

Company registration number 08952280 (England and Wales)

EPATON LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR

EPATON LIMITED

COMPANY INFORMATION

Directors	Mr J Lassman Mr P A Dick
Company number	08952280
Registered office	2-7 Clerkenwell Green London EC1R 0DE
Accountants	Grunberg & Co Ltd 5 Technology Park Colindeep Lane Colindale London United Kingdom NW9 6BX

EPATON LIMITED

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EPATON LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		22,049		13,289
Current assets					
Debtors	6	2,772,200		2,820,088	
Investments	7	10,000		10,000	
Cash at bank and in hand		193,455		152,398	
		<u>2,975,655</u>		<u>2,982,486</u>	
Creditors: amounts falling due within one year	8	<u>(2,641,647)</u>		<u>(2,620,136)</u>	
Net current assets			334,008		362,350
Total assets less current liabilities			<u>356,057</u>		<u>375,639</u>
Creditors: amounts falling due after more than one year	9		-		(52,083)
Net assets			<u>356,057</u>		<u>323,556</u>
Capital and reserves					
Called up share capital			186		186
Share premium account			696,895		696,895
Profit and loss reserves			<u>(341,024)</u>		<u>(373,525)</u>
Total equity			<u>356,057</u>		<u>323,556</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

EPATON LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

The financial statements were approved by the board of directors and authorised for issue on 24 March 2023 and are signed on its behalf by:

Mr J Lassman
Director

Company Registration No. 08952280

EPATON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Epaton Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2-7 Clerkenwell Green, London, EC1R 0DE.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Turnover is recognised in the accounting period in which the services are rendered and when the goods are delivered (not when invoiced).

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is five years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on reducing balance
Computer equipment	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

EPATON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EPATON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

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

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.10 Government grants

The company recognizes government grants received relating to the Coronavirus Job Retention Scheme on an accruals basis. The grants are recognized in the Income Statement over the period in which the company recognizes the related costs for which the grant is intended to compensate.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.12 Current asset investment

Current asset investments are initially recognised at cost and are subsequently measured at their fair value at the reporting date through profit and loss.

EPATON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Employees

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

	2022	2021
	Number	Number
Total	32	27
	<u> </u>	<u> </u>

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 January 2022 and 31 December 2022	83,706
	<u> </u>
Amortisation and impairment	
At 1 January 2022 and 31 December 2022	83,706
	<u> </u>
Carrying amount	
At 31 December 2022	-
	<u> </u>
At 31 December 2021	-
	<u> </u>

4 Tangible fixed assets

	Fixtures and fittings	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2022	465	74,280	74,745
Additions	4,455	21,088	25,543
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2022	4,920	95,368	100,288
	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment			
At 1 January 2022	318	61,138	61,456
Depreciation charged in the year	1,151	15,632	16,783
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2022	1,469	76,770	78,239
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 December 2022	3,451	18,598	22,049
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2021	147	13,142	13,289
	<u> </u>	<u> </u>	<u> </u>

EPATON LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

5	Financial instruments		
		2022	2021
		£	£
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	10,000	10,000
		<u> </u>	<u> </u>
6	Debtors		
		2022	2021
		£	£
	Amounts falling due within one year:		
	Trade debtors	725,674	1,007,681
	Other debtors	487,724	405,400
	Prepayments and accrued income	1,558,802	1,407,007
		<u> </u>	<u> </u>
		2,772,200	2,820,088
		<u> </u>	<u> </u>
7	Current asset investments		
		2022	2021
		£	£
	Other investments	10,000	10,000
		<u> </u>	<u> </u>
	The directors' believe that the cost is equivalent to the fair value of this investment.		
8	Creditors: amounts falling due within one year		
		2022	2021
		£	£
	Bank loans	52,083	125,000
	Trade creditors	446,271	673,401
	Taxation and social security	193,577	87,703
	Other creditors	1,949,716	1,734,032
		<u> </u>	<u> </u>
		2,641,647	2,620,136
		<u> </u>	<u> </u>
9	Creditors: amounts falling due after more than one year		
		2022	2021
		£	£
	Bank loans and overdrafts	-	52,083
		<u> </u>	<u> </u>

EPATON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
	217,898	91,230
	<u>217,898</u>	<u>91,230</u>

11 Related party transactions

During the year under review, the company received management charges of £729,482 (2021:£396,428) from a company under common control.

Included within other debtors are amounts due from a related company of £486,224 (2021:£398,900), where directors have a material interest or execute significant control. These amounts are unsecured, interest free and repayable on demand.

Included within other creditors are amounts owed to a related company of £22,013 (2021:£nil), where directors have a material interest or execute significant control. These amounts are unsecured, interest free and repayable on demand.

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