

Registration number: 09184730

Epoch Capital Limited

**Annual Report and Financial Statements
For the Year Ended 30 June 2022**



Epoch Capital Limited

Company Information

Directors	Michael Humphreys Lee Shannon
Company number	09184730
Registered office	44 Whitfield Street Fitzrovia London United Kingdom W1T 2RH
Independent auditors	KPMG LLP 15 Canada Square Canary Wharf, London United Kingdom E14 5GL
Bankers	Barclays Bank Kingston 2 Leicestershire LE87 2BB United Kingdom

Epoch Capital Limited

Contents

	Page
Strategic report	1 - 2
Directors' Report	3 - 4
Statement of Directors' Responsibilities in respect of the directors' report and the financial statements	5
Independent Auditor's Report to the members of Epoch Capital Limited	6 - 9
Profit and Loss and Other Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 - 26

Epoch Capital Limited

Strategic Report For the Year Ended 30 June 2022

Introduction

The directors present their strategic report for the year ended 30 June 2022.

Business review

The principal activities of Epoch Capital Limited (the "Company") during the year were supporting other group entities in UK, US and Australia including engaging in the set up of an investment management business in the UK that will be able to manage funds by dealing in financial products on global financial exchanges. The Company is authorised and regulated by the Financial Conduct Authority. The Company is a wholly owned subsidiary of The Epoch Trading Group Pty Ltd. The ultimate parent company is The Epoch Holding Group Pty Ltd.

The Company has appropriate regulatory permissions, policies and procedures to engage in the regulatory activities associated with dealing as agent, provision of investment advice and managing investments in funds set up by its parent in the coming year.

Under the terms of an intercompany services agreement, the Company charges its parent its actual expenses incurred plus a 5% margin and therefore is unlikely to incur an operating loss.

Net assets at the start of the year were £1,143,796. The profit for the year after taxation was £14,346.

The lease held by the Company on its office premises at 44 Whitfield Street, London W1T 2RH expired on 24th August 2021, resulting in reduced occupancy costs and in-turn reduced turnover in the year. A new lease was signed on the same office premises by its affiliate Epoch Trading Services Limited.

The directors consider profitability to be the sole performance indicator communicating the financial performance and strength of the Company. The directors believe the Company has a strong capital position and that there is an adequate capital buffer over and above the regulatory capital requirement.

Statement by the directors in regard to the performance of their statutory duties

The Board of Directors of the Company, and each Director, have acted in the way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. The following paragraphs summarise how the Directors fulfil their duties.

Business planning and decision making

The Board approves a capital and liquidity plan on an annual basis to ensure that the Company has a sufficient capital base to meet its objectives. The Board considers any likely consequences of decisions in the long term with consideration given to the impact on the Company's regulatory framework and risk framework.

Business conduct

The Board of Directors receive regular updates from the Company's compliance officer to ensure that the Company maintains compliance with the FCA's conduct rules.

Engaging with our shareholder

As the Board of Directors, our intention is to behave responsibly towards our shareholder so the shareholder may benefit from successful delivery of our business plan.

Epoch Capital Limited

Strategic report For the Year ended 30 June 2022 (continued)

Principal Risks and Uncertainties

The principal risks affecting the Company and its parent on which the Company depends are as follows. As an entity that provides services to its parent company, the Company is exposed to the same risks as the parent company.

Regulatory Risk

Our priority this year has been to prepare to engage in investment management activity and to ensure that the Company is positioned to maintain compliance with the regulatory requirements of the FCA.

Operational Risk

The Company is dependent on the trading models and strategies provided by the parent and affiliates in the group. Those models and strategies are dependent on technological systems, software, hardware and other group-provided or third-party technology. The volume and complexity of transactions may place substantial burdens on the Company's operational systems and resources, including those related to trade entry and execution, position reconciliation, corporate actions, marking procedures, finance, accounting, profit and loss reporting, internal management and risk reporting and funds transfers. Human error, system failure, issues with hardware, software, network infrastructure, colocation, or other problems with any of these processes could result in material losses or costs, which will generally be borne by the fund in which the parent invests.

Market Risk

The Company's trading models and trading strategies are dependent on sufficient levels of market liquidity; if events occur that negatively impact the availability of liquidity in the markets, the group would likely not be able to execute any or all of the trades it intends and this could result in significant trading losses.

The Directors expect high market volatility to continue in the short term. Although the Company's trading strategies may benefit from increased market volatility, we anticipate a broader global recessionary environment. The Directors will continue to monitor the levels of capital and liquidity held by the Company, and will ensure that management continues to maintain an adequate buffer that is appropriate for market conditions and over and above the regulatory capital requirement.

This report was approved by the board on 24 October 2022

and signed on its behalf.



Lee Shannon
Director

Epoch Capital Limited

Directors' Report For the Year Ended 30 June 2022

The directors present their annual report and the audited financial statements of Epoch Capital Limited (the "Company") for the year ended 30 June 2022.

Principal activity

The Company commenced trading in July 2016. Its principal activity is providing services to subsidiaries of its parent company, The Epoch Holding Group Pty Ltd, whose principal activity is that of proprietary trading. The Company is regulated by the Financial Conduct Authority (FCA) in the UK. During the year ended June 2021 certain services rendered by the Company to Epoch AU were transferred to another related entity. As a result the Company's level of operations reduced considerably.

Directors

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

Michael Humphreys
Lee Shannon
Tom Davies (resigned on 3 December 2021)

Dividends

No dividends were declared or paid by the Company for the year ended 30 June 2022 (2021 - £nil).

Auditor

KPMG LLP (UK firm) was reappointed as auditor to the Company and in accordance with Section 485 of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

Going concern

The Company was set up to provide services to Epoch Capital Pty Ltd ("Epoch AU"), an entity under common control in Australia and the main operating entity of the group comprising; The Epoch Holding Group Pty Ltd and its controlled entities (the Group). Under the terms of an intercompany services agreement, the Company charges Epoch AU its actual expenses incurred plus a 5% margin and therefore is unlikely to incur an operating loss.

During the prior year, the vast majority of services rendered by the Company to Epoch AU were transferred to another related entity. As a result, the Company's level of operations has reduced considerably. However, management and the Board have no intention to wind up the Company. Per management's assessment, the intention as at the date of the financial report is to continue to operate the Company for the foreseeable future, given its strategic importance to the group. As reported in the financial statements, the Company has a strong cash and current asset position as at 30 June 2022 which is more than sufficient to pay its debts as and when they fall due. Epoch AU is a profitable company with a strong liquidity position as at 30 June 2022 that constitutes the majority of the cash surplus in the Group's 12 month rolling cash flow forecast. The cash surplus held by the Group is sufficient to be able to pay the expenses recharged by the Company in the unlikely event this is required.

Epoch Capital Limited

Directors' Report For the Year Ended 30 June 2022 (continued)

Going concern (continued)

With the recent market developments caused by COVID-19, the Directors have assessed the impact on the Company and have concluded that the going concern basis is still appropriate. The assessment was conducted with reference to the level of working capital, current trading, contractual commitments and any projected outflows.

Based on these considerations, the financial statements have been prepared on a going concern basis as the directors are satisfied that the company has sufficient resources to continue in business for a period of at least 12 months from approval of the financial statements.

Pillar 3 disclosures

Pillar 3 requires firms to disclose information regarding their risk assessment process and capital resources with the aim to encourage market discipline by allowing market participants to assess key information on risk exposure and the risk assessment process. These unaudited disclosures are available on request from the Company's registered office, and are also available on its website. The Company is deemed to be Tier 3 for the purposes of the Remuneration Code and is compliant with it. Further disclosure in relation to the Remuneration Code can be found on the UK website <https://epoch.capital/disclaimers and disclosures/>.

This report was approved by the board on 24 October 2022

and signed on its behalf by:



Lee Shannon
Director

**Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements
For the Year Ended 30 June 2022**

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

EPOCH CAPITAL LIMITED

Independent Auditor's Report to the members of Epoch Capital Limited

Opinion

We have audited the financial statements of Epoch Capital Limited ("the Company") for the year ended 30 June 2022, which comprise the Profit and Loss and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion Epoch Capital Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

EPOCH CAPITAL LIMITED

Independent Auditor's Report to the members of Epoch Capital Limited (continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and management and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of revenue is non-judgmental and straight forward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included all post-closing journals.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

EPOCH CAPITAL LIMITED

Independent Auditor's Report to the members of Epoch Capital Limited (continued)

Fraud and breaches of laws and regulations – ability to detect (continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations (continued)

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's license to operate.

We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, financial services regulations including specific areas of regulatory capital and liquidity and certain aspects of company legislation and the financial services legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

EPOCH CAPITAL LIMITED

Independent Auditor's Report to the members of Epoch Capital Limited (continued)

Directors' Responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Sumreen Anwar (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Date: 24 October 2022

Epoch Capital Limited

Profit and Loss and Other Comprehensive Income For the Year Ended 30 June 2022

	Note	2022 £	2021 £
Turnover	4	268,851	676,191
Administrative expenses	5	(257,305)	(641,464)
Operating profit	6	11,546	34,727
Interest receivable and similar income	10	932	1,064
Interest payable and similar expenses	11	(459)	(3,724)
Profit before taxation		12,019	32,067
Tax on profit	12	2,327	(3,896)
Profit for the financial year		14,346	28,171

The above results were derived from continuing operations.

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

The notes on pages 14 to 26 form part of these financial statements.

Balance Sheet
As at 30 June 2022

	Note	2022 £	2021 £
Non-current assets			
Tangible fixed assets	13	69,809	179,389
Security deposits		-	179,819
Deferred tax assets	17	7,666	-
		<u>77,475</u>	<u>359,208</u>
Current assets			
Debtors due within 1 year	14	386,422	93,610
Cash at bank and in hand	15	763,617	924,449
		<u>1,150,039</u>	<u>1,018,059</u>
Current Liabilities			
Creditors: amounts falling due within one year	16	(69,372)	(220,016)
		<u>1,080,667</u>	<u>798,043</u>
Net current assets		<u>1,080,667</u>	<u>798,043</u>
Total assets less current liabilities		<u>1,158,142</u>	<u>1,157,251</u>
Non-current liabilities			
Deferred tax liabilities	17	-	(13,455)
		<u>1,158,142</u>	<u>1,143,796</u>
Net assets		<u>1,158,142</u>	<u>1,143,796</u>
Capital and reserves			
Share capital	18	1,115,625	1,115,625
Retained earnings		42,517	28,171
Total equity		<u>1,158,142</u>	<u>1,143,796</u>

The accompanying notes on pages 11 to 26 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
24 October 2022.



Lee Shannon
Director

Epoch Capital Limited

Statement of Changes in Equity For the year ended 30 June 2022

	Share capital £	Retained earnings £	Total equity £
Balance as at 1 July 2020	1,850,100	-	1,850,100
Profit for the year	-	28,171	28,171
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	28,171	28,171
Transactions with owners of the Company			
Reduction of capital (see note 19)	(734,475)	-	(734,475)
Total transactions with owners of the Company	(734,475)	-	(734,475)
Balance as at 30 June 2021	1,115,625	28,171	1,143,796
Profit for the year	-	14,346	14,346
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	14,346	14,346
Balance as at 30 June 2022	1,115,625	42,517	1,158,142

The notes on pages 14 to 26 form part of these financial statements.

Epoch Capital Limited

Statement of Cash Flows For the Year Ended 30 June 2022

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	14,346	28,171
Adjustments for:		
Loss on disposal of tangible fixed assets	5,273	-
Depreciation of tangible fixed assets	104,306	168,779
Taxation (credit)/charge	(2,327)	3,896
Change in security deposit	179,819	59,277
Interest received	(473)	(1,064)
Corporation tax received	(32,859)	(176,656)
Unrealised foreign exchange loss/(gain)	7,607	(6,012)
Increase in debtors	(292,812)	(13,880)
Decrease in creditors	(144,185)	(118,434)
Net cash generated from operating activities	(161,305)	(55,923)
Cash flows from investing activities		
Interest received	473	1,064
Net cash from investing activities	473	1,064
Cash flows from financing activities		
Reduction of capital	-	(734,475)
Net cash used in financing activities	-	(734,475)
Net decrease in cash and cash equivalents	(160,832)	(789,334)
Cash and cash equivalents at beginning of year	924,449	1,713,783
Cash and cash equivalents at the end of year	763,617	924,449
Cash and cash equivalents at the end of year comprise:		
Cash and cash equivalents	763,617	924,449

The notes on pages 14 to 26 form part of these financial statements.

Epoch Capital Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

1. Company information

Epoch Capital Limited (the "Company") is a private company limited by shares incorporated in England and Wales. The registered office is 44 Whitfield Street Fitzrovia, London, United Kingdom, W1T 2RH. The Company is an FCA regulated entity.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in pounds 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.

The statement of cash flow shows the changes in cash and cash equivalents arising during the year and the prior year from operating activities, investing and financing activities. The statement of cash flows is prepared by using the indirect method.

2.2 Going concern

The Company was set up to provide services to Epoch Capital Pty Ltd ("Epoch AU"), an entity under common control in Australia and the main operating entity of the group comprising; The Epoch Holding Group Pty Ltd and its controlled entities (the Group). Under the terms of an intercompany services agreement, the Company charges Epoch AU its actual expenses incurred plus a 5% margin and therefore is unlikely to incur an operating loss.

During the prior year, the vast majority of services rendered by the Company to Epoch AU were transferred to another related entity. As a result, the Company's level of operations has reduced considerably. However, management and the Board have no intention to wind up the Company. Per management's assessment, the intention as at the date of the financial report is to continue to operate the Company for the foreseeable future. As reported in the financial statements, the Company has a strong cash and current asset position as at 30 June 2022 which is more than sufficient to pay its debts as and when they fall due. Epoch AU is a profitable company with a strong liquidity position as at 30 June 2022 that constitutes the majority of the cash surplus in the Group's 12 month rolling cash flow forecast. The cash surplus held by the Group is sufficient to be able to pay the expenses recharged by the Company.

With the recent market developments caused by COVID-19, the Directors have assessed the impact on the Company and have concluded that the going concern basis is still appropriate. The assessment was conducted with reference to the level of working capital, current trading, contractual commitments and any projected outflows.

Based on these considerations, the financial statements have been prepared on a going concern basis as the directors are satisfied that the company has sufficient resources to continue in business for a period of at least 12 months from approval of the financial statements.

Epoch Capital Limited

Notes to the financial statements For the Year Ended 30 June 2022 (continued)

2. Accounting policies (continued)

2.3 Early adoption of standards

The Company did not early adopt new or amended standards that have yet to become effective during the year.

2.4 Turnover

Turnover represents amounts receivable for services provided to related parties. Revenue from the provision of services is recognised when the service has been provided, in the year which it relates to and in accordance, with the agreed terms.

2.5 Interest receivable

Interest receivable is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

2.6 Interest payable

Interest payable is recognised using the effective interest rate method. In calculating interest payable, the effective interest rate is applied to the amortised cost of the liability.

2.7 Expenses

Expenses incurred have been recognised on an accruals basis.

2.8 Taxation

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

Current tax

The 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.

**Notes to the financial statements
For the Year Ended 30 June 2022 (continued)**

2. Accounting policies (continued)

2.9 Foreign currency translation

(i) Functional and presentation currency

The Company's functional and presentation currency is pounds sterling (£).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

2.10 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost 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:

- | | |
|-------------------------------------|--|
| • Short term leasehold improvements | Over the lease term of 5 years |
| • Fixtures and fittings | Diminishing value and straight line over 4 to 10 years |
| • Computer equipment | Diminishing value and straight line over 4 to 10 years |

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.

2.11 Impairment of fixed assets

At each reporting period end date, the Company reviews the carrying amounts of its tangible fixed 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).

2.12 Cash at bank and in hand

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

**Notes to the financial statements
For the Year Ended 30 June 2022 (continued)**

2. Accounting policies (continued)

2.13 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.

Financial instruments are recognised in the Company's balance sheet when the Company becomes a 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 debtors 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

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

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 amounts due to related parties, 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 receipts 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.

Epoch Capital Limited

Notes to the financial statements For the Year Ended 30 June 2022 (continued)

2. Accounting policies (continued)

2.13 Financial instruments (continued)

Derecognition of financial liabilities

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

2.14 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

2.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

2.16 Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned (per exemption 33.1A in FRS 102).

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

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

From time to time, judgements or estimates are used in the preparation of financial statements. The directors make use of judgements and estimates in the following areas:

- Calculation of deferred tax

The directors are satisfied that appropriate judgements and estimates have been used in the preparation of these financial statements and that suitable accounting policies have been followed in all instances.

There are no other critical judgements that have been applied. There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial statements.

Epoch Capital Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

4. Turnover

	2022 £	2021 £
Rendering of services	268,851	676,191
	<u>268,851</u>	<u>676,191</u>

All turnover arose within the United Kingdom.

The Company shall render to Epoch AU and its affiliate entities services including office management services, technology services and IT services (maintenance, infrastructure and connectivity). Epoch AU shall pay the Company an amount calculated as actual costs incurred plus a 5% margin.

5. Administrative expenses

	2022 £	2021 £
Employee expenses	473	7,501
Occupancy cost	31,271	219,139
Operating expenses	109,508	243,911
Other expenses	6,475	2,134
Loss on disposal of tangible fixed assets	5,273	-
Depreciation of owned tangible fixed assets	104,305	168,779
	<u>257,305</u>	<u>641,464</u>

6. Operating profit

Operating profit for the year is stated after charging/(crediting):

	2022 £	2021 £
Exchange losses/(gains)	8,578	(4,834)
Depreciation of owned tangible fixed assets	104,305	168,779
	<u>112,883</u>	<u>163,945</u>

Epoch Capital Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

7. Auditor's remuneration

	2022 £	2021 £
For audit services		
KPMG LLP - Audit of financial statements of the Company	17,500	16,000
	<u>17,500</u>	<u>16,000</u>

Fees payable to the Company's auditor and its associates in respect of:

	2022 £	2021 £
CASS audit	11,000	11,000
Financial statements compilation	-	6,160
	<u>11,000</u>	<u>17,160</u>

8. Employees

The average monthly number of persons employed by the Company (including directors) during the year was nil (2021 - nil).

In March 2020 all employees were transferred to a related entity, Epoch Trading Services Limited. The costs shown below for the current year primarily relate to true ups of prior year employee liabilities.

The aggregate remuneration, including directors' remuneration, comprised of:

	2022 £	2021 £
Wages and salaries	473	7,418
Social security costs	-	83
	<u>473</u>	<u>7,501</u>

Notes to the financial statements
For the year ended 30 June 2022 (continued)

9. Directors' remuneration

	2022	2021
	£	£
Salaries and bonus	149,464	213,316
Pension contributions	4,578	6,917
	154,042	220,233

In respect of the 2022 financial year, directors were not paid by the Company. Other entities within the Epoch Holding Group paid the directors' remuneration. The Company was not allocated any charge for the directors' remuneration.

For the purposes of the disclosure above an allocation of the total remuneration received by the directors for their services as directors to the Company has been used.

At 30 June 2022, there was one director (30 June 2021 - two) who was accruing retirement benefits in respect of qualifying services under a defined contribution scheme.

Remuneration of the highest paid director for the year ended 30 June 2022 was £309,450 and included contributions to the pension scheme amounting to £9,805 (30 June 2021 - £124,065 including a pension contribution amounting to £4,148). No dividends were paid to directors during the year (30 June 2021 - £nil).

10. Interest receivable and similar income

	2022	2021
	£	£
Interest on bank deposits	932	1,064
	932	1,064

11. Interest payable and similar expenses

	2022	2021
	£	£
Interest payable to tax authority	-	3,660
Other interest	459	64
	459	3,724

Epoch Capital Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

12. Tax on profit

	2022 £	2021 £
Current tax		
UK Corporation tax on profit for the year	18,795	32,861
Adjustments in respect of previous periods	-	(3,582)
Total current tax	18,795	29,279
Deferred tax		
Origination and reversal of timing differences	(16,053)	(26,046)
Adjustments in respect of prior periods	-	(2,566)
Effect of changes in tax rate	(5,069)	3,229
Total deferred tax	(21,122)	(25,383)
Tax on profit	(2,327)	3,896

Factors affecting tax charge for the year

The tax assessed for the year is lower (2021 - lower) than the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit before taxation	12,019	32,067
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	2,284	6,093
Effects of:		
Adjustment from previous years	-	(6,148)
Tax rate changes for temporary differences	(5,069)	3,229
Expenses not deductible	(1)	-
Depreciation on non qualified assets	459	722
Total tax (credit)/charge for the year	(2,327)	3,896

Epoch Capital Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

12. Tax on profit (continued)

Factors that may affect future tax charges

The Finance Act 2021 received royal assent on 10 June 2021 and included an increase to the UK's main corporation tax rate to 25% from 1 April 2023.

Deferred tax rate is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on the tax rate enacted at the reporting date. Consequently deferred tax liabilities are calculated using the 25% enacted tax rate (2021 - 19%).

13. Tangible fixed assets

	Short term leasehold improvement £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 July 2021	312,660	69,675	486,391	868,726
Disposals	(312,660)	-	(18,919)	(331,579)
At 30 June 2022	-	69,675	467,472	537,147
Depreciation				
At 1 July 2021	293,928	43,469	351,940	689,337
Charged for the year	18,732	5,241	80,333	104,306
Depreciation on disposals	(312,660)	-	(13,645)	(326,305)
At 30 June 2022	-	48,710	418,628	467,338
Carrying amount				
At 30 June 2022	-	20,965	48,844	69,809
At 30 June 2021	18,732	26,206	134,451	179,389

Epoch Capital Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

14. Debtors

	2022 £	2021 £
VAT receivable	4,964	48,868
Prepayments and accrued income	3,573	44,742
Amount due from related parties	377,885	-
	<u>386,422</u>	<u>93,610</u>

Amount due from related parties are interest free and repayable on demand.

15. Cash and cash equivalent

	2022 £	2021 £
Cash at bank and in hand	763,617	924,449
	<u>763,617</u>	<u>924,449</u>

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	-	55,769
Amount due to related parties	-	33,095
Corporation tax liability	18,795	32,861
Other taxation and social security	207	207
Other creditors	811	9,703
Accruals	49,559	88,381
	<u>69,372</u>	<u>220,016</u>

Amount due to related parties are interest free and repayable on demand.

Epoch Capital Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

17. Deferred taxation

The following is the analysis of deferred tax (asset)/liability balances for financial reporting purposes:

	2022 £
Balances	
Deferred tax liability at the beginning of year	13,455
Credited to profit and loss	(21,121)
	<hr/>
Deferred tax (asset) at the end of year	(7,666)
	<hr/> <hr/>

The deferred tax (asset)/liability included in the balance sheet is as follows:

	2022 £	2021 £
Fixed asset timing differences	(7,666)	13,455
	<hr/>	<hr/>
	(7,666)	13,455
	<hr/> <hr/>	<hr/> <hr/>

18. Share capital

	2022 £	2021 £
Authorised, allotted, called up and fully paid		
1,115,625 (2021 - 1,115,625) Ordinary shares of £1 each	1,115,625	1,115,625
	<hr/>	<hr/>

On 17 May 2021, the Company repurchased 734,475 ordinary shares of £1 each from its parent company, The Epoch Trading Group.

19. Commitments under operating leases

At the end of reporting period, future minimum lease payments under non-cancellable operating leases, are payable as follows:

	2022 £	2021 £
Within one year	-	33,208
	<hr/>	<hr/>
	-	33,208
	<hr/> <hr/>	<hr/> <hr/>

20. Related party transactions

The Company has taken an exemption for the related party disclosures under Section 33.1 A of the FRS 102 framework.

Epoch Capital Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

21. Controlling party

The immediate parent company is The Epoch Trading Group Pty Ltd, a company incorporated in Australia.

The ultimate parent of all Epoch group entities is Metafutures Pty Ltd (on behalf of the Metafutures Investment Trust). This entity is also incorporated in Australia.

22. Events after the balance sheet date

There have been no significant events subsequent to balance sheet date which would have a material effect on the Company's financial statements as at 30 June 2022.