Company registration number: 2257346

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2024

EPR ARCHITECTS LIMITED

MENZIES
BRIGHTER THINKING

EPR ARCHITECTS LIMITED

COMPANY INFORMATION

Directors	C D Castle RIBA (Managing Director) B P Bacchus (Finance Director) M T Bagley RIBA J E Balls RIBA J S Barrett RIBA S D Bentley-Gockmann RIBA M G Bruce RIBA J C Everitt RIBA G M Hull MCIAT A C Jones RIBA (appointed 13 May 2024) T K Neller RIBA S J Pey RIBA N J E Rayner RIBA A Slijepcevic Dipl Ing Z Slijepcevic Dipl Ing D J Sparks RIBA A A Tither RIBA P K E Wensink RIBA
Registered number	2257346
Registered office	All Saints Austral Street London SE11 4SJ
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Lynton House 7-12 Tavistock Square London WC1H 9LT

EPR ARCHITECTS LIMITED

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EPR ARCHITECTS LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Principal activities and business review

The principal activity of the company during the year remained that of architectural, planning and consultancy services. In addition to further strengthening its existing reputation for excellence in these sectors, the company also expanded its interior design capabilities.
The year was one of consolidation for the company as the wider industry reacted to a more challenging business landscape with higher interest rates and the consequences of higher inflation.
Turnover decreased during the year, however actions taken to reduce costs were effective, and the company was able to retain a 9% operating profit margin.
Despite the challenging conditions, the company continued to attract a wide range of high-quality enquiries and opportunities for future projects and is very well placed to capitalise on future market improvements.

Future developments

The company's management plan for the coming year highlights the continued investment in BIM (Building Information Modelling), technology, staff development and working processes, and the continued development and maintenance of our expertise over a wide range of sectors and of our reputation among clients and throughout the industry.

Financial risk management

As well as short-term trade receivables and trade payables that arise directly from operations, as detailed in the notes, the company's financial instruments comprise cash and lease payables. The objective of holding financial instruments is to raise finance for the company's operations and manage related risks. The company's activities expose the company to a number of risks including interest rate risk, credit risk, liquidity risk and exchange rate risk. The company manages these risks regularly by monitoring the business and providing ongoing forecasts of the impact on the business.

Interest rate risk
The company monitors its exposure to interest rate risk closely and considers the risk to be low.

Credit risk

The company monitors credit risk closely and considers that its current policies of credit checks meet its objectives of managing exposure to credit risk.

Liquidity risk

The company closely monitors its credit facilities in comparison to its outstanding commitments to ensure it has sufficient funds to meet its obligations as they fall due. The company's finance function produces regular forecasts that estimate the cash inflows and outflows for the next 12 months, so that management can ensure that sufficient funding is in place as it is required. The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, loans and finance leases.

Exchange rate risk

The company monitors its exposure to exchange rate risk, which it currently considers to be low.

Key Performance Indicators

The group uses the key performance indicators of turnover and profit before tax to measure its performance against strategic objectives. In 2024, the company achieved a turnover of £20.1m (2023: £22.1m) and profit before tax of £1.9m (2023: £3.1m). The company has not stated any non-financial key performance indicators as they deem the above indicators the most appropriate measures for the company.

This report was approved by the board and signed on its behalf.

....
B P Bacchus
Finance Director
Date: 16 December 2024

The Directors present their report and the financial statements for the year ended 31 March 2024.

Directors' responsibilities statement

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 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting 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;
- 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.

Results and dividends

The profit for the year, after taxation, amounted to £1,810,891 *(2023 - £3,192,463)*.

Directors

The Directors who served during the year were:

C D Castle RIBA (Managing Director)
B P Bacchus (Finance Director)
M T Bagley RIBA
J E Balls RIBA
J S Barrett RIBA
S D Bentley-Gockmann RIBA
M G Bruce RIBA
M B Debski RIBA (resigned 8 January 2024)
J C Everitt RIBA
G M Hull MCIAT
T K Neller RIBA
S J Pey RIBA
N J E Rayner RIBA
A Slijepcevic Dipl Ing
Z Slijepcevic Dipl Ing
D J Sparks RIBA
A A Tither RIBA
P K E Wensink RIBA

Matters covered in the Strategic Report

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's Strategic Report of the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Menzies LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 16 December 2024 and signed on its behalf.

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B P Bacchus
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EPR ARCHITECTS LIMITED

Opinion

We have audited the financial statements of EPR Architects Limited (the 'Company') for the year ended 31 March 2024, which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EPR ARCHITECTS LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 Strategic Report or 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

Auditors' 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 Auditors' 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.

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:

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including:
• The Companies Act 2006;
• Financial Reporting Standard 102;
• UK health and safety legislation;
• UK employment legislation;
• UK tax legislation; and
• General Data Protection Regulations.
We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
We understood how the Company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of relevant documentation.
The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. No issues were identified in this area.
We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
• Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
• Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process; and
• Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.
As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:
• Posting of unusual journals and complex transactions; or
• The use of management override of controls to manipulate results, or to cause the Company to enter into transactions not in its best interests.
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

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 Auditors' 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.

Ralph Mitchison FCA (Senior Statutory Auditor)
for and on behalf of
Menzies LLP
Chartered Accountants
Statutory Auditor
Lynton House
7-12 Tavistock Square
London
WC1H 9LT

23 December 2024

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	2023 £
Turnover	4	**20,121,536**	*22,113,307*
Administrative expenses		**(18,418,653)**	*(19,118,341)*
Other operating income	5	**112,271**	*112,032*
Operating profit	6	**1,815,154**	*3,106,998*
Interest receivable and similar income	9	**139,938**	*36,312*
Interest payable and similar expenses	10	**-**	*(392)*
Other finance income	11	**(55,000)**	*(51,000)*
Profit before tax		**1,900,092**	*3,091,918*
Tax on profit	12	**(90,201)**	*100,545*
Profit for the financial year		**1,809,891**	*3,192,463*

The notes on pages 13 to 31 form part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	2023 £
Profit for the financial year		**1,809,891**	*3,192,463*
Other comprehensive income			
Actuarial (loss)/gain on defined benefit schemes	21	**(60,000)**	*144,000*
Movement on deferred tax relating to pension losses	18	**(152,000)**	*(196,000)*
Other comprehensive income for the year		**(212,000)**	*(52,000)*
Total comprehensive income for the year		**1,597,891**	*3,140,463*

The notes on pages 13 to 31 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	14		**325,065**		*487,558*
			325,065		*487,558*
Current assets					
Debtors: amounts falling due after more than one year	15	**240,282**		*353,282*	
Debtors: amounts falling due within one year	15	**8,201,133**		*11,807,098*	
Cash at bank and in hand	16	**5,125,855**		*6,368,546*	
		13,567,270		*18,528,926*	
Creditors: amounts falling due within one year	17	**(5,794,383)**		*(6,620,927)*	
Net current assets			**7,772,887**		*11,907,999*
Total assets less current liabilities			**8,097,952**		*12,395,557*
Provisions for liabilities					
Deferred tax	18	**(53,764)**		*(12,108)*	
			(53,764)		*(12,108)*
Pension liability			**(960,126)**		*(1,412,000)*
Net assets			**7,084,062**		*10,971,449*
Capital and reserves					
Called up share capital	19		**100**		*100*
Profit and loss account	20		**7,083,962**		*10,971,349*
			7,084,062		*10,971,449*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 December 2024.

. . . .
B P Bacchus
Director

The notes on pages 13 to 31 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2022	100	15,814,037	15,814,137
Comprehensive income for the year			
Profit for the year	-	3,192,463	3,192,463
Actuarial losses on pension scheme	-	(52,000)	(52,000)
Other comprehensive income for the year	-	(52,000)	(52,000)
Total comprehensive income for the year	-	3,140,463	3,140,463
Contributions by and distributions to owners			
Dividends: Equity capital	-	(7,983,151)	(7,983,151)
At 1 April 2023	100	10,971,349	10,971,449
Comprehensive income for the year			
Profit for the year	-	1,809,891	1,809,891
Actuarial losses on pension scheme	-	(212,000)	(212,000)
Other comprehensive income for the year	-	(212,000)	(212,000)
Total comprehensive income for the year	-	1,597,891	1,597,891
Contributions by and distributions to owners			
Dividends: Equity capital	-	(5,485,278)	(5,485,278)
Total transactions with owners	-	(5,485,278)	(5,485,278)
At 31 March 2024	100	7,083,962	7,084,062

The notes on pages 13 to 31 form part of these financial statements.

1. General information

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.
EPR Architects Limited is a private company limited by shares, incorporated in England & Wales under the Companies Act. The address of the registered office is All Saints, Austral Street, London, SE11 4SJ. This is also the principal trading address.
The principal activities of the company and the nature of its operations are set out in the strategic report on page 1.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of EPR Architects Group Limited as at 31 March 2024 and these financial statements may be obtained from All Saints, Austral Street, London, SE11 4SJ.

2.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2. Accounting policies (continued)

2.4 Other income

Other income received in relation to disbursements and costs incurred by the Company which are charged to clients, are recognised within turnover. These are recognised in line with when work is performed as part of rendering of services, as noted in 2.3. This other income is shown within note 4.

Computer rental income is recognised in Other operating income in line with the rental period of computer software. The income is considered to be more relevant and reliable when shown as Other operating income, as the nature of the income substantially differs from the main trade of the entity. This other operating income is shown within note 5.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Motor vehicles	-	4 years straight line
Fixtures and fittings	-	3 - 7 years straight line
Computer equipment	-	3 years straight line
Mobile phones	-	2 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Long term contracts

Due to the length of the majority of contracts, the Company recognises turnover and profit on an FRS 102: Long Term Contract basis.
Profit on individual contracts is taken only when their outcome can be foreseen with reasonable certainty, based on the margin prudently forecast at completion, taking account of agreed claims. Full provision is made for all known or expected losses on individual contracts, immediately such losses are foreseen.
Turnover represents the value of work done in the year, by reference to the estimated stage of completion of contracts, except where the profit on a contract cannot be foreseen with reasonable certainty in which case sufficient turnover is recognised to match costs incurred to revenues received.
Amounts recoverable on long term contracts, which are included in debtors, represents work done in excess of amounts invoiced. Payments on account, included in creditors, represent the excess of payments on account not offset against long term contract balances within work in progress.

EPR ARCHITECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.7 Financial instruments

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.

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.

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.

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to profit or loss 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.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

EPR ARCHITECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

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 liability recognised in the Statement of Financial Position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. The company engages independent actuaries to calculate the obligation tri-annually. 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 payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS102 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 profit or loss as employee costs, except where included in the cost of an asset, comprises:

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 profit or loss as a 'finance expense'.

2.13 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.
Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Revenue recognition

Due to the length of the majority of the contracts, the company recognises turnover and profit on an FRS 102: Long Term Contract basis.

This is noted further within 2.6.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Impairment of trade receivables

The management include impairment provisions for any potential unrecoverable trade receivables which are estimated based on the age of the trade receivables and provide fully against any known unrecoverable amounts.

Defined benefit pension plan

The Company operates a defined benefit pension scheme for which plan valuations are carried out on a tri-annual basis by independent qualified actuaries.

Actuarial valuations use the projected unit credit method to measure the Company's defined benefit obligation and the related expense. The projected unit credit method requires an entity to make various actuarial assumptions in measuring the defined benefit obligation, including discount rates, employee turnover and mortality.

4. Turnover

An analysis of turnover by class of business is as follows:

	2024	2023
	£	£
Architecture, planning and consultancy	**19,869,877**	*22,001,177*
Other income	**251,659**	*112,130*
	20,121,536	*22,113,307*

Analysis of turnover by country of destination:

	2024	2023
	£	£
United Kingdom	**20,121,536**	*22,113,307*
	20,121,536	*22,113,307*

5. Other operating income

	2024	2023
	£	£
Computer rental income	**112,271**	*112,032*
	112,271	*112,032*

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6. Operating profit

The operating profit is stated after charging:

	2024	2023
	£	£
Research & development charged as an expense	**2,283,720**	*2,467,920*
Depreciation of tangible fixed assets	**198,606**	*234,967*
Exchange differences	**32,390**	*1,026*
Other operating lease rentals	**887,856**	*349,182*
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	**29,700**	*29,050*

7. Employees

Staff costs, including Directors' remuneration, were as follows:

	2024 £	2023 £
Wages and salaries	**9,012,672**	*9,570,434*
Social security costs	**1,052,755**	*1,162,072*
Cost of defined contribution scheme	**287,728**	*294,447*
	10,353,155	*11,026,953*

Costs of defined benefit scheme and defined contribution scheme are amounts charged to operating profit and do not include amounts credited to finance income and charged to finance costs (see note 11), and amounts recognised in the statement of comprehensive income.
The employment costs (excluding costs of defined benefit scheme costs and benefits in kind) of the group's equity directors are met by EPR Architects Group Limited, and charged to EPR Architects Limited by way of a management charge.

The average monthly number of employees, excluding the Directors of EPR Architects Group Limited during the year was as follows:

	2024 No.	2023 No.
Administrative staff	**24**	*29*
Technical staff	**147**	*161*
	171	*190*

8. Directors' remuneration

	2024 £	2023 £
Directors' emoluments	**1,384,841**	*1,352,571*
Directors private health insurance	**12,297**	-
Company contributions to defined contribution pension schemes	**77,446**	*68,069*
	1,474,584	*1,420,640*

During the year retirement benefits were accruing to 12 Directors *(2023 - 12)* in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £137,905 *(2023 - £139,832)*.

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £6,463 *(2023 - £ 6,146)*.

9. Interest receivable

	2024	2023
	£	£
Interest receivable	**139,938**	*36,312*
	139,938	*36,312*

10. Interest payable and similar expenses

	2024	2023
	£	£
Other interest payable	**-**	*392*
	-	*392*

11. Other finance costs

	2024	2023
	£	£
Net interest on net defined benefit liability	**55,000**	*51,000*
	55,000	*51,000*

12. Taxation

	2024	2023
	£	£
Current tax on profits for the year	**87,545**	*(87,545)*
	87,545	*(87,545)*
Total current tax	**87,545**	*(87,545)*
Deferred tax		
Origination and reversal of timing differences	**2,656**	*(13,000)*
Taxation on profit/(loss) on ordinary activities	**90,201**	*(100,545)*

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2023 - lower than)* the standard rate of corporation tax in the UK of 25% *(2023 - 19%)*. The differences are explained below:

	2024 £	*2023* *£*
Profit on ordinary activities before tax	**1,900,092**	*3,091,918*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19%)	**475,023**	*587,464*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**26,780**	*12,123*
Capital allowances for year in excess of depreciation	**37,422**	*(48,737)*
Adjustments to tax charge in respect of prior periods	**87,545**	*-*
Adjustments in respect of defined benefit scheme	**(167,000)**	*(112,100)*
Adjustment in research and development tax credit leading to an increase/ (decrease) in the tax charge	**(491,000)**	*(560,289)*
Fixed asset timing differences	**41,656**	*-*
Unrelieved tax losses carried forward	**79,775**	*-*
Other differences leading to an increase/(decrease) in the tax charge	**-**	*20,994*
Total tax charge/(credit) for the year	**90,201**	*(100,545)*

Factors that may affect future tax charges

No changes expected.

13. Dividends

	2024 £	*2023* *£*
Dividends payable	**5,485,278**	*7,983,151*
	5,485,278	*7,983,151*

14. Tangible fixed assets

	Plant and machinery	Computer equipment	Total
	£	£	£
Cost or valuation			
At 1 April 2023	970,403	1,742,388	2,712,791
Additions	16,745	19,368	36,113
At 31 March 2024	987,148	1,761,756	2,748,904
Depreciation			
At 1 April 2023	815,258	1,409,975	2,225,233
Charge for the year on owned assets	34,256	164,350	198,606
At 31 March 2024	849,514	1,574,325	2,423,839
Net book value			
At 31 March 2024	137,634	187,431	325,065
At 31 March 2023	*155,145*	*332,413*	*487,558*

15. Debtors

	2024	*2023*
	£	*£*
Due after more than one year		
Deferred tax asset	**240,282**	*353,282*
	240,282	*353,282*

	2024	*2023*
	£	*£*
Due within one year		
Trade debtors	**4,619,948**	*4,173,630*
Amounts owed by group undertakings	**1,548,388**	*5,501,784*
Other debtors	**96,610**	*172,655*
Prepayments and accrued income	**1,056,987**	*1,044,956*
Amounts recoverable on long term contracts	**879,200**	*914,073*
	8,201,133	*11,807,098*

16. Cash and cash equivalents

	2024	*2023*
	£	*£*
Cash at bank and in hand	**5,125,855**	*6,368,546*
	5,125,855	*6,368,546*

EPR ARCHITECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. Creditors: Amounts falling due within one year

	2024	*2023*
	£	*£*
Payments received on account	**3,779,623**	*4,280,290*
Trade creditors	**564,976**	*505,001*
Other taxation and social security	**747,866**	*988,639*
Other creditors	**327,025**	*211,379*
Accruals and deferred income	**374,893**	*635,618*
	5,794,383	*6,620,927*

Details of securities given:
EPR Architects Limited have pledged security on bank loans totaling £6,500,000 obtained by EPR Studio Limited, supported by a debenture.
EPR Studio Limited are a related party of EPR Architects Limited as disclosed further in note 23.

18. Deferred taxation

	2024	*2023*
	£	*£*
At beginning of year	**341,174**	*524,174*
Charged to profit or loss	**(2,656)**	*13,000*
Charged to other comprehensive income	**(152,000)**	*(196,000)*
At end of year	**186,518**	*341,174*

The deferred tax balance is made up as follows:

	2024	*2023*
	£	*£*
Deferred taxation in relation to pension deficit	**353,282**	*536,282*
Fixed asset timing differences	**(166,764)**	*(195,108)*
	186,518	*341,174*
Comprising:		
Asset - due after one year	**240,282**	*353,282*
Liability	**(53,764)**	*(12,108)*
	186,518	*341,174*

19. Share capital

	2024	*2023*
	£	*£*
Allotted, called up and fully paid		
100 *(2023 - 100)* Ordinary shares of £1.00 each	**100**	*100*

20. Reserves

Profit and loss account
This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

EPR ARCHITECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. Pension commitments

Defined contribution pension scheme
The company operates a Defined Contribution Pension Scheme for certain employees, the assets of which are held in an independently administered fund. The pension charge for this scheme amounted to £287,728 (2023: £294,447). At the year end there were no unpaid contributions (2023: £nil).

The Company operates a Defined Benefit Pension Scheme.

The scheme is closed to new accruals.

Reconciliation of present value of plan liabilities:

	2024	2023
	£	£
Reconciliation of present value of plan liabilities		
At the beginning of the year	**14,145,000**	*18,333,000*
Interest cost	**657,000**	*498,000*
Loss/(gain) on changes in assumptions	**-**	*(3,960,000)*
Benefits paid	**(946,000)**	*(1,100,000)*
Change in demographic assumptions	**-**	*(248,000)*
Experience Gain/loss on liabilities	**83,126**	*622,000*
At the end of the year	**13,939,126**	*14,145,000*

Reconciliation of present value of plan assets:

	2024	2023
	£	£
At the beginning of the year	**12,733,000**	*16,187,000*
Interest income	**602,000**	*447,000*
Actuarial gains/(losses)	**23,000**	*(3,442,000)*
Contributions	**667,000**	*641,000*
Benefits paid	**(946,000)**	*(1,100,000)*
Expenses paid by the scheme	**(100,000)**	-
At the end of the year	**12,979,000**	*12,733,000*

21. Pension commitments (continued)

Composition of plan assets:

	2024 **£**	*2023* *£*
Bonds	**8,236,000**	*8,014,000*
Equities	**2,165,000**	*2,017,000*
Cash	**269,000**	*187,000*
Annuities	**2,309,000**	*2,515,000*
Total plan assets	**12,979,000**	*12,733,000*

	2024 **£**	*2023* *£*
Fair value of plan assets	**12,979,000**	*12,733,000*
Present value of plan liabilities	**(13,939,126)**	*(14,145,000)*
Net pension scheme liability	**(960,126)**	*(1,412,000)*

The amounts recognised in profit or loss are as follows:

	2024 **£**	*2023* *£*
Expenses paid by the scheme	**(100,000)**	-
Interest on obligation	**(55,000)**	*(51,000)*
Total	**(155,000)**	*(51,000)*

Analysis of actuarial loss recognised in Other Comprehensive Income:

	2024 **£**	*2023* *£*
Actual return less interest income included in net interest income	**(23,000)**	*3,442,000*
Experience gains and losses arising on the scheme liabilities	**83,000**	*622,000*
Changes in assumptions underlying the present value of the scheme liabilities	**-**	*(3,960,000)*
Losses from changes to demographic assumptions	**-**	*(248,000)*

60,000	*(144,000)*

21. Pension commitments (continued)

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2024 %	2023 %
Discount rate	4.8	4.8
Future salary increases	3.1	3.1
Future pension increases	2.4	2.4
Inflation assumption	3.0	3.0

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2024 £	2023 £	2022 £	2021 £	2020 £
Defined benefit obligation	(13,939,126)	(14,144,780)	(18,333,000)	(20,734,000)	(20,265,000)
Scheme assets	12,979,000	12,733,000	16,187,000	17,190,000	16,816,000
Deficit	(960,126)	(1,411,780)	(2,146,000)	(3,544,000)	(3,449,000)
Experience adjustments on scheme liabilities	83,000	622,000	-	-	-
	83,000	622,000	-	-	-

	2024 £	2023 £	2022 £	2021 £	2020 £
Experience adjustments on scheme assets	23,000	(3,442,000)	(972,000)	493,000	322,000
	23,000	(3,442,000)	(972,000)	493,000	322,000

21. Pension commitments (continued)

Other major assumptions are:
- Post-retirement mortality is based on the 90% of the values in the mortality table S3PMA for males and 100% of the values of S3PFA for females with reference to member's years of birth. Allowance has been made for the improvement in mortality experienced in the recent past and currently expected in the future by using the CMI's 2019 model, with smoothing parameter of 7.00, no initial addition parameter and 1% long-term rate of improvement.
- Under this mortality assumption, the expected future lifetime for a member retiring at 65 at the accounting date would be 22.2 (2023: 22.6) years for males and 23.9 (2023: 24.2 years) for females. As a result of expected improvements to mortality in the future, the future expectation of life at retirement for a member retiring at age 65 in 20 years time would be 23.2 (2023: 23.7) years for males and 25.0 (2023: 25.3) years for females.
- It is assumed that members will exchange 85% of the maximum permissible pension for cash at retirement.
- As required by FRS102, the discount rate has been derived from the yield on AA rated corporate bonds of appropriate term as at March 2024. The average term of the liabilities is 15 years. The inflation assumption is based on the yields on fixed and index linked gilt indices at the same date.

22. Commitments under operating leases

At 31 March 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024	*2023*
	£	*£*
Not later than 1 year	**79,852**	*40,814*
Later than 1 year and not later than 5 years	**95,233**	*2,175*
	175,085	*42,989*

23. Related party transactions

The company has taken advantage of the exemption from the requirement to disclose transactions with wholly owned group members.
During the year, EPR Architects Limited invoiced a total amount of £Nil (2023: £78,250) to EPR Studio Limited, a company under common control of the shareholders, for the provision of architectural services**.** At the year end, a balance of £Nil (2023: £NIL) was due from EPR Studio Limited.

24. Controlling party

The immediate parent company is EPR Group Limited, a company incorporated in England and Wales. The results of EPR Architects Limited are included in the EPR Architects Group Limited consolidated accounts, and this is the smallest and largest group for which group accounts are drawn up. The registered address is the same as the Company. Group accounts are available to the public from Companies House. The Directors are of the opinion that there is not one individual ultimate controlling party.