

Company Registration No. 02923652 (England and Wales)

EPSILON BUSINESS SERVICES LIMITED
REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

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EPSILON BUSINESS SERVICES LIMITED

COMPANY INFORMATION

Directors	W W Hastings N P Wain B N Davies
Company number	02923652
Registered office	71 - 75 Shelton Street Covent Garden London WC2H 9JQ
Accountants	RSM UK Tax and Accounting Limited Chartered Accountants 103 Colmore Row Birmingham B3 3AG

EPSILON BUSINESS SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the company continued to be that of bookkeeping and payroll services.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

W W Hastings	
R Lynch	(Resigned 21 August 2023)
N P Wain	(Appointed 21 August 2023)
B N Davies	(Appointed 21 August 2023)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

William W Hastings

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W W Hastings
Director

Date: **30/11/23**
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EPSILON BUSINESS SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover		215,218	227,749
Administrative expenses		(84,983)	(77,889)
Operating profit		130,235	149,860
Interest receivable and similar income		151	236
Profit before taxation		130,386	150,096
Tax on profit	2	29,379	(27,849)
Profit for the financial year		159,765	122,247

EPSILON BUSINESS SERVICES LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	3	1,129,707		1,010,503	
Cash at bank and in hand		63,000		349,544	
		<u>1,192,707</u>		<u>1,360,047</u>	
Creditors: amounts falling due within one year	4	(66,720)		(393,825)	
Net current assets			<u>1,125,987</u>		<u>966,222</u>
Capital and reserves					
Called up share capital	5		100		100
Profit and loss reserves			<u>1,125,887</u>		<u>966,122</u>
Total equity			<u>1,125,987</u>		<u>966,222</u>

For the financial year ended 31 March 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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.

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.

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

The financial statements were approved by the board of directors and authorised for issue on 30/11/23 and are signed on its behalf by:

William W Hastings

W W Hastings
Director

EPSILON BUSINESS SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Epsilon Business Services Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 71 - 75 Shelton Street, Covent Garden, London, WC2H 9JQ.

Accounting convention

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The directors have prepared forecasts and undertaken a review of the company's position as part of a wider group exercise as at the date of signing the accounts. The directors are satisfied that the wider group has sufficient cash resources based on its current facilities to meet its liabilities as they fall due for at least one year from the date of approval of the accounts. The directors are also satisfied there are adequate levels of headroom in the financial covenants that are linked to current facilities. Thus, the directors have prepared the accounts on a going concern basis.

Turnover

Revenue is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised at a point in time in line with the nature and terms of the engagement. Revenue from finance and accounting services is recognised upon provision of the completed deliverables and revenue from payroll and employer of record services are recognised in the accounting period in which the services are rendered.

The following indicators are evaluated amongst others when determining whether the company is acting as a principal or agent in the transaction and recording revenue on a gross, or net, basis:

- the company has the primary responsibility for providing the services to the customer;
- the company has latitude in establishing prices, either directly or indirectly; and
- the company bears the customer's credit risk for the amount receivable from the customer

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

EPSILON BUSINESS SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

Financial instruments

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

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts due from fellow group undertakings, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 trade and other creditors, and loans from fellow group companies 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.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

EPSILON BUSINESS SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	-	28,414
Adjustments in respect of prior periods	(28,414)	-
	<u>(28,414)</u>	<u>-</u>
Total current tax	<u>(28,414)</u>	<u>28,414</u>
Deferred tax		
Origination and reversal of timing differences	(733)	105
Changes in tax rates	(232)	(136)
Adjustment in respect of prior periods	-	(534)
	<u>(965)</u>	<u>(565)</u>
Total deferred tax	<u>(965)</u>	<u>(565)</u>
Total tax (credit)/charge	<u>(29,379)</u>	<u>27,849</u>

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at 31 March 2023.

EPSILON BUSINESS SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	14,575	10,537
Amounts owed by group undertakings	1,112,758	980,060
Other debtors	844	19,341
	<u>1,128,177</u>	<u>1,009,938</u>
Deferred tax asset	1,530	565
	<u>1,129,707</u>	<u>1,010,503</u>

4 Creditors: amounts falling due within one year

	2023 £	2022 £
Corporation tax	-	28,414
Other taxation and social security	-	10,590
Other creditors	66,720	354,821
	<u>66,720</u>	<u>393,825</u>

5 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	100	100	100	100

Each share is entitled to one vote in any circumstance and pari passu to dividend payments or any other distribution and is entitled pari passu to participate in a distribution arising from a winding up of the company.

6 Parent company

The company's immediate parent undertaking is EBS Holdings Limited.

The company's ultimate parent undertaking is TopSource Worldwide Topco Limited. Both of the companies are incorporated in England and Wales. TopSource Worldwide Topco Limited is the parent of the smallest and largest group of undertakings for which group accounts are drawn up of which this company is a member. Copies of the consolidated financial statements of TopSource Worldwide Topco Limited are available from Companies House.

The ultimate controlling party of the group is Horizon Capital 2018 Limited Partnership.