

COMPANY REGISTERED NUMBER: 00734186

BENNETT & FOUNTAIN LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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COMPANIES HOUSE

BENNETT & FOUNTAIN LIMITED

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements of the Company for the year ended 31 December 2015.

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

BUSINESS REVIEW

The results for the year ended 31 December 2015 and the financial position at the end of that period were satisfactory.

RESULTS AND DIVIDENDS

The results for the year ended 31 December 2015 are shown in the attached financial statements. The Directors do not propose the payment of a dividend (2014 - £Nil) and recommend that the profit for the financial year of £1,258,000 (2014 – loss £395,000) be transferred to reserves.

DIRECTORS

The Directors of the Company during the year and to the date of this report were as follows:

R D Goddard
D T McNair
W S Woof

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, the Financial Reporting Standard Applicable in the UK and the Republic of Ireland (FRS 102), 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;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of the financial statements; and
- 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.

BENNETT & FOUNTAIN LIMITED
DIRECTORS' REPORT (CONTINUED)

GOING CONCERN

The financial statements have been prepared on a going concern basis as Marlowe Holdings Investments Limited, the immediate parent undertaking, has confirmed that it intends to continue to provide financial support for the foreseeable future to enable the Company to meet its liabilities as they fall due.

TRANSITION TO FRS 102

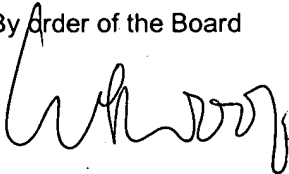
These financial statements for the year ended 31 December 2015 are the Company's first financial statements that comply with the new financial reporting standard in the UK, FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102). The transition date is 1 January 2014. An explanation of how the transition to FRS 102 has affected the financial position is given in note 14.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

By Order of the Board



W S WOOF

Company Secretary

28th September 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

BENNETT & FOUNTAIN LIMITED

REPORT ON THE FINANCIAL STATEMENTS

OUR OPINION

In our opinion, Bennett & Fountain Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 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.

WHAT WE HAVE AUDITED

The financial statements, included within the Annual report and financial statements (the "Annual Report") comprise:

- the balance sheet as at 31 December 2015;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

ADEQUACY OF ACCOUNTING RECORDS AND INFORMATION AND EXPLANATIONS RECEIVED

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

DIRECTORS' REMUNERATION

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

BENNETT & FOUNTAIN LIMITED (CONTINUED)

ENTITLEMENT TO EXEMPTIONS

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

OUR RESPONSIBILITIES AND THOSE OF THE DIRECTORS

As explained more fully in the Statement of Directors' Responsibilities set out on page 1, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

WHAT AN AUDIT OF FINANCIAL STATEMENTS INVOLVES

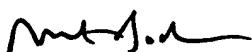
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



NICHOLAS BODEN (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

29th September 2016

BENNETT & FOUNTAIN LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

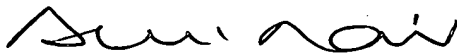
	<u>Notes</u>	<u>2015</u> £000	<u>2014</u> £000
Income from shares in group undertakings	7	1,643	-
Interest payable and similar charges	4	<u>(385)</u>	<u>(401)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	5	1,258	(401)
Tax on profit/(loss) on ordinary activities	6	<u>-</u>	<u>6</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		1,258	(395)
Other comprehensive income		-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		<u>1,258</u>	<u>(395)</u>

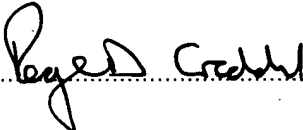
BENNETT & FOUNTAIN LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2015

	<u>Notes</u>	<u>2015</u> £000	<u>2014</u> £000
FIXED ASSETS			
Investments	7	-	4,903
CURRENT ASSETS			
Debtors	8	<u>7,053</u>	<u>1,669</u>
		7,053	1,669
CREDITORS: Amounts falling due within one year	9	<u>(19,507)</u>	<u>(20,284)</u>
NET CURRENT LIABILITIES		<u>(12,454)</u>	<u>(18,615)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(12,454)</u>	<u>(13,712)</u>
NET LIABILITIES		<u>(12,454)</u>	<u>(13,712)</u>
CAPITAL AND RESERVES			
Called up share capital	10	11,957	11,957
Profit and loss account		<u>(24,411)</u>	<u>(25,669)</u>
SHAREHOLDERS' DEFICIT		<u>(12,454)</u>	<u>(13,712)</u>

The notes on pages 8 to 13 form part of these financial statements.

The financial statements on pages 5 to 13 were approved by the Board of Directors on 28th September 2016 and were signed on its behalf by:

DIRECTORS  D T McNAIR

 R D GODDARD

Company registered number: 00734186

BENNETT & FOUNTAIN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>Called up</u> <u>share</u> <u>capital</u> £000	<u>Profit</u> <u>and loss</u> <u>account</u> £000	<u>Total</u> <u>shareholders'</u> <u>deficit</u> £000
At 1 January 2014	11,957	(25,274)	(13,317)
Loss for the financial year and total comprehensive expense	-	(395)	(395)
At 31 December 2014	11,957	(25,669)	(13,712)
Profit for the financial year and total comprehensive income	-	1,258	1,258
At 31 December 2015	11,957	(24,411)	(12,454)

BENNETT & FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

1 COMPANY INFORMATION

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is Edmundson House, Tatton Street, Knutsford, Cheshire WA16 6AY.

2 COMPLIANCE WITH ACCOUNTING STANDARDS

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102) and the Companies Act 2006.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Company has adopted FRS 102 in these financial statements. An explanation of how the transition to FRS 102 has affected the Company's financial position is given in note 14.

Basis of presentation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value through the profit and loss account.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company accounting policies.

Going concern

The financial statements have been prepared on a going concern basis as Marlowe Holdings Investments Limited, the immediate parent undertaking, has confirmed that it intends to continue to provide financial support for the foreseeable future to enable the Company to meet its liabilities as they fall due.

Exemptions for qualifying entities under FRS 102

FRS 102 para 1.12 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

i. Statement of cash flow

The Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 102, para 4.12(a) (iv) on the grounds that a consolidated cash flow statement is included in the financial statements of Marlowe Holdings Limited.

ii. Exemption from preparing consolidated financial statements

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of Marlowe Holdings Limited.

iii. Financial instrument disclosures

The Company has taken advantage of the exemption from the financial instruments disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 and 12.29, as the information is provided in the consolidated financial statement disclosures of Marlowe Holdings Limited.

BENNETT & FOUNTAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Exemptions for qualifying entities under FRS 102 (continued)

iv. Key management personnel compensation

The Company has taken advantage of the exemption from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

v. Related party disclosures

The Company has taken advantage of the exemption from disclosing the related party disclosures, as required by FRS 102 paragraph 33.11.

Investments

Investments are stated in the financial statements at cost less any impairment required to reflect a diminution in value.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively. Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of corporation tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Functional and presentation currency

The Company's functional and presentation currency is the pound sterling and is rounded to thousands.

Financial instruments

i. Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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.

BENNETT & FOUNTAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

i. Financial assets (continued)

If there is decrease in the impairment loss arising from an event occurring 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.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii. Offsetting

Financial assets and liabilities are offset and 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.

Critical accounting estimates

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i. Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

BENNETT & FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2015</u> £000	<u>2014</u> £000
Interest payable to group undertaking	385	401
	<u> </u>	<u> </u>

5 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' remuneration is borne by a fellow group undertaking and no recharge is made.

6 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

6 (a) TAXATION - ANALYSIS OF CREDIT IN YEAR

	<u>2015</u> £000	<u>2014</u> £000
Current tax:		
Group relief receivable at 20.25% (2014 - 21.49%)	—	(6)
Tax on profit/(loss) on ordinary activities	—	(6)
	<u> </u>	<u> </u>

6 (b) TAXATION - FACTORS AFFECTING CREDIT FOR YEAR

The tax assessed for the year is lower (2014 - higher) than the standard rate of corporation tax in the UK. The differences are explained below.

	<u>2015</u> £000	<u>2014</u> £000
Profit/(loss) on ordinary activities before taxation	<u>1,258</u>	<u>(401)</u>
Profit/loss on ordinary activities before tax multiplied by the standard rate of corporation tax at 20.25% (2014 - 21.49%)	255	(86)
Effects of:		
Income not chargeable for tax purposes	(333)	—
Transfer pricing adjustments	95	80
Group relief losses surrendered at nil value	<u>(17)</u>	<u>—</u>
	—	(6)
	<u> </u>	<u> </u>

6 (c) TAXATION - OTHER COMPREHENSIVE INCOME

There is no tax recognised in other comprehensive income (2014 - £Nil).

BENNETT & FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES (CONTINUED)

6 (d) TAXATION - FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The Finance Act 2012 introduced a reduction in the main rate of UK corporation tax with effect from April 2015 from 21% to 20% resulting in a blended rate of 20.25% being used to calculate the tax liability for the year ended 31 December 2015.

The Finance (No. 2) Act 2015 introduced a reduction in the main rate of corporation tax from 20% to 19% with effect from April 2017 and from 19% to 18% with effect from April 2020. These reductions were substantially enacted on 26 October 2015 and therefore the deferred tax asset at the balance sheet date has been calculated using a rate of 18%.

On 16 March 2016 further changes to the UK corporation tax rate were announced including a further reduction in the UK corporation tax rate to 17% from 2020, which supersedes the change enacted on 26 October 2015. However, this further change was not substantively enacted as at 31 December 2015 and has not therefore been reflected in these financial statements.

7 INVESTMENTS

	<u>Investment in subsidiary</u> £000
Cost and net book value	
At 31 December 2014	4,903
Liquidation of subsidiary	<u>(4,903)</u>
At 31 December 2015	-

The subsidiary AEDL Limited (formerly known as Advance Electrical Distributors Limited) was placed into liquidation on 21 May 2015. During the year the company received dividends of £1,643,000 from AEDL Limited (2014 - £Nil).

BENNETT & FOUNTAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 DEBTORS

	<u>2015</u> £000	<u>2014</u> £000
Amounts owed by group undertakings	7,053	1,657
Group relief receivable	<u>-</u>	<u>12</u>
	<u>7,053</u>	<u>1,669</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

9 CREDITORS: Amounts falling due within one year

	<u>2015</u> £000	<u>2014</u> £000
Amounts owed to group undertakings	19,507	20,284

Amounts owed to group undertakings comprises a loan which is unsecured, repayable on demand and bears interest at a rate of 1.5% over the Bank of England base rate. There is no schedule of repayment relating to the loan.

10 CALLED UP SHARE CAPITAL

	<u>2015</u> £000	<u>2014</u> £000
<u>Allotted and fully paid</u>		
Equity:		
11,957,123 (2014 - 11,957,123) ordinary shares of £1 each	11,957	11,957

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

11 DIRECTORS' EMOLUMENTS

No Director received any emoluments in respect of services to the Company during the year (2014 - £Nil).

12 EMPLOYEES

The Company has no employees. The affairs of the Company are managed by employees on secondment from a fellow subsidiary for which no charge is made.

13 PARENT UNDERTAKINGS

The ultimate parent undertaking is Blackfriars Corporation, an American company incorporated in the State of Delaware.

The immediate parent undertaking is Marlowe Holdings Investments Limited, which is a wholly owned subsidiary of Marlowe Holdings Limited, a company registered in England. Marlowe Holdings Limited is the only company to consolidate the financial statements of Bennett & Fountain Limited and copies of the financial statements of Marlowe Holdings Limited may be obtained from the Registrar of Companies, Companies House, Cardiff, CF4 3UZ.

14 TRANSITION TO FRS 102

The Company has transitioned from UK GAAP to FRS 102 with effect from 1 January 2014. There was no impact on the financial statements from the transition to FRS 102.