

Registered number: 04397016

EPC Metrics Limited

Annual report

31 December 2022



EPC Metrics Limited

Company information

Directors	B C Williams R A Farnfield
Company secretary	D Bloor
Registered number	04397016
Registered office	Unit 1 Venture Crescent Nix's Hill Industrial Estate Alfreton Derbyshire DE55 7RA
Independent auditor	BDO LLP Water Court Ground Floor - Suite B 116-118 Canal Street Nottingham NG1 7HF

EPC Metrics Limited

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EPC Metrics Limited

Directors' report Year ended 31 December 2022

The directors present their report and the audited financial statements for the year ended 31 December 2022 for EPC Metrics Limited (the 'company').

Directors

The directors who served during the year and up to the date of signing the financial statements were:

B C Williams
R A Farnfield (appointed 1 June 2022)

Third party indemnity provision

The directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to reappointed and BDO LLP will therefore continue in office.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on *26th September 2023* and signed on its behalf by:



B C Williams
Director

EPC Metrics Limited

Directors' responsibilities statement Year ended 31 December 2022

The directors are responsible for preparing the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of 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; and
- 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 to 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.

Independent auditor's report to the members of EPC Metrics Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of EPC Metrics Limited (the 'company') for the year ended 31 December 2022 which comprise statement of comprehensive income, statement of financial position, 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 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Conclusions relating to going concern

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.

Independent auditor's report to the members of EPC Metrics Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 course of 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 this gives rise to 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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

Independent auditor's report to the members of EPC Metrics Limited (continued)

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiring of management and the director, including obtaining and reviewing supporting documentation, concerning the Company's policies and procedures relating to:
 - a) identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - b) detecting and responding to the risks of fraud and whether they had knowledge of any actual, suspected or alleged fraud; and
 - c) the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company based on our understanding of the business, sector experience and discussions with management. The most significant considerations are the application of UK Accounting Standards, the Companies Act 2006, corporate taxes and VAT legislation, health and safety and the Bribery Act 2010.
- Discussing amongst the engagement team to assess how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the area of management override of controls and revenue recognition, specifically the manipulation of revenue using fraudulent journals.

Based on our understanding of the environment and assessment of the incentive and opportunity for fraud we carried out the following procedures:

- We reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations.
 - We used data assurance techniques to identify and analyse the complete population of all journals in the year to identify and substantively test any which we considered were indicative of management override.
 - We reviewed the company's accounting policies for non-compliance with relevant standards. Our work also included considering significant accounting estimates for evidence of misstatement or possible bias and testing any significant transactions that appeared to be outside the normal course of business.
 - We critically assessed the appropriateness and tested the application of the revenue recognition policies.
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent auditor's report to the members of EPC Metrics Limited (continued)

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.

DocuSigned by:

Cindy Hrkalovic

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Cindy Hrkalovic (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Nottingham, UK

Date: 29 September 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

EPC Metrics Limited

Statement of comprehensive income Year ended 31 December 2022

	2022	2021
	£000	£000
Turnover	303	-
Cost of sales	(101)	-
Gross profit	202	-
Administrative expenses	(199)	(15)
Operating profit/(loss)	3	(15)
Interest payable and similar expenses	(1)	(2)
Profit/(loss) before taxation	2	(17)
Tax on profit/(loss)	10	1
Profit/(loss) for the financial year	12	(16)
Other comprehensive income for the year		
Actuarial gains on defined benefit pension scheme	15	66
Movement of deferred tax relating to pension scheme	1	(13)
Actuarial gains on other comprehensive income for the year	16	53
Total comprehensive income for the year	28	37

The notes on pages 10 to 18 form part of these financial statements.


EPC Metrics Limited

Balance sheet
At 31 December 2022

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Tangible assets	5	-	-	-	-
Current assets					
Stocks	6	153	-	-	-
Debtors	7	226	307	307	307
Cash at bank and in hand		8	1	1	1
		<u>387</u>	<u>308</u>	<u>308</u>	<u>308</u>
Creditors: amounts falling due within one year	8	(55)	(11)	(11)	(11)
Net current assets			<u>332</u>	<u>307</u>	<u>297</u>
Total assets less current liabilities			<u>332</u>	<u>307</u>	<u>297</u>
Defined benefit pension scheme liability	9	(48)	(48)	(41)	(41)
Net assets			<u>284</u>	<u>256</u>	<u>256</u>
Capital and reserves					
Called up share capital			-	-	-
Share premium account			1,200	1,200	1,200
Profit and loss account			(916)	(944)	(944)
Total equity			<u>284</u>	<u>256</u>	<u>256</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on *26th Sept 2023.*


B C Williams
Director

Company registration number: 04397016

The notes on pages 10 to 18 form part of these financial statements.

EPC Metrics Limited

Statement of changes in equity Year ended 31 December 2022

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2021	-	1,200	(981)	219
Comprehensive loss for the year				
Loss for the year	-	-	(16)	(16)
Actuarial gains on pension scheme	-	-	66	66
Movement of deferred tax relating to pension liability	-	-	(13)	(13)
Other comprehensive income for the year	-	-	53	53
Total comprehensive income for the year	-	-	37	37
At 1 January 2022	-	1,200	(944)	256
Comprehensive income for the year				
Profit for the year	-	-	12	12
Actuarial gains on pension scheme	-	-	15	15
Movement of deferred tax relating to pension liability	-	-	1	1
Other comprehensive income for the year	-	-	16	16
Total comprehensive income for the year	-	-	28	28
At 31 December 2022	-	1,200	(916)	284

The notes on pages 10 to 18 form part of these financial statements.

EPC Metrics Limited

Notes to the financial statements Year ended 31 December 2022

1. General information

EPC Metrics Limited (the 'company') is a private company limited by shares incorporated in England, United Kingdom. The address of the registered office is given in the company information page of the annual report.

Statement of compliance

The financial statements have been prepared in accordance with Section 1A of Financial Reporting Standard 102 *'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland'* ('FRS 102') and the Companies Act 2006.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation of financial statements

These financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006. The company's functional and presentational currency is Pounds Sterling (£) and rounded to the nearest '000.

2.2 Going concern

In assessing the company's ability to continue to operate as a going concern the director has considered the cash position of the company and, after making enquiries, have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. This included a review of the cash flow forecasts for a period of 12 months from the date of approval of these financial statements and included a severe but plausible downside scenario. Accordingly, the director continues to adopt the going concern basis of accounting in preparing these financial statements. The Russia/Ukraine war does not impact the ability to operate as a going concern. Raw material supply issues have been addressed and business activities have continued. The effect of inflation, cost of living impact and increased energy costs has been taken into account by the directors in forming their opinion on going concern.

2.3 Revenue recognition

Turnover represents amounts invoiced by the company in respect of goods supplied and services rendered during the year, excluding tax and discounts. Turnover is recognised when the risks and rewards of ownership transfer to the customer, typically when goods have been delivered.

EPC Metrics Limited

Notes to the financial statements Year ended 31 December 2022

2. Accounting policies (continued)

2.4 Pensions

Defined benefit pension plan

The company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan. The company has reflected its share of the scheme in these financial statements.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit cost credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payment ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest are disclosed as 'remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in the statement of comprehensive income as employee costs, except where included in the cost of an asset, comprised:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the statement of comprehensive income as a 'finance expense'.

2.5 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

EPC Metrics Limited

Notes to the financial statements Year ended 31 December 2022

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the period comprises deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised in the statement of comprehensive income.

2.8 Trade debtors

Short-term debtors are measured at transaction price, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change of value.

EPC Metrics Limited

Notes to the financial statements Year ended 31 December 2022

2. Accounting policies (continued)

2.10 Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2.11 Financial instruments

Classification

The company applies section 11 of FRS 102, and only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investment in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of net realisable value, which is an approximation of the amount that the company would receive for the asset if it were sold at the balance sheet date.

Financial assets and liabilities are offset and the net amounts reported in the balance sheet when there is an 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.

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Notes to the financial statements Year ended 31 December 2022

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. These factors are estimated by management in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 8 for the disclosures relating to the defined benefit pension scheme.

There are no significant judgments in these financial statements. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, not always equal the related actual results. Estimates and assumptions are used in most areas of reporting. The ones having a greater chance of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year are addressed below.

4. Employees

The average monthly number of employees, including directors, during the year was nil (2021: nil).

5. Tangible fixed assets

	Plant and machinery £000
Cost or valuation	
At 1 January 2022	4
At 31 December 2022	4
Depreciation	
At 1 January 2022	4
At 31 December 2022	4
Net book value	
At 31 December 2022	-
At 31 December 2021	-

EPC Metrics Limited

Notes to the financial statements Year ended 31 December 2022

6. Stocks

	2022 £000	2021 £000
Finished goods and goods for resale	153	-

7. Debtors

	2022 £000	2021 £000
Trade debtors	47	-
Amounts owed by group undertakings	109	294
Prepayments and accrued income	42	1
Tax recoverable	7	2
Deferred taxation	21	10
	<u>226</u>	<u>307</u>

8. Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	44	1
Accruals and deferred income	11	10
	<u>55</u>	<u>11</u>

9. Pension commitments

The company operates a defined benefit pension scheme.

The company participates in a pension scheme, the EPC UK Limited Pension and Assurance Scheme ("the Scheme"), which has both a defined benefit and defined contribution section. The defined benefit section of the Scheme provides benefits based on final pensionable pay. The scheme is funded with the assets being held by the Trustees separately from the assets of the company. The Scheme was closed to new entrants on 1 October 2006.

The Scheme has a number of participating employers. The principal employer of the Scheme is EPC United Kingdom Limited. The assets and liabilities attributable to each of the participating employers have been identified and disclosed separately for each employer.

A formal actuarial valuation was undertaken as at 31 December 2020. This showed a total shortfall across all participating employers of £14,300,000 which is being met by additional contributions of £1,107,388 per annum (increasing at 3% per annum) with effect from 1 January 2022 until 30 November 2029. The scheme ceased making contributions in respect of future benefit accrual from 1 April 2018.

EPC Metrics Limited

Notes to the financial statements Year ended 31 December 2022

9. Pension commitments (continued)

EPC United Kingdom Limited also contributes to individual pension arrangements through the defined contribution scheme. The assets of these arrangements are held separately from those of the company with insurance companies. The pension cost represents the contributions payable by the company to these arrangements and amounted to £11,000 (2021: £10,000). At the balance sheet date, the company owed £1,000 (2021: £1,000) in respect of these contributions.

The results of the formal actuarial valuation as at 31 December 2020 have been updated to 31 December 2022 by a qualified independent actuary.

Reconciliation of present value of plan liabilities:

	2022 £000	2021 £000
Reconciliation of present value of scheme liabilities		
Present value at start of year	452	467
Interest cost	8	6
Actuarial gains due to changes in demographic assumptions	(4)	(5)
Actuarial gains due to changes in financial assumptions	(153)	(16)
Actuarial losses on experience adjustment	14	18
Benefits paid	(25)	(18)
Present value at end of year	292	452

Reconciliation of present value of plan assets:

	2022 £000	2021 £000
At the beginning of the year	411	350
Interest income	7	4
Actuarial gains	(158)	66
Employer contributions	11	10
Benefits paid	(25)	(18)
Administration expenses	(2)	(1)
At the end of the year	244	411

EPC Metrics Limited

Notes to the financial statements Year ended 31 December 2022

9. Pension commitments (continued)

Composition of plan assets:

	2022 £000	2021 £000
Equity and Hedge Funds	34	79
Bonds	65	112
Property	4	4
Liability Driven Investment	106	182
Alternatives	29	32
Cash and other assets	6	2
Total plan assets	244	411
	2022 £000	2021 £000
Fair value of scheme assets	244	411
Present value of defined benefit obligation	(292)	(452)
Net pension scheme liability	(48)	(41)

The amounts recognised in profit or loss are as follows:

	2022 £000	2021 £000
Interest on obligation	(1)	(2)
Administration expenses	(2)	(1)
Total	(3)	(3)

The cumulative amount of actuarial gains recognised in the statement of comprehensive income was £15,000 (2021: £66,000 gain).

EPC Metrics Limited

Notes to the financial statements Year ended 31 December 2022

9. Pension commitments (continued)

The principal actuarial assumptions at the statement of financial position date are as follows:

	2022	2021
	%	%
Discount rate	4.75	1.85
Retail price inflation	3.10	3.30
Common price inflation	2.40	2.50
Post retirement mortality assumptions		
Life expectancy at 65, male currently aged 65	20.3	20.5
Life expectancy at 65, female currently aged 65	22.8	22.9
Life expectancy at 65, male currently aged 45	21.5	21.7
Life expectancy at 65, female currently aged 45	24.3	24.4

10. Parent and ultimate parent undertaking

The immediate parent undertaking is EPC United Kingdom Limited whose parent undertaking is Societe Anonyme d'Explosifs et de Produits Chimiques ('EPC Groupe'). The ultimate parent company is Argos Wityu Partners S.A. in Luxembourg.

EPC Groupe is the parent undertaking of the largest and smallest group to consolidate the results of the company and whose financial statements are publicly available at 31 December 2022. The consolidated financial statements of EPC Groupe, a company incorporated in France and quoted on the Bourse de Paris, are available to the public from Greffe du Tribunal de Commerce de Nanterre, 4 rue Pable Neruda, 92020 Nanterre.