

ESSENTIAL E-COMMERCE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 JULY 2023

ESSENTIAL E-COMMERCE LIMITED
REGISTERED NUMBER: 08539093

BALANCE SHEET
AS AT 31 JULY 2023

	Note	2023 £	2022 £
Current assets			
Debtors: amounts falling due after more than one year	4	41,194	41,194
Debtors: amounts falling due within one year	4	126,750	127,405
Cash at bank and in hand		114	1,104
		<u>168,058</u>	<u>169,703</u>
Creditors: amounts falling due within one year	5	(110,237)	(72,475)
Net current assets		<u>57,821</u>	<u>97,228</u>
Total assets less current liabilities		<u>57,821</u>	<u>97,228</u>
Creditors: amounts falling due after more than one year	6	(18,333)	(58,011)
Net assets		<u><u>39,488</u></u>	<u><u>39,217</u></u>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account		39,388	39,117
		<u><u>39,488</u></u>	<u><u>39,217</u></u>

ESSENTIAL E-COMMERCE LIMITED
REGISTERED NUMBER: 08539093

BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2023

The Director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Director and were signed on its behalf by:

R A J Nezard
Director

Date: 22 April 2024

The notes on pages 3 to 7 form part of these financial statements.

ESSENTIAL E-COMMERCE LIMITED

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

1. General information

Essential E-Commerce Limited is a Company limited by shares incorporated in England & Wales within the United Kingdom. The address of the Registered Office is given in the company information section of these financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. 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 following principal accounting policies have been applied:

2.2 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

2.3 Taxation

Tax is recognised in the Statement of Income and Retained Earnings except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

2.4 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 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 in value.

2.6 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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

2. Accounting policies (continued)

2.7 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.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

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 the deduction of all its liabilities.

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

2. Accounting policies (continued)

2.7 Financial instruments (continued)

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2022 - 1).

ESSENTIAL E-COMMERCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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4. Debtors

	2023 £	2022 £
Due after more than one year		
Other debtors	<u>41,194</u>	<u>41,194</u>
	2023 £	2022 £
Due within one year		
Amounts owed by group undertakings	-	655
Other debtors	<u>126,750</u>	<u>126,750</u>
	<u>126,750</u>	<u>127,405</u>

5. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	10,000	10,000
Other loans	29,678	35,994
Amounts owed to group undertakings	64,784	-
Corporation tax	3,295	26,481
Accruals and deferred income	<u>2,480</u>	<u>-</u>
	<u>110,237</u>	<u>72,475</u>

6. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	18,333	28,333
Other loans	<u>-</u>	<u>29,678</u>
	<u>18,333</u>	<u>58,011</u>

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

7. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year		
Bank loans < 1 yr	10,000	10,000
Other loans	29,678	35,994
	<u>39,678</u>	<u>45,994</u>
Amounts falling due 1-2 years		
Bank loans 1-2 yrs	18,333	20,833
Other loans	-	29,678
	<u>18,333</u>	<u>50,511</u>
Amounts falling due 2-5 years		
Bank loans 2-5 yrs	-	7,500
	<u>-</u>	<u>7,500</u>
	<u>58,011</u>	<u>104,005</u>

8. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
100 (2022 - 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

9. Related party transactions

The Company has taken advantage of the exemption under FRS 102 (Section 33.1A) not to disclose transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly-owned by such a member

10. Controlling party

The parent Company is UK Radiators Ltd, the registered office of which is Unit C Caxton Court, Newcomen Way, Severalls Industrial Park, Colchester, CO4 9TG.

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.