

Company registration number 05053362 (England and Wales)

ESCENDENCY LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 DECEMBER 2022

PAGES FOR FILING WITH REGISTRAR

ESCENDENCY LIMITED

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ESCENDENCY LIMITED**BALANCE SHEET****AS AT 29 DECEMBER 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	4		199		314
Current assets					
Debtors	5	143,489		134,588	
Creditors: amounts falling due within one year	6	<u>(293,529)</u>		<u>(254,241)</u>	
Net current liabilities			<u>(150,040)</u>		<u>(119,653)</u>
Total assets less current liabilities			<u>(149,841)</u>		<u>(119,339)</u>
Creditors: amounts falling due after more than one year	7		<u>(109,530)</u>		<u>(134,209)</u>
Net liabilities			<u><u>(259,371)</u></u>		<u><u>(253,548)</u></u>
Capital and reserves					
Called up share capital	8		278,750		278,750
Share premium account			272,662		272,662
Profit and loss reserves			<u>(810,783)</u>		<u>(804,960)</u>
Total equity			<u><u>(259,371)</u></u>		<u><u>(253,548)</u></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 29 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.

ESCENDENCY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 29 DECEMBER 2022

The financial statements were approved by the board of directors and authorised for issue on 29 September 2023 and are signed on its behalf by:

Mr M E Robinson
Director

Company Registration No. 05053362

ESCENDENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 DECEMBER 2022

1 Accounting policies

Company information

Escendency Limited is a private company limited by shares incorporated in England and Wales. The registered office is Birkrigg, 26 Scotforth Road, Lancaster, LA1 4SB.

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.

1.2 Going concern

The company has incurred losses and faced financial challenges in recent years, and relies upon the support of the director and external financing to sustain its operations. The director is actively implementing measures to address these challenges, which include cost-cutting strategies and initiatives aimed at enhancing revenue. In light of these efforts, the director considers it appropriate to continue operating as a going concern.

1.3 Turnover

Turnover 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.

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:

Plant and machinery	3 years straight line
Fixtures, fittings & equipment	5 years straight line

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.

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.

ESCENDENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 DECEMBER 2022

1 Accounting policies

(Continued)

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 at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks 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.

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, and bank loans 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

ESCENDENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 DECEMBER 2022

1 Accounting policies

(Continued)

1.9 Taxation

The tax expense represents the sum of any tax currently payable and deferred tax.

Current tax

Any tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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.

ESCENDENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 29 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	2	2

3 Intangible fixed assets

	Goodwill	Development Costs	Total
	£	£	£
Cost			
At 30 December 2021 and 29 December 2022	1,050	458,907	459,957
Amortisation and impairment			
At 30 December 2021 and 29 December 2022	1,050	458,907	459,957
Carrying amount			
At 29 December 2022	-	-	-
At 29 December 2021	-	-	-

4 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 30 December 2021 and 29 December 2022	16,165	594	16,759
Depreciation and impairment			
At 30 December 2021	15,851	594	16,445
Depreciation charged in the year	115	-	115
At 29 December 2022	15,966	594	16,560
Carrying amount			
At 29 December 2022	199	-	199
At 29 December 2021	314	-	314

ESCENDENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 DECEMBER 2022

5 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	6,600	-
Other debtors	2,038	1,472
	<u>8,638</u>	<u>1,472</u>
	2022	2021
	£	£
Amounts falling due after more than one year:		
Deferred tax asset	134,851	133,116
	<u>134,851</u>	<u>133,116</u>
Total debtors	143,489	134,588
	<u>143,489</u>	<u>134,588</u>

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	18,151	23,206
Trade creditors	124,245	121,070
Taxation and social security	1,352	7,870
Other creditors	149,781	102,095
	<u>293,529</u>	<u>254,241</u>

Included within Other creditors are amounts totalling £44,497 (2021: £41,911) in respect of services invoiced in advance.

On 22 November 2006, HSBC Bank PLC registered fixed and floating charges that covers all present and future property and assets of the company.

7 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Notes		
Bank loans and overdrafts	66,377	73,532
Other creditors	43,153	60,677
	<u>109,530</u>	<u>134,209</u>

ESCENDENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 DECEMBER 2022

7 Creditors: amounts falling due after more than one year (Continued)

Included within Other creditors are amounts totalling £43,153 (2021: £60,677) in respect of services invoiced in advance.

On 22 November 2006, HSBC Bank PLC registered fixed and floating charges that covers all present and future property and assets of the company.

On 3 November 2016, Just Cashflow PLC registered fixed and floating charges over the assets and undertaking of the company.

8 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	278,750	278,750	278,750	278,750

9 Related party transactions

The following amounts were outstanding at the reporting end date:

	2022 £	2021 £
Amounts due to related parties		
Key management personnel	46,700	-

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.