Report of the Directors and

Financial Statements

for the Year Ended 31 March 2026

for

Epsom & Ewell Property Investment Company Limited

Epsom & Ewell Property Investment
Company Limited (Registered number: 10922872)

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for the Year Ended 31 March 2026

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Company Information
for the Year Ended 31 March 2026

DIRECTORS:	M D C Shephard R Brown S C Emmons A D Bircher
SECRETARY:	R K O Appiah- Ampofo
REGISTERED OFFICE:	Town Hall The Parade Epsom Surrey KT18 5BY
REGISTERED NUMBER:	10922872 (England and Wales)
AUDITORS:	Williams & Co Epsom LLP Statutory Auditors 8-10 South Street Epsom Surrey KT18 7PF

Report of the Directors
for the Year Ended 31 March 2026

The directors present their report with the financial statements of the company for the year ended 31 March 2026.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of property investment and rental.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2025 to the date of this report.

M D C Shephard
R Brown
S C Emmons
A D Bircher

POLITICAL DONATIONS AND EXPENDITURE
None.

BUSINESS STRUCTURE
The company is wholly owned by Epsom & Ewell Borough Council.

COMPANY HIGHLIGHTS
- Property portfolio of £47.5m.
- Gross profit of £3.469m.
- Profit before tax (excluding property revaluations) of £1.503m.
- Dividend paid of £1.355m

BUSINESS MODEL
Our strategy is to maintain a diversified, balanced and low risk property portfolio to provide income over the long term to our ultimate shareholder, Epsom & Ewell Borough Council.

Finance is secured through a balance of debt and equity obtained from Epsom and Ewell Borough Council.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements and accounting estimates that are reasonable and prudent;
- 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Williams & Co Epsom LLP, will be proposed for re-appointment at a subsequent Board Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

M D C Shephard - Director

13 July 2026

Opinion
We have audited the financial statements of Epsom & Ewell Property Investment Company Limited (the 'company') for the year ended 31 March 2026 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2026 and of its loss 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 UK, including the FRC'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 directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 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.

Opinions 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has 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 Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;

2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;

3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and General Data Protection Regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

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 Report of the Auditors.

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 a Report of the Auditors 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.

Mark Williams FCA (Senior Statutory Auditor)
for and on behalf of Williams & Co Epsom LLP
Statutory Auditors
8-10 South Street
Epsom
Surrey
KT18 7PF

13 July 2026

Epsom & Ewell Property Investment
Company Limited (Registered number: 10922872)

Income Statement
for the Year Ended 31 March 2026

	Notes	2026 £	2025 £
TURNOVER		3,595,736	3,536,370
Cost of sales		126,199	137,831
GROSS PROFIT		3,469,537	3,398,539
Administrative expenses		158,723	165,983
OPERATING PROFIT		3,310,814	3,232,556
Interest receivable and similar income		478	2,358
		3,311,292	3,234,914
Gain/loss on revaluation of investment property		(1,823,800)	(1,839,300)
		1,487,492	1,395,614
Interest payable and similar expenses	4	1,808,783	1,808,783
LOSS BEFORE TAXATION		(321,291)	(413,169)
Tax on loss	5	375,627	357,308
LOSS FOR THE FINANCIAL YEAR		(696,918)	(770,477)

The notes form part of these financial statements

Epsom & Ewell Property Investment
Company Limited (Registered number: 10922872)

Balance Sheet
31 March 2026

	Notes	2026 £	£	2025 £	£
FIXED ASSETS					
Investment property	6		47,528,800		49,352,600
CURRENT ASSETS					
Debtors	7	2,534,191		2,880,675	
Cash at bank		1,484,397		1,309,781	
		4,018,588		4,190,456	
CREDITORS					
Amounts falling due within one year	8	1,439,537		1,396,278	
NET CURRENT ASSETS			2,579,051		2,794,178
TOTAL ASSETS LESS CURRENT LIABILITIES			50,107,851		52,146,778
CREDITORS					
Amounts falling due after more than one year	9		(36,175,650)		(36,175,650)
PROVISIONS FOR LIABILITIES	11		(187,124)		(174,475)
NET ASSETS			13,745,077		15,796,653
CAPITAL AND RESERVES					
Called up share capital	12		24,117,100		24,117,100
Fair value reserve	13		(12,409,683)		(10,585,883)
Retained earnings	13		2,037,660		2,265,436
SHAREHOLDERS' FUNDS			13,745,077		15,796,653

The financial statements have been prepared 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 13 July 2026 and were signed on its behalf by:

S C Emmons - Director

M D C Shephard - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the Year Ended 31 March 2026

	Called up share capital £	Retained earnings £	Fair value reserve £	Total equity £
Balance at 1 April 2024	24,117,100	1,816,905	(8,746,583)	17,187,422
Changes in equity				
Dividends	-	(620,292)	-	(620,292)
Total comprehensive income	-	1,068,823	(1,839,300)	(770,477)
Balance at 31 March 2025	24,117,100	2,265,436	(10,585,883)	15,796,653
Changes in equity				
Dividends	-	(1,354,658)	-	(1,354,658)
Total comprehensive income	-	1,126,882	(1,823,800)	(696,918)
Balance at 31 March 2026	24,117,100	2,037,660	(12,409,683)	13,745,077

The notes form part of these financial statements

1. STATUTORY INFORMATION

Epsom & Ewell Property Investment Company Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Judgements and estimation uncertainty
Investment properties are professionally valued using methodology outlined by the Royal Institute of Chartered Surveyors. Market values and market rents are taken into account when establishing the valuation. There is a degree of judgement involved in that each property is unique and value can only be reliably tested in the market itself.

The economic and societal disruption cause by Covid-19 and subsequent world events has increased the level of valuation uncertainty. However, the valuations have been professionally undertaken to RICS standards and therefore represent the best estimate at the current time.

Turnover
Turnover represents rental income, service charge income and insurance income, exclusive of value added tax. Income is recognised in respect the rental period.

Investment property
Investment property is measured initially at it's cost at recognition, including transaction costs. The fair value shall be measured at each subsequent reporting date with changes in fair value recognised in profit or loss.

No depreciation is charged on investment property.

Movements in any deferred tax liability are recognised in profit or loss and transferred into the fair value reserve.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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2. ACCOUNTING POLICIES - continued

Recognition of income and expenditure
Income from rents, service charges and insurance is recognised over the period for which the service is provided.

Expenses are recognised as expenditure when the services are consumed.

Where income and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the balance sheet.

3. EMPLOYEES AND DIRECTORS

	2026	2025
	£	£
Wages and salaries	150,703	148,467

The average number of employees during the year was as follows:

	2026	2025
Directors	4	4

During the period, no staff were directly employed by Epsom & Ewell Property Investment Company Ltd, with staffing costs being recharged by the parent company.

4. INTEREST PAYABLE AND SIMILAR EXPENSES

	2026	2025
	£	£
Loan interest	1,808,783	1,808,783

5. TAXATION

Analysis of the tax charge
The tax charge on the loss for the year was as follows:

	2026	2025
	£	£
Current tax:		
UK corporation tax	362,979	343,529
Deferred tax	12,648	13,779
Tax on loss	375,627	357,308

6. INVESTMENT PROPERTY

	Total
	£
FAIR VALUE	
At 1 April 2025	49,352,600
Revaluations	(1,823,800)
At 31 March 2026	47,528,800
NET BOOK VALUE	
At 31 March 2026	47,528,800
At 31 March 2025	49,352,600

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6. INVESTMENT PROPERTY - continued

The company's two investment properties were revalued on the 31st March 2026 by chartered surveyors, regulated by RICS.

The valuations were carried out in accordance with the RICS Valuation Professional Standards Global and UK 2017, with the CIPFA guidance incorporated.

If the two investment properties were not carried at fair value, they would be held at their cost of £59,938,483.

If either property became vacant, it's fair value would reduce accordingly.

7. DEBTORS

	2026	2025
	£	£
Amounts falling due within one year:		
Trade debtors	300,877	331,001
Amounts falling due after more than one year:		
Accrued income	2,233,314	2,549,674
Aggregate amounts	2,534,191	2,880,675

Accrued income due in more than one year represents rents payable by a tenant following a renegotiation of rents post Covid. A rent free period was agreed which is being clawed back over the remainder of the lease.

Should the tenant at either property go into liquidation or otherwise exit their lease, there is a risk that accrued income may not be recoverable in future years, Both property leases are protected by guarantors who, in the event of non-performance by the tenant, become liable for at least one year's rental income. However this may not fully cover the rent free period being amortised over the length of the lease.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2026	2025
	£	£
Trade creditors	25,037	-
Tax	362,979	343,529
VAT	161,392	174,590
Accruals and deferred income	890,129	878,159
	1,439,537	1,396,278

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2026	2025
	£	£
Amounts owed to group undertakings	36,175,650	36,175,650

Intra-group loans totalling £36,175,650 have been provided by Epsom & Ewell Borough Council. The loans are interest only and the interest rate on each loan is 5%. All loans are due to be repaid in full fifty years from the original loan draw down in 2017.

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10. SECURED DEBTS

The following secured debts are included within creditors:

	2026	2025
	£	£
Other loans	36,175,650	36,175,650

The loans from Epsom & Ewell Council are secured by way of a 1st charge over the properties and a debenture.

11. PROVISIONS FOR LIABILITIES

	2026	2025
	£	£
Deferred tax		
Accelerated capital allowances	187,124	174,475

	Deferred tax
	£
Balance at 1 April 2025	174,475
Provided during year	12,649
Balance at 31 March 2026	187,124

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2026	2025
			£	£
24,117,100	Ordinary	£1	24,117,100	24,117,100

13. RESERVES

	Retained earnings	Fair value reserve	Totals
	£	£	£
At 1 April 2025	2,265,436	(10,585,883)	(8,320,447)
Deficit for the year	(696,918)		(696,918)
Dividends	(1,354,658)		(1,354,658)
Transfer gain/loss on revaluation	1,823,800	(1,823,800)	-
At 31 March 2026	2,037,660	(12,409,683)	(10,372,023)

14. CONTINGENT LIABILITIES

Current government regulations require that to enter into new commercial property leases or renewals from 2027, the property must have an Energy Performance Certificate (EPC) rating of C or above. One EEPIC property is currently EPC rated B, so meets the regulations. The second property is rated D. As it is already leased out until 2036, it is not expected to be impacted by the regulations until 2036, when work will be mandatory to bring it up to the necessary EPC rating. Should the tenant exit their lease early, to be re-let from 2027 the property would need to be upgraded to EPC C or above, at an estimated cost (based on current prices) of £10m (to level C). However if the tenant did leave then the directors would look at alternative options for the building including conversion to residential which would reduce any financial impact to the company.

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15. RELATED PARTY DISCLOSURES

Costs totalling £150,703 (2025: £148,467) were paid to Epsom & Ewell Borough Council in respect of staff and support services.

Loan interest totalling £1,808,783 (2025: £1,808,783) was paid to Epsom & Ewell Borough Council.

16. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Epsom & Ewell Borough Council by virtue of its 100% shareholding.

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.