, but with nil financial risk to Your Choice (Barnet).

These losses and historical negative reserves mean that operating cash is an issue at times for the Company and it relies on fellow subsidiaries for short-term financial support when this occurs.

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 organisation and understanding the operations and financial position of the organisation. 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:



Eamon McGoldrick, 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 London Borough of Barnet 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

Your Choice (Barnet) Limited's principal source of income is the fees from services that are commissioned by the London Borough of Barnet, which are paid monthly in arrears and based on an hourly, daily or nightly rate. The services are also commissioned by other local authorities, Clinical Commissioning Groups and private users. 21% of income comes from sources other than London Borough of Barnet.

Your Choice (Barnet) has had a difficult trading year. Significant void places (£400k) at the care homes and legal costs (£130k) to successfully defend the Company in an Employment Tribunal have resulted in significant losses this financial year. Negotiations of price increases for the coming financial year have been concluded and will allow Your Choice (Barnet) to continue paying staff London Living Wage as a minimum. The parent organisation has agreed a maximum loss level for Your Choice (Barnet) for the coming year if the voids in care homes continues; losses beyond that amount will be reimbursed by the parent organisation.

Key Financial Performance Indicators

The Company recorded a total comprehensive loss of £2.512m (2024 £1.113m profit).

The above loss reflects the Generally Accepted Accounting Principles (GAAP) profit. If the results are separated between operating results and those relating to pension fund (GAAP) accounting adjustments, the Company recorded an operating loss of £0.540m (2024: £0.476m loss) as per the Statement of Changes in Equity.

The reserves of the Company are:

Reserves £000	31 March 2025	31 March 2024
Pension fund	(192)	1,780
Revenue reserve (excluding IAS 19 provisions)	(1,032)	(492)
Retained earnings	(1,224)	1,288

Key Non-financial Performance Indicators

	2024/25	2023/24	2024/25 Target
CQC ratings			
% of services rated good or outstanding by the Care Quality Commission at the most recent inspection	100%	100%	100%
Safeguarding			
Total safeguarding concerns raised	33	21	NA
Staffing			
% FTE agency staff	6.5%	9%	10%
% staff that are in date with YCB's staff training programme	96%	91%	95%
Scheme Utilisation			
Average utilisation across all residential services	76%	67%	93%

Overall, the results of the non-financial KPI's are good and better than prior years; this includes the safeguarding concerns raised as the business has really encouraged all matters to be raised as there was a concern about the potential of under reporting. The increase in the number of concerns raised has not led to more actual issues being identified. The very low levels of occupancy reflect the fact that the two care homes had significant unoccupied beds over the year. This was due to refurbishment works being undertaken for part of the year and then demand for private care home beds being very low once all the works were completed.

Principal risks and uncertainties

Your Choice (Barnet) Limited's principal source of income is the fees from services that are commissioned by the London Borough of Barnet, which are paid monthly in arrears and based on an hourly, daily or nightly rate. 21% of income comes from sources other than London Borough of Barnet. This is up from 16% in the prior year, reflecting the change in the contract for the two care homes from being a 'caretaker' contract with the London Borough of Barnet to it being a commercial contract with individual residents. The financial performance of the care homes has been significantly negative ion the year; a financial limit on losses for 2025/26 (if required) has been agreed with the parent organisation as well as confirmation that there can be no losses on these services post April 2026.

The Adult Social Care marketplace continues to be challenging and it is important for Your Choice (Barnet) Limited to provide services that people will access and that the Council wants to commission. The principal challenge continues to be the balance of providing good quality services that are financially viable whilst also providing value for money services to the Council. Whilst Your Choice (Barnet) is committed to pay London Living Wage to all employees, this is more expensive than most competitors and may mean contracts being awarded to other organisations.

Care Quality Commission (CQC) criteria for assessing ratings continue to evolve and Your Choice (Barnet) needs to adapt to these. Ratings (specifically if the Company cannot retain 100% at 'Good' or 'Outstanding') will affect whether organisations and individuals will continue to use the service; ultimately affecting revenue and thus financial performance.

The health and safety of the residents and service users who Your Choice (Barnet) provide services to is paramount. The risks of non-compliance with health & safety legislation and thus a potential impact on the safety and wellbeing of residents and service users is a significant risk for the Company. Safeguarding is also a significant risk for the Company.

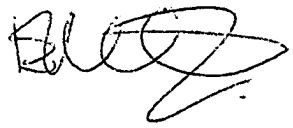
Whilst Your Choice (Barnet) pays above the Adult Social Care marketplace generally, recruitment and retention of staff is a risk. The care sector is struggling to attract staff and Your Choice (Barnet) is no different to most other providers. The company has received permission to employ foreign workers and does this where appropriate.

Future Developments

Hester Court, a newly built 75-unit Extra Care scheme was handed over during April 2025. This service needs to be staffed and then residents can move in.

The original 2019 agreement for Your Choice (Barnet) to manage two care homes on behalf of the Council under a 'caretaking' contract (meaning no profit or loss on the contract); ended in July 2024. A new contract was agreed with London Borough of Barnet from that date but the lack of demand for spaces in the care homes has meant significant losses being incurred in the year to 31 March 2025 and further losses are expected in 2025/26. Your Choice (Barnet) has agreed parental organisation support above a specified loss level for the financial year ending 31 March 2026.

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



Eamon McGoldrick, Chair

Independent auditor's report to the members of Your Choice (Barnet) Limited

Opinion

We have audited the financial statements of Your Choice (Barnet) 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 loss 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 increasing interest rates, 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 and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report and financial statements. 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 statement of directors' responsibilities set out on page 4, 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 of 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

YOUR CHOICE (BARNET) LIMITED
FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

Statement of Comprehensive Income

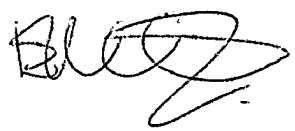
	Notes	2025	*2024*
		£'000	*£'000*
Revenue	3	17,214	*15,975*
Employee benefits expense	10	(13,780)	*(12,301)*
Net impairment (losses)/gains on financial assets and contract assets		(67)	*10*
Other expenses		(3,915)	*(4,220)*
		(17,762)	*(16,511)*
Operating loss	4	(548)	*(536)*
Finance income	5	1,178	*1,062*
Finance costs	5	(1,125)	*(1,087)*
Loss before tax		(495)	*(561)*
Income tax expense	16	-	*-*
Loss after tax		(495)	*(561)*
Other comprehensive income			
Actuarial (loss)/profit on defined benefit pension scheme		(2,017)	*1,674*
Total comprehensive (loss)/profit for the year		**(2,512)**	***1,113***
Total comprehensive (loss)/profit is attributable to:			
TheBarnetGroup Limited		(2,512)	1,113

The accompanying accounting policies and notes on pages 17 to 33 form part of the financial statements.

YOUR CHOICE (BARNET) LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2025	*2024*
		£'000	*£'000*
ASSETS			
Non-current assets			
Property, plant and equipment	6	124	*62*
Pension and other employee obligations	14	-	*1,780*
		124	*1,842*
Current assets			
Trade and other receivables	7	2,349	*1,033*
Cash and cash equivalents	8	431	*2,010*
		2,780	*3,043*
Total assets		2,904	*4,885*
EQUITY and LIABILITIES			
EQUITY			
Revenue reserve		(1,032)	*(492)*
IAS19 Pension Reserve		944	*2,916*
Other reserve		(1,136)	*(1,136)*
Retained earnings		(1,224)	*1,288*
Total Equity		(1,224)	*1,288*
LIABILITIES			
Non-current liabilities			
Pension and other employee obligations	14	192	-
Loan	13	550	*550*
		742	*550*
Current liabilities			
Trade and other payables	15	3,386	*3,047*
Current tax liabilities	16	-	-
		3,386	*3,047*
Total liabilities		4,128	*3,597*
Total equity and liabilities		2,904	*4,885*

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



Eamon McGoldrick, Chair

Company Number: 07873969

The accompanying accounting policies and notes on pages 17 to 33 form part of the financial statements.

YOUR CHOICE (BARNET) LIMITED
STATEMENT OF CHANGES IN EQUITY

	Revenue Reserve £000	IAS 19 Pension Reserve £000	Other Reserve * £000	Total retained earnings and equity £'000
Balance as at 1 April 2023	(16)	1,327	(1,136)	175
Loss after tax for the year	(561)	-	-	(561)
Transfer of IAS19 pension portion	85	(85)	-	-
Other comprehensive income:	-	1,674	-	1,674
Total comprehensive income for the year	(476)	1,589	-	1,113
Balance as at 31 March 2024	**(492)**	**2,916**	**(1,136)**	**1,288**
Balance as at 1 April 2024	**(492)**	**2,916**	**(1,136)**	**1,288**
Loss after tax for the year	(495)	-	-	(495)
Transfer of IAS19 pension portion	(45)	45	-	-
Other comprehensive expenditure:	-	(2,017)	-	(2,017)
Total comprehensive loss for the year	(540)	(1,972)	-	(2,512)
Balance as at 31 March 2025	**(1,032)**	**944**	**(1,136)**	**(1,224)**

* Following the transfer of management of 3 residential care homes and 2 daycentres for older people by London Borough of Barnet to Your Choice (Barnet) Limited in 2019, along with 270 staff under TUPE regulations, these staff transferred with a net pension liability. This has been added to the reserves of the Company but separately identified in 'Other reserve' above.

The accompanying accounting policies and notes on pages 17 to 33 form part of the financial statements.

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YOUR CHOICE (BARNET) LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2025

1. General information and statement of compliance

Your Choice (Barnet) Limited is a company limited by shares and a subsidiary of TheBarnetGroup Limited which is owned by the London Borough of Barnet.
The Company is incorporated and domiciled in England and Wales. The address of the registered office is 2 Bristol Avenue, Colindale, London NW9 4EW.
The Company's registration number is 07873969.

Basis of preparation
These financial statements are for a twelve-month period ending 31 March 2025 and are presented in British Pounds Sterling rounded to the nearest thousand. The functional currency is also Pounds Sterling.

The principal accounting policies of the Company are set out below and have been consistently applied to all years presented in these financial statements.

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, and in accordance with the Companies Act 2006.

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.

YOUR CHOICE (BARNET) 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 key risks to these forecasts are occupancy levels at Dell Field Court and Meadowside care homes. The reduced revenue is only partially offset by reduced staffing costs, but this will mean reduced contribution to fixed overheads as minimum staffing levels have to be maintained so will result in significant losses at extreme levels of voids. The Company has agreed parent organisation financial support if losses exceed a specified threshold.
- In line with International Accounting Standard 19, the Company's pension asset is recognised in full in the Statement of Financial Position and this is stated at £5.465m as at 31 March 2025 *(2024: £1.78m)*. The London Borough of Barnet has fully guaranteed the Company's pension deficit at the point the employees were transferred to the company on 1 February 2012, which was a pension liability of £3.471m and 7 July 2019, which is a pension liability of £1.136m. International Accounting Standard 19 relates to the assessment of the employer's liability in respect of the pension scheme, which has the impact of increasing or reducing the pension deficit on the Statement of Financial Position. This is an accounting rule which shows the current estimate of future pension costs and has no impact on the Company's current liquidity as the current pension contribution rates are expected to be sufficient (so no further cashflow pressure) to fund this valuation deficit over the next 15 years.
- 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 Your Choice (Barnet) 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 the basis of these 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 from contracts with customers

Adult Social Services
Your Choice (Barnet) Limited has an agreement with the Council to provide supported living services, day services and respite support services to the public. The agreement had a duration of five years and two months commencing in February 2017 and ending in March 2022, with an option to be extended for a further period of two years. The Council opted to extend the contract for these additional two years and these are operating to a rolling contract currently.

The Company satisfies its performance obligations as the adult social services are provided. The Company recognises its revenue over time using the input method, based on hours incurred in the delivery of services and charging rates as set out in the agreement. The Company determines that the input method is the best method in measuring progress, because there is a direct relationship between the time incurred and the transfer of service to the end customer.

In addition, the Company has a stand-ready obligation to provide rehabilitation services to the public and charges the Council monthly. The Company satisfies its performance obligations during the period in which it is standing ready to provide the services, even if those services have not been requested from the Council and provided. On the basis that the Council is obtaining the benefit of the Company standing ready as this stand-ready service is provided, the Company has determined that the revenue arising from providing this stand-ready service should be recognised over time, based on the time spent standing ready.

YOUR CHOICE (BARNET) LIMITED
2. Summary of significant accounting policies (continued)

Contract Costs
The incremental costs incurred by the Group to obtain a revenue contract with customers are recognised as assets. Incremental costs are those costs which would not have been incurred if the contract had not been obtained. However, as a practical expedient, such incremental costs are recognised as expenses, if the amortisation period of capitalised costs would have been one year or less.

In addition, costs incurred by the Group in fulfilling a revenue contract with customers are recognised as assets, if the following criteria are met:

- the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
- the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and
- the costs are expected to be recovered.

All capitalised contract costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the contract costs relate.

The Group does not consider it has incurred any contract cost which could qualify it being recognised as an asset.

Grant income
Grants received in respect of resident participation and other projects have been credited to the statement of comprehensive income in the same accounting period as the expenditure to which they relate. Any surplus grant is held in deferred income as a current liability until such time that it is used to pay for future expenditure in relation to that project.

Sundry income
Sundry income is recognised to match the revenue to the cost of delivering the relevant services in the same accounting year.

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.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at historic cost less accumulated depreciation. Depreciation is provided on all property, plant and equipment at rates calculated to write off the costs on a straight-line basis over their expected useful lives (with no charge in the year of acquisition) as follows:

Vehicles, plant & equipment: 5 years
Furniture, fixtures & fittings: 5 years
Computer Equipment: 5 years

The profit or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

YOUR CHOICE (BARNET) LIMITED

2. Summary of significant accounting policies (continued)

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

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 the statement of comprehensive income 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 the 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 Group holds trade and other receivables at transaction price less impairment.

The Group 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 Group 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 Group's historical experience and informed credit assessment and including forward-looking information.

Financial liabilities

Financial liabilities include borrowings and trade and other payables and are classified according to the substance of the contractual arrangements entered.
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 contractual obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are recorded initially at fair value, net of direct issue costs:

Financial liabilities are recorded 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.

2. Summary of significant accounting policies (continued)

Contract assets are subject to the impairment requirements under IFRS 9. Consistent with trade and other receivables, the Group 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 Group has received consideration (or when consideration is due) from the customer. If a customer pays consideration before the Group 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 Group 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. HM Revenue and Customs recognises that this arrangement is not considered as trading activities and 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. Any corporation tax payable is based on the taxable profit for the year from taxable ordinary activities, which have been generated from trading with third parties.
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.

VAT

A proportion of the company's revenue is subject to VAT and gives rise to a partial exemption claim. The financial statements include VAT to the extent that it is suffered by the organisation and not recoverable from HM Revenue and Customs. Amount of VAT payable or recoverable at the year-end is included as a current liability or asset.

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.

Equity and reserves

Retained earnings include all current period retained profit/loss.

YOUR CHOICE (BARNET) LIMITED

2. Summary of significant accounting policies (continued)

Transfer of business from owners

On 7 July 2019, management of 3 residential care schemes and 2 daycentres for older people were transferred by London Borough of Barnet from Fremantle Trust to Your Choice (Barnet) Limited along with 270 staff under TUPE regulations; no responsibility for property leases or service contracts were transferred. In accordance with IFRS 3 (Business Combinations), the directors have elected to account for this transfer as a transfer of a business from common control, i.e. London Borough of Barnet are responsible for the provision of the services and have decided to change provider of the services contract from an independent third party to Your Choice (Barnet) Limited, an entity of which it is the ultimate parent. IFRS 3 has 3 criteria to assess whether the transfer of the contract constitutes a 'business'. Directors are satisfied that these 3 criteria are met as an acquired contract constitutes an input, the staff (who have a specific skill set that would be difficult to replace) who transferred with the contract, perform the substantive process that allows an output to be generated by the contract (contract revenues). Whilst the contract term is only for 2 years and 3 months initially, negotiations are ongoing for Your Choice (Barnet) Limited to retain this contract for a longer period. The company is currently running these services under a 2-year extension to the original contract. The directors have then chosen to account for this 'transfer of a business under common control' using what is known as 'predecessor accounting'; meaning that all transferred assets and liabilities are included in the accounting records of Your Choice (Barnet) Limited at historical values. There were no assets assumed from the transfer of the contract (other than the staff to carry out the services) and the only liability related to transferred pension liability form the Local Government Pension Scheme. The net liability of transfer has been added to the company's reserves, separately identified. This has not been done retrospectively.

Post-employment benefits and short-term employee benefits

During the year the Company participated in a contributory defined benefit statutory pension scheme covering its present and past employees. The scheme is administered in accordance with the Local Government Pension Scheme Regulations 2013, is contracted out of State Second Pension and currently provides benefits based on final salary and length of service on retirement. International Accounting Standard 19 (IAS19) requires the net pension asset or liability of a company's pension scheme to be recognised in full on the statement of financial position. Accordingly, the full net pension liability has been recorded in the statement of financial position of Your Choice (Barnet) Limited.

The regular service cost of providing pension benefits to employees during the year, the costs or gain of any benefits relating to past service, together with the loss on settlements and curtailments is charged to "Employee salaries and benefits" in the statement of comprehensive income in the year. Past service costs or gain arises when the Company awards additional discretionary benefits. A change in benefits may result in either a past service cost or a past service gain. Loss on settlements and curtailments arise as a result of some members transferring from another employer over the year, and as a result of the early payment of accrued pensions on retirement on the grounds of redundancy or early retirement.

Interest on the pension scheme liabilities is charged to "Finance costs" in the statement of comprehensive income in the year.

The expected return on the assets of the pension scheme during the year is based on the bid value of the assets at the start of the financial year and is recognised within "Finance income" in the statement of comprehensive income in the year.

Significant management judgements in applying accounting policies

When preparing the financial statements, management undertakes a number of 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 judgements, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenditure is provided below.

YOUR CHOICE (BARNET) LIMITED

2. Summary of significant accounting policies (continued)

Defined benefit asset or liability
Management estimates the defined benefit asset or liability annually with the assistance of independent actuaries; however, the actual outcome may vary due to estimation uncertainties. The defined benefit liability of £0.192m is based on the past service contributions expected to be made in the coming years.
The 2024 asset of £1.780m was based on standard rates of inflation and mortality. It also considers the Company's specific anticipation of future salary increases. The actuarial approach applies a roll forward methodology from the previous triennial review. Assumptions are set with reference to market conditions at the year end. The discount rate has been set whereby a 'Hymans Robertson' corporate bond yield curve is constructed based on the constituents of the iBoxx AA corporate bond index. These bases have been chosen to meet the requirements of IAS19 and with consideration of the duration of the Employer's liabilities. Estimation uncertainties exist as the anticipated assumptions could vary. Further details of the assumptions used can be found in note 14. Estimation assumptions exist as the anticipated assumptions could vary.
Assumptions are set with reference to market conditions at the year end.

Effect of Asset Ceiling – where the defined benefit liability is negative (i.e., an asset), a limit is applied to the amount that may be recognised as an asset on the Statement of Financial Position, this limit is termed the asset ceiling (and may result in a liability being recognised). If an adjustment is required to reduce the total asset to the amount of the asset ceiling, this adjustment is charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

3. REVENUE

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

	2025	***2024***
	£'000	*£'000*
Service income from TheBarnetGroup Limited in respect of:		
Your Choice (Barnet) Limited adult social care services	13,782	*13,229*
Total income from TheBarnetGroup Limited	13,782	*13,229*
Other operating income	3,432	*2,746*
Total revenue	**17,214**	***15,975***

Revenues of £13.8m (2024: £13.2m) are derived from TheBarnetGroup Limited. These revenues relate to services provided to London Borough of Barnet.

The service income received from TheBarnetGroup Limited relates to the provision of adult social care services to The London Borough of Barnet. TheBarnetGroup Limited invoices London Borough of Barnet on behalf of Your Choice (Barnet) Limited, and service income is payable to Your Choice (Barnet) Limited Ltd on receipt of payment from the London Borough of Barnet.

Other operating income relates to income from third party organisations and income received directly from service users.

The company derives its revenue from the provision of contracted services over time and transactional services at a point in time. All contract revenue is recognised in the year that services are provided.

YOUR CHOICE (BARNET) LIMITED

3. REVENUE (continued)

Long- term contract revenue – over time	14,425	*13,135*
Transactional revenue – at a point in time	2,789	*2,840*
Total revenue	**17,214**	***15,975***

Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

	2025	***2024***
	£'000	*£'000*
Contract assets	2,468	*1,097*
Allowance for expected credit losses	(141)	*(74)*
Total contract assets	2,327	*1,023*
Contract liabilities	-	-

4. Loss for the year

The loss for the year has been arrived at after charging the following:

	2025	***2024***
	£'000	*£'000*
Depreciation and amortisation	19	*18*
Employee salaries and benefits	13,780	*12,301*
Auditor's remuneration for the audit of the financial statements	28	*28*

5. Finance income and finance cost

	2025	***2024***
	£'000	*£'000*
Finance income:		
Interest income	1	*3*
Return on retirement benefit scheme assets	1,177	*1,059*
	1,178	*1,062*
Finance cost:		
Interest on retirement benefit obligation	1,092	*1,052*
Interest & charges on loan	33	*35*
	1,125	***1,087***

YOUR CHOICE (BARNET) LIMITED

6. Tangible Assets

Property, plant and equipment	Vehicles, plant & equipment £'000	Furniture, fixtures & fittings £'000	Computer equipment £'000	**Total £'000**
Gross carrying amount				
Balance 1 April 2024	29	41	37	**107**
Additions	5	9	67	81
Disposals	-	-	-	-
Balance 31 March 2025	34	50	104	**188**
Depreciation and impairment				
Balance 1 April 2024	11	22	12	**45**
Charge for year	5	7	7	19
Disposals	-	-	-	-
Balance 31 March 2025	16	29	19	**64**
Carrying amount 1 April 2024	18	19	25	**62**
Carrying amount 31 March 2025	18	21	85	**124**

Capital commitments

At the statement of financial position date, the Company was not committed to purchasing any fixed assets.

YOUR CHOICE (BARNET) LIMITED

7. Trade and other receivables

	2025	2024
	£'000	£'000
Financial assets receivable within one year:		
Trade receivables, gross	380	450
Provision for doubtful debt	(148)	(257)
Trade receivables	232	193
Amounts due from Parent Undertaking	1,299	559
Amounts due from Fellow Group Companies	-	5
Financial assets	1,299	564
Other debtors	22	9
Allowance for expected credit losses (note 3)	(141)	(74)
Prepayments and accrued income	291	341
Prepayments and accrued income- related parties	646	-
Non-financial assets	818	276
Trade and other receivables	**2,349**	**1,033**

The immediate parent undertaking is TheBarnetGroup Limited.

The related parties are Barnet Homes Limited and TBG Flex Limited.

8. Cash and cash equivalents

	2025	2024
	£'000	£'000
Bank accounts	427	2,007
Cash in hand	4	3
	431	**2,010**

9. Equity

Share Capital

	2025	2024
	£	£
Authorised, Issued and Fully Paid		
Ordinary Shares of £1 each	100	100

Your Choice (Barnet) Limited was incorporated on 7 December 2011 as a company limited by shares.

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 Your Choice (Barnet) Limited.

YOUR CHOICE (BARNET) LIMITED

10. Employee remuneration

Employee benefits expense

	2025	*2024*
	£'000	£'000
Wages and salaries	12,291	*10,898*
Social security costs	1,003	*864*
Pension costs	486	*539*
	13,780	***12,301***

There were no pension costs relating to directors.

11. Directors' Remuneration

The Non-Executive Directors are defined as being the members of Your Choice (Barnet) Limited's Board who are not executive officers of Your Choice (Barnet) 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.

These are the only transactions with the Non-Executive Directors of the Company.	2025	*2024*
	£'000	*£'000*
Eamon McGoldrick	4	*4*
Penelope Farrar	4	*4*
Adam Mansell	2	*2*
John Stephen	-	*1*
Richard Stevens	2	*1*
	12	***12***

12. Employees

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

	2025	*2024*
Care & Support Directorate	94	*109*
	94	***109***

The number of staff directly employed by Your Choice (Barnet) Limited is down reflecting staff turnover, but these leavers have been replaced by staff employed by TBG Flex Limited who then perform services for Your Choice (Barnet) Limited.

YOUR CHOICE (BARNET) LIMITED

13. Loan from associated company

	2025	*2024*
	£'000	*£'000*
Unsecured loan issued by Barnet Homes Limited	-	*650*
Less amount repaid during the year	-	*(650)*
Unsecured loan facility by TBG Flex Limited	550	*550*
Less amount repayable within 12 months (classified as current liability)	-	-
Long Term Loan payable	**550**	***550***

The loan facility with TBG Flex Limited is unsecured and has no repayment terms. The loan is subject to an interest rate of 6% per annum payable monthly in arrears. There is no plan to repay any of the loan in the short-term and thus the entire loan is classified as long-term.

14. Pension and other employee obligations

The Company participates in a local government pension defined benefit statutory scheme, administered by London Borough of Barnet in accordance with the Local Government Pension Scheme Regulations 2013, as amended. The basis on which the net pension liability is recognised in the financial statements is set out in the Accounting Policies (Note 2).

A full actuarial valuation was carried out at 31 March 2022 and updated to 31 March 2025 by a qualified independent actuary.
The actuarial report states that it was prepared in accordance with the International Accounting Standard 19 (IAS 19).

For the years ending 31 March 2025 and 31 March 2024, the Company contributed to the Scheme at a rate of 21.1% of pensionable salaries.

The financial assumptions used by the actuary were:

	31 March 2025	**31 March 2024**
	% p.a.	*% p.a.*
Pension Increase Rate (CPI)	2.75	*2.75*
Salary Increase Rate	3.75	*3.75*
Discount Rate	5.80	*4.85*

Commutation
An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 50% of the maximum tax-free cash for post-April 2008 service.

YOUR CHOICE (BARNET) LIMITED

14. Pension and other employee obligations

Life expectancy from age 65 (years)		31 March 2025	*31 March 2024*
Current Pensioners	Males	21.0	*20.9*
	Females	24.1	*24.2*
Future Pensioners	Males	21.5	*21.5*
	Females	25.4	*25.4*

Net pension liability as at	31 March 2025	*31 March 2024*
	£'000	*£'000*
Present Value of Funded Obligation	(19,951)	*(22,591)*
Fair Value of Scheme Assets (bid value)	25,416	*24,371*
Asset ceiling adjustment	(5,657)	*-*
Net (liability)/asset	**(192)**	***1,780***
Net (liability)/asset in statement of financial position	**(192)**	***1,780***

Effect of Asset Ceiling – where the defined benefit liability is negative (i.e., an asset), a limit is applied to the amount that may be recognised as an asset on the Statement of Financial Position, this limit is termed the asset ceiling (and may result in a liability being recognised). If an adjustment is required to reduce the total asset to the amount of the asset ceiling, this adjustment is charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

The amounts recognised in the Statement of Comprehensive Income are as follows:

	31 March 2025	*31 March 2024*
	£'000	*£'000*
Current service Cost	412	*518*
Past service cost	-	*-*
Total operating costs	**412**	***518***
Net Interest on the defined liability (asset)	(85)	*(7)*
Total charged to current year Statement of Comprehensive Income	**327**	***511***
Actual return on scheme assets	1,207	*2,032*

YOUR CHOICE (BARNET) LIMITED

14. Pension and other employee obligations (continued)

	31 March 2025	*31 March 2024*
	£'000	*£'000*
Opening Defined Benefit Obligation	**22,591**	***22,041***
Current Service cost	412	*518*
Past service cost	-	-
Interest cost	1,092	*1,052*
Change in financial assumptions	(3,370)	*(1,266)*
Change in demographic assumptions	(40)	*(130)*
Other experience	(200)	*695*
Benefits paid net of transfers in	(652)	*(454)*
Contributions by scheme participants	118	*135*
Closing Defined Benefit Obligation	**19,951**	***22,591***

Reconciliation of opening and closing balances of the fair value of scheme assets

	31 March 2025	*31 March 2024*
	£'000	*£'000*
Opening fair value of scheme assets	**24,371**	***22,232***
Interest on assets	1,177	*1,059*
Other experience	-	-
Return on assets less interest	30	*973*
Contributions by employer including unfunded	372	*426*
Contribution by scheme participants	118	*135*
Benefits paid plus unfunded net of transfers in	(652)	*(454)*
Fair value of scheme assets at end of period	**25,416**	***24,371***

Sensitivity analysis

IAS 19 requires disclosure of the sensitivity of the results to the methods and assumptions used.

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 March 2025:	Approximate % Increase to Defined Benefit Obligation	Approximate Monetary Amount (£000)
0.1% decrease in Real Discount Rate	2%	338
1 year increase in member life expectancy	4%	798
0.1% increase in Salary Increase Rate	0%	19
0.1% increase in the Pension Increase Rate	2%	328

The approach taken is consistent with that adopted to derive the IAS19 figures provided in this report.

YOUR CHOICE (BARNET) LIMITED

14. Pension and other employee obligations (continued)

	31 March 2025 £'000	*31 March 2024 £'000*
Return on plan assets in excess of interest	30	*973*
Change in financial assumptions	3,370	*1,266*
Change in demographic assumptions	40	*130*
Experience gain/(loss) on defined benefit obligation	200	*(695)*
Changes in effect of asset ceiling	(5,657)	-
	(2,017)	***1,674***

Projections for year to 31 March 2026	**Year to 31 March 2026 £'000**
Service Cost	323
Net Interest on the defined liability (asset)	(319)
Total	**4**
Employer contributions	**374**

These projections are based on the actuarial assumptions as at 31 March 2025.

Assets

The estimated asset allocation for Your Choice (Barnet) Limited as at 31 March 2025 is as follows;

Employer Asset Share - Bid Value	31 March 2025 £'000	%	*31 March 2024 £'000*	*%*
Debt Securities	6,662	26%	*7,040*	*29%*
Real Estate	1,211	5%	*1,238*	*5%*
Investment Funds & Unit Trusts	14,597	57%	*13,245*	*54%*
Private Equity	1,289	5%	*1,175*	*5%*
Cash	1,657	7%	*1,673*	*7%*
Total	**25,416**	**100%**	***24,371***	***100%***

The breakdown of assets in monetary terms in the table have been shown to the nearest £'000. Values are at bid value as required by IAS 19 and verified by an independent valuer.

15. Trade and other payables

	2025	2024
	£'000	£'000
Current:		
Trade payables	197	80
Amounts due to ultimate parent undertaking	-	-
Amounts due to fellow Group undertakings	687	1,768
	884	1,848
Other payables	210	154
Other taxation and social security	-	-
Accruals	2,292	1,045
Financial liabilities	**3,386**	**3,047**

The Company aims to pay all suppliers within the contract or invoice payment terms. The ultimate parent undertaking is London Borough of Barnet. The fellow Group undertaking is TheBarnetGroup Limited, Barnet Homes Limited and TBG Flex Limited.

16. Income tax expense

Analysis of tax charge /(credit) for the period

Current Tax

	2025	2024
	£	£
UK Corporation Tax at 25.00% (2024: 25.00%)	-	-
Deferred tax	-	-
Origination and reversal of timing differences	-	-
Tax on loss/profit on ordinary activities	-	-

Provision for deferred tax

Movement in provision:		
Provision at start of period	-	-
Deferred tax charges in the statement of comprehensive income	-	-
Provision at end of period	-	-
Deferred tax asset not recognised	-	(14)

YOUR CHOICE (BARNET) LIMITED

16. Income tax expense (continued)

	2025	*2024*
Reconciliation of tax charge		
Loss before tax	(495)	*(562)*
Tax on profit on at standard CT rate of 25.00% (2024: 25.00%)	(124)	*(140)*
Effects of:		
Expenses not deductible for tax purposes	107	*117*
Group relief surrendered/ (claimed)	-	*11*
Unrelieved tax losses and other deductions arising in the period	17	*12*
Tax charge for the period	-	-

17. 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 Your Choice (Barnet) 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.

18. Guarantees and other financial commitments

As described in the strategic report, losses incurred due to care home void beds will be 'capped' within Your Choice (Barnet) with any losses above an agreed amount have been guaranteed by the parent organisation. The terms of this guarantee are in a formal agreement.

19. Post Year-end events

There have been no post year end events.