

COMPANY REGISTRATION NUMBER: 00326601

EPIC PUBLIC LIMITED COMPANY
FINANCIAL STATEMENTS
30 JUNE 2019



EPIC PUBLIC LIMITED COMPANY

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2019

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EPIC PUBLIC LIMITED COMPANY

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	M A Illingworth R B Illingworth R S Illingworth
Company secretary	R S Illingworth
Registered office	Robin Hood Works Wakefield Road Brighouse HD6 1PE
Auditor	Wheawill & Sudworth Limited Chartered accountants & statutory auditor 35 Westgate Huddersfield HD1 1PA
Bankers	Lloyds Bank plc Halifax Business Centre PO Box 1000 BX1 1LT
Solicitors	Ramsdens Solicitors LLP Oakley House 1 Hungerford Road Huddersfield HD3 3AL

EPIC PUBLIC LIMITED COMPANY

STRATEGIC REPORT

YEAR ENDED 30 JUNE 2019

The directors present their strategic report for the financial year ended 30 June 2019.

Principal activity and business review

The principal activity of the company during the year was that of property investment.

We aim to present a balanced and comprehensive review of the development and performance of our company during the year and its position at the year end. Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties we face.

Without the movement in fair value of properties, operating profit has fallen to £179,307 from £273,780 and profit before tax has fallen to £183,935 from £274,259.

During this financial year the property portfolio has been reviewed both from an insurance value (rebuild costs etc) as well as a general condition survey. As a result of this review we have changed brokers to reduce cost, and we have been advised that some of the buildings require maintenance.

As a start to gradual improvement in the property conditions, within this financial year we have re-roofed two properties (both are multi tenanted), that is Hebden Bridge and 58 Commercial Street, Brighouse. Both buildings have had extensive refurbishment to include apartments on the upper floors - 58 Commercial Street is complete and has been fully let after the year end and Hebden Bridge is work in progress. The additional repair costs within "direct expenses" in the accounts reflect these costs.

We have embraced making tax digital (which had to be completed by law this year) which has involved some consultancy fees and setting up of a new accounting software program. This is now fully implemented - there will still be some ongoing costs associated with this, but it will make us much more efficient. The extra costs under "administrative expenses" reflect these extra costs. In addition we have had one aborted property purchase which involved survey fees - the Directors decided not to proceed with the purchase because of the results discovered in the survey.

In addition during the course of the year, we had a larger number of properties which have been re-let which ultimately involves more legal and more professional fees. Some empty periods have also led to increased costs under "rent and rates". A significant percentage of the properties are retail and, as has been widely described in the media, this is a difficult part of the property market. Increased pressure from retailers for lower rents, shorter leases with break clauses, as well as vacant property could well lead to lower income and increased costs in future years.

Particulars of dividends paid are detailed in note 11 to the financial statements.

Principal risks and uncertainties

As for many companies of our size the business environments in which we operate continue to be both uncertain and challenging. We are dependent on the performance of the UK economy and people's spending patterns as the majority of the company's properties are occupied by retailers. In addition the growth of internet retailing has impacted negatively on the UK high street.

Financial key performance indicators

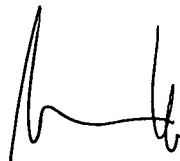
We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, those being rents receivable and operating profits. Rents receivable have fallen from £416,642 to £415,295 as compared with the previous year. Operating profit, before the adjustment for the movement in the fair value of properties, has fallen by £94,473 over the previous year largely as a result of the significant repair work detailed above.

EPIC PUBLIC LIMITED COMPANY

STRATEGIC REPORT *(continued)*

YEAR ENDED 30 JUNE 2019

This report was approved by the board of directors on 12 August 2019 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'M A Illingworth', written over a horizontal line.

M A Illingworth
Director

EPIC PUBLIC LIMITED COMPANY

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2019

The directors present their report and the financial statements of the company for the year ended 30 June 2019.

Principal activities

The principal activity of the company during the year was that of property investment.

Directors

The directors who served the company during the year were as follows:

M A Illingworth	
R B Illingworth	
R S Illingworth	
R Illingworth	(Retired 24 June 2019)
J H Illingworth	(Retired 24 June 2019)
M Illingworth	(Retired 24 June 2019)

Dividends

Particulars of recommended dividends are detailed in note 11 to the financial statements.

Disclosure of information in the strategic report

In accordance with Section 414C(11), Companies Act 2006, the following information required to be contained in this report is set out in the company's Strategic Report on page 2: principal activities, business review, future developments and financial risks.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

EPIC PUBLIC LIMITED COMPANY

DIRECTORS' REPORT *(continued)*

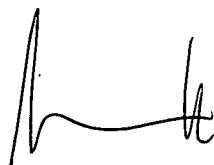
YEAR ENDED 30 JUNE 2019

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 12 August 2019 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'M A Illingworth', with a stylized flourish at the end.

M A Illingworth
Director

EPIC PUBLIC LIMITED COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EPIC PUBLIC LIMITED COMPANY

YEAR ENDED 30 JUNE 2019

Opinion

We have audited the financial statements of EPIC Public Limited Company (the 'company') for the year ended 30 June 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. 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.

In connection with our audit of the financial statements, 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 or a material misstatement of the other information. 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.

EPIC PUBLIC LIMITED COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EPIC PUBLIC LIMITED COMPANY (continued)

YEAR ENDED 30 JUNE 2019

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

EPIC PUBLIC LIMITED COMPANY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EPIC PUBLIC LIMITED COMPANY (continued)

YEAR ENDED 30 JUNE 2019

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Helen Solomons (Senior Statutory Auditor)

For and on behalf of
Wheawill & Sudworth Limited
Chartered accountants & statutory auditor
35 Westgate
Huddersfield
HD1 1PA

12 August 2019

EPIC PUBLIC LIMITED COMPANY

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2019

	Note	2019 £	2018 £
Rents receivable	4	415,295	416,642
Direct expenses		<u>(133,778)</u>	<u>(50,175)</u>
Gross profit		281,517	366,467
Administrative expenses		<u>(102,210)</u>	<u>(92,687)</u>
Fair value adjustment of investment properties		<u>(328,314)</u>	<u>47,970</u>
Operating (loss)/profit	5	(149,007)	321,750
Interest receivable and similar income	9	<u>4,628</u>	<u>479</u>
(Loss)/profit before taxation		(144,379)	322,229
Tax on (loss)/profit	10	<u>(16,084)</u>	<u>(49,160)</u>
(Loss)/profit for the financial year and total comprehensive income		<u>(160,463)</u>	<u>273,069</u>

All the activities of the company are from continuing operations.

The notes on pages 13 to 19 form part of these financial statements.

EPIC PUBLIC LIMITED COMPANY

STATEMENT OF FINANCIAL POSITION

30 JUNE 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	12	4,312,177	4,550,839
Current assets			
Debtors	13	8,604	20,748
Cash at bank and in hand		<u>969,567</u>	<u>1,077,619</u>
		978,171	1,098,367
Creditors: amounts falling due within one year	14	<u>(147,424)</u>	<u>(172,425)</u>
Net current assets		<u>830,747</u>	<u>925,942</u>
Total assets less current liabilities		<u>5,142,924</u>	<u>5,476,781</u>
Provisions			
Taxation including deferred tax	15	<u>(29,000)</u>	<u>(48,000)</u>
Net assets		<u><u>5,113,924</u></u>	<u><u>5,428,781</u></u>
Capital and reserves			
Called up share capital	17	57,183	57,183
Non-distributable reserves	18	2,330,196	2,639,510
Other reserves	18	339,905	339,905
Profit and loss account	18	<u>2,386,640</u>	<u>2,392,183</u>
Shareholders funds		<u><u>5,113,924</u></u>	<u><u>5,428,781</u></u>

These financial statements were approved by the board of directors and authorised for issue on 12 August 2019, and are signed on behalf of the board by:



M A Illingworth
Director

Company registration number: 00326601

The notes on pages 13 to 19 form part of these financial statements.

EPIC PUBLIC LIMITED COMPANY

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2019

	Called up share capital £	Non- distributable reserves £	Other reserves £	Profit and loss account £	Total £
At 1 July 2017	57,183	2,588,540	339,905	2,324,478	5,310,106
Profit for the year				273,069	273,069
Total comprehensive income for the year	—	—	—	273,069	273,069
Dividends paid and payable 11	—	—	—	(154,394)	(154,394)
Transfer non distributable reserves	—	50,970	—	(50,970)	—
Total investments by and distributions to owners	—	50,970	—	(205,364)	(154,394)
At 30 June 2018	57,183	2,639,510	339,905	2,392,183	5,428,781
Loss for the year				(160,463)	(160,463)
Total comprehensive income for the year	—	—	—	(160,463)	(160,463)
Dividends paid and payable 11	—	—	—	(154,394)	(154,394)
Transfer non distributable reserves	—	(309,314)	—	309,314	—
Total investments by and distributions to owners	—	(309,314)	—	154,920	(154,394)
At 30 June 2019	57,183	2,330,196	339,905	2,386,640	5,113,924

The notes on pages 13 to 19 form part of these financial statements.

EPIC PUBLIC LIMITED COMPANY

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2019

	2019 £	2018 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(160,463)	273,069
<i>Adjustments for:</i>		
Depreciation of tangible assets	614	345
Fair value adjustment of investment property	328,314	(47,970)
Interest receivable and similar income	(4,628)	(479)
Tax on (loss)/profit	16,084	49,160
Accrued expenses/(income)	12,472	(10,789)
<i>Changes in:</i>		
Trade and other debtors	12,144	4,536
Trade and other creditors	(20,369)	966
Cash generated from operations	184,168	268,838
Interest received	4,628	479
Tax paid	(52,188)	(53,460)
Net cash from operating activities	<u>136,608</u>	<u>215,857</u>
Cash flows from investing activities		
Purchase of tangible assets	(90,266)	(2,030)
Net cash used in investing activities	<u>(90,266)</u>	<u>(2,030)</u>
Cash flows from financing activities		
Dividends paid	(154,394)	(154,394)
Net cash used in financing activities	<u>(154,394)</u>	<u>(154,394)</u>
Net (decrease)/increase in cash and cash equivalents	(108,052)	59,433
Cash and cash equivalents at beginning of year	<u>1,077,619</u>	<u>1,018,186</u>
Cash and cash equivalents at end of year	<u>969,567</u>	<u>1,077,619</u>

The notes on pages 13 to 19 form part of these financial statements.

EPIC PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2019

1. General information

EPIC Public Limited Company is a public company limited by shares, incorporated in England and Wales, registration number 00326601. The Registered Office is Robin Hood Works, Wakefield Road, Brighouse, HD6 1PE.

2. Statement of compliance

The financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention, modified to include certain items at fair value, and in accordance with applicable accounting standards. The financial statements are presented in sterling, which is the functional currency of the company, and rounded to the nearest £.

The company has availed itself of Paragraph 4(1) of Schedule 1 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the company's activities.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Rents receivable represent rental income relating to the year after allowing for any amounts unlikely to be received and are stated net of value added tax.

Income tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

EPIC PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2019

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer equipment	-	33% straight line
Fixtures and fittings	-	10% straight line
Office equipment	-	15% reducing balance

In the year of acquisition tangible fixed assets are depreciated from 1 July.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Employee benefits

When employees have rendered services to the company, short term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

4. Rents receivable

The whole of the rents receivable is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Operating profit

Operating profit or loss is stated after charging:

	2019	2018
	£	£
Depreciation of tangible assets	<u>614</u>	<u>345</u>

EPIC PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2019

6. Auditor's remuneration

	2019 £	2018 £
Fees payable for the audit of the financial statements	<u>3,200</u>	<u>3,100</u>
Fees payable to the company's auditor for other services: Other non-audit services	<u>300</u>	<u>600</u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2019 No.	2018 No.
Administrative staff	1	1
Management staff	6	6
	<u>7</u>	<u>7</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2019 £	2018 £
Wages and salaries	76,827	75,550
Social security costs	1,493	2,919
	<u>78,320</u>	<u>78,469</u>

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2019 £	2018 £
Remuneration	<u>63,700</u>	<u>63,700</u>

9. Interest receivable and similar income

	2019 £	2018 £
Interest on bank deposits	4,609	479
Other interest receivable	19	—
	<u>4,628</u>	<u>479</u>

EPIC PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2019

10. Tax on (loss)/profit

Major components of tax expense

	2019 £	2018 £
Current tax:		
UK current tax expense	35,100	52,200
Adjustments in respect of prior periods	(16)	(40)
Total current tax	<u>35,084</u>	<u>52,160</u>
Deferred tax:		
Origination and reversal of timing differences	(19,000)	(3,000)
Tax on (loss)/profit	<u>16,084</u>	<u>49,160</u>

Reconciliation of tax expense

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019 £	2018 £
(Loss)/profit on ordinary activities before taxation	(144,379)	322,229
(Loss)/profit on ordinary activities by rate of tax	(27,432)	61,223
Adjustment to tax charge in respect of prior periods	(16)	(40)
Effect of expenses not deductible for tax purposes	335	10
Rounding on tax charge	71	16
Depreciation in excess of capital allowances	(254)	65
Difference in tax treatment of fair value adjustment	43,380	(12,114)
Tax on (loss)/profit	<u>16,084</u>	<u>49,160</u>

11. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2019 £	2018 £
Equity dividends on ordinary shares	<u>154,394</u>	<u>154,394</u>

The Directors intend to pay a dividend of £118,369 in January 2020.

EPIC PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 JUNE 2019

12. Tangible assets

	Freehold investment properties £	Computer equipment £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 July 2018	4,550,000	2,017	7,236	1,400	4,560,653
Additions	88,314	700	1,252	–	90,266
Fair value adjustment	(328,314)	–	–	–	(328,314)
At 30 June 2019	4,310,000	2,717	8,488	1,400	4,322,605
Depreciation					
At 1 July 2018	–	2,016	6,520	1,278	9,814
Charge for the year	–	233	363	18	614
At 30 June 2019	–	2,249	6,883	1,296	10,428
Carrying amount					
At 30 June 2019	4,310,000	468	1,605	104	4,312,177
At 30 June 2018	4,550,000	1	716	122	4,550,839

Freehold investment properties are valued by independent professionally qualified valuers with recent experience in the location and class of the properties.

The historic cost of freehold investment properties at 30 June 2019 is £1,950,804 and at 30 June 2018 is £1,862,490.

13. Debtors

	2019 £	2018 £
Prepayments and accrued income	8,560	20,748
Other debtors	44	–
	8,604	20,748

14. Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	110,324	97,852
Corporation tax	35,096	52,200
Social security and other taxes	1,297	21,666
Other creditors	707	707
	147,424	172,425

EPIC PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2019

15. Provisions

	Deferred tax (note 16) £
At 1 July 2018	48,000
Unused amounts reversed	(19,000)
At 30 June 2019	29,000

16. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2019 £	2018 £
Included in provisions (note 15)	29,000	48,000

The deferred tax account consists of the tax effect of timing differences in respect of:

	2019 £	2018 £
Fair value adjustment of investment property	29,000	48,000

17. Called up share capital

Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	57,183	57,183.00	57,183	57,183.00

18. Reserves

Profit and loss account of £2,386,640 (2018: £2,392,183) - this reserve records retained earnings and accumulated losses.

Non-distributable reserves of £2,330,196 (2018: £2,639,510) record fair value movement on investment properties recognised in other comprehensive income.

Share premium account of £25 (2018: £25) - this reserve records the amount above the nominal value received for shares sold, less transaction costs.

Distributable capital reserve of £336,880 (2018: £336,880) - this reserve records the surplus on disposal of freehold investment properties.

General revenue reserve of £3,000 (2018: £3,000) - this reserve represents funds set aside out of the profits of the company for meeting contingencies connected with the business.

EPIC PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2019

19. Related party transactions

During the year dividends totalling £92,804 (2018: £92,804) were paid to the directors who are also the key management personnel of the company. This figure includes an amount paid to a life tenant of a settlement.

Their remuneration, being key management personnel compensation, is disclosed in note 8 to the financial statements.

20. Controlling party

In the directors' opinion no one party has control of the company.