Company registration number 07856422 (England and Wales)

THE EMPOWERMENT COMPANY LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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THE EMPOWERMENT COMPANY LIMITED

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THE EMPOWERMENT COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investments	**3**		350,555		350,555
Current assets					
Debtors	**4**	-		10	
Cash at bank and in hand		11,936		3,015	
		11,936		3,025	
Creditors: amounts falling due within one year	**5**	(8,990)		-	
Net current assets			2,946		3,025
Net assets			353,501		353,580
Capital and reserves					
Called up share capital	**7**		548		548
Capital redemption reserve	**8**		17		17
Profit and loss reserves	**8**		352,936		353,015
Total equity			353,501		353,580

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12 September 2022 and are signed on its behalf by:

P H Miller
Director

Company Registration No. 07856422

1 Accounting policies

Company information

The Empowerment Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is 30 City Road, London, EC1Y 2AB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss .

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.3 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include 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.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting 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.

If there is a decrease in the impairment loss arising from an event occuring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal 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 preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

1.5 Equity instruments

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

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	2	2

3 Fixed asset investments

	2021	2020
	£	£
Other investments other than loans	350,555	350,555

4 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Other debtors	-	10

5 Creditors: amounts falling due within one year

	2021	2020
	£	£
Amounts owed to group undertakings	8,990	-

6 Share-based payment transactions

During the 2020 year the company has granted 1,110 share options to 4 employees at an exercise price of £29.91.

7 Called up share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
7,336 Ordinary "A" shares of 5p each	367	367
1,100 Ordinary "B" shares of 5p each	55	55
1,974 Ordinary "C" shares of 5p each	98	98
555 Ordinary "D" Shares of 5p each	28	28
0 Deferred Shares of 5p each (2020: 1 Deferred Share of 5p each)	-	-
	548	548

There are four classes of Ordinary shares. There are no restrictions on the distribution of dividends and repayment of capital.

On 18 June 2021 the 1 Deferred share of 5p each was redeemed by the company.

8 Reserves

8 **Reserves** **(Continued)**

Profit and loss reserves

Retained earnings represents comprehensive income for the year and prior periods less dividends paid.

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