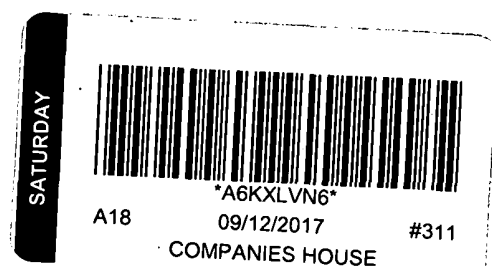


financial statements

BES Trustees Plc

For the year ended: 30 September 2017

Company registration number: 02671775



MHA MacIntyre Hudson
GLOBAL EXPERTISE • NATIONAL EXPERIENCE • LOCAL EXCELLENCE®

BES TRUSTEES PLC

COMPANY INFORMATION

Directors	Z Fazal C Gilchrist A Pickering CBE R Tranter G Wardle H Lewis H McGuire A J Munro
Company secretary	HCW Secretaries Limited
Registered number	02671775
Registered office	Five Kings House 1 Queen Street Place London EC4R 1QS
Independent auditor	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditor Pennant House 1 - 2 Napier Court Reading Berkshire RG1 8BW
Bankers	Lloyds Bank Plc 2nd Floor 25 Gresham Street London EC2V 7HN

BES TRUSTEES PLC

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BES TRUSTEES PLC

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

Business review

The key financial figures for the year were:

- Revenue remained constant at £3.6m (2016 - £3.6m)
- Operating profit of £667,767 (2016 - £843,224)
- Net cash flow from operating activities £593,661 (2016 - £880,090)

Whilst competition has increased in the sector, the demand for professional trustees continues to grow and the directors view the future with confidence. We expect to be able to take advantage of our good positioning to grow our business and to retain the confidence of our clients and staff in the coming years.

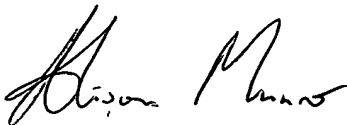
Principal risks and uncertainties

The marketplace is increasingly competitive and subject to regulatory change that will increase operating costs. However, the directors do not consider the business faces significant risks. We have a strong team with no staff turnover of Trustee Executives other than as a result of retirement. We have a constant stream of individuals interested in joining us and can therefore expand our business or recruit new staff when existing staff retire. We have never had issues with debtors of any significance.

Financial key performance indicators

The company consider its key performance indicators to be those detailed above, as well as the retention of clients and staff to ensure they maintain their position in the market.

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



A J Munro
Director

Date: 30 November 2017

BES TRUSTEES PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

The directors present their report and the financial statements for the year ended 30 September 2017.

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 judgments 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.

Principal activity

The principal activity of the company is the provision of the corporate trusteeship service whereby it undertakes the full duties of occupational pension scheme trustees.

Results and dividends

The profit for the year, after taxation, amounted to £529,664 (2016 - £675,171).

Dividends were paid during the year totalling £226,800 (2016 - £222,600).

Directors

The directors who served during the year were:

Z Fazal
C Gilchrist
A Pickering CBE
R Tranter
G Wardle
H Lewis
H McGuire (appointed 1 January 2017)
A J Munro (appointed 1 June 2017)

BES TRUSTEES PLC

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

Future developments

The recently appointed Head of Business Development is leading a number of new marketing initiatives which will distinguish the company from its competitors and should ensure steady growth of the business in the coming years.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Post balance sheet events

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

Auditor

The auditor, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

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



A J Munro
Director

Date: 30 November 2017

BES TRUSTEES PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BES TRUSTEES PLC

Opinion

We have audited the financial statements of BES Trustees Plc for the year ended 30 September 2017, set out on pages 7 to 24. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

BES TRUSTEES PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BES TRUSTEES PLC (CONTINUED)

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 and 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 on page 2, 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.

BES TRUSTEES PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BES TRUSTEES PLC (CONTINUED)

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 Auditor's 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.

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. The description forms part of our Auditor's report.

MHA MacIntyre Hudson

Justin Moss (Senior statutory auditor)

for and on behalf of
MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditor

Pennant House
1 - 2 Napier Court
Reading
Berkshire
RG1 8BW

Date:

6 December 2017

BES TRUSTEES PLC

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Note	2017 £	2016 £
Turnover		3,591,100	3,618,723
Gross profit		3,591,100	3,618,723
Administrative expenses		(2,923,333)	(2,775,499)
Operating profit	5	667,767	843,224
Interest receivable and similar income	8	3,490	898
Interest payable and expenses	9	-	(53)
Profit before tax		671,257	844,069
Tax on profit	10	(141,593)	(168,898)
Profit for the financial year		529,664	675,171

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016: £NIL).

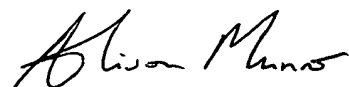
The notes on pages 11 to 24 form part of these financial statements.

BES TRUSTEES PLC
REGISTERED NUMBER: 02671775

BALANCE SHEET
AS AT 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	12	10,124	17,089
Investments	13	2	-
Current assets			
Debtors: amounts falling due within one year	14	1,175,000	1,212,658
Cash at bank and in hand		2,540,964	2,175,743
		<u>3,715,964</u>	<u>3,388,401</u>
Creditors: amounts falling due within one year	15	(1,171,537)	(1,152,291)
Net current assets		<u>2,544,427</u>	<u>2,236,110</u>
Total assets less current liabilities		<u>2,554,553</u>	<u>2,253,199</u>
Provisions for liabilities			
Deferred tax	17	(1,265)	(2,775)
		<u>(1,265)</u>	<u>(2,775)</u>
Net assets		<u><u>2,553,288</u></u>	<u><u>2,250,424</u></u>
Capital and reserves			
Called up share capital	18	84,000	84,000
Share premium account	19	2,340	2,340
Capital redemption reserve	19	21,000	21,000
Profit and loss account	19	2,445,948	2,143,084
		<u><u>2,553,288</u></u>	<u><u>2,250,424</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



A J Munro
Director

Date: 30 November 2017

The notes on pages 11 to 24 form part of these financial statements.

BES TRUSTEES PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 October 2016	84,000	2,340	21,000	2,143,084	2,250,424
Comprehensive income for the year					
Profit for the year	-	-	-	529,664	529,664
Dividends: Equity capital	-	-	-	(226,800)	(226,800)
At 30 September 2017	84,000	2,340	21,000	2,445,948	2,553,288

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 October 2015	84,000	2,340	21,000	1,690,513	1,797,853
Comprehensive income for the year					
Profit for the year	-	-	-	675,171	675,171
Dividends: Equity capital	-	-	-	(222,600)	(222,600)
At 30 September 2016	84,000	2,340	21,000	2,143,084	2,250,424

The notes on pages 11 to 24 form part of these financial statements.

BES TRUSTEES PLC

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	529,664	675,171
Adjustments for:		
Depreciation of tangible assets	12,095	16,692
Interest paid	-	53
Interest received	(3,490)	(898)
Taxation	141,593	168,898
Decrease/(increase) in debtors	37,658	(32,467)
Increase in creditors	50,140	201,508
Corporation tax	(173,999)	(148,867)
Net cash generated from operating activities	593,661	880,090
Cash flows from investing activities		
Purchase of tangible fixed assets	(5,130)	(1,230)
Interest received	3,490	898
Net cash from investing activities	(1,640)	(332)
Cash flows from financing activities		
Dividends paid	(226,800)	(222,600)
Interest paid	-	(53)
Net cash used in financing activities	(226,800)	(222,653)
Net increase in cash and cash equivalents	365,221	657,105
Cash and cash equivalents at beginning of year	2,175,743	1,518,638
Cash and cash equivalents at the end of year	2,540,964	2,175,743
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,540,964	2,175,743
	2,540,964	2,175,743

BES TRUSTEES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. General information

The principal activity of BES Trustees Plc is the provision of a corporate trusteeship service, whereby it undertakes the full duties of occupational pension scheme trustees.

The Company is a public limited company (registration number 02671775), which is incorporated and domiciled in the UK. The address of the Registered Office is Five Kings House, 1 Queen Street Place, London, EC4R 1QS.

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 judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The company has cash resources and has no requirement for external funding. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

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.

BES TRUSTEES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.4 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.

Depreciation is provided on the following basis:

Leasehold property improvements	- 20% straight line
Fixtures, fittings and equipment	- 25% straight line
Computer equipment	- 33% 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 the statement of comprehensive income.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other

BES TRUSTEES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.8 Financial instruments (continued)

third parties, loans to related parties and investments in non-puttable ordinary shares.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Finance costs

Finance costs are charged to the statement of comprehensive income 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.

2.11 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

BES TRUSTEES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income 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 period until the date the rent is expected to be adjusted to the prevailing market rate.

2.13 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 the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.14 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

BES TRUSTEES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, 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 balance sheet 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 balance sheet 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 balance sheet date.

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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

The preparation of the financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the year-end date and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period if the provision affects both the current and future periods. The principal areas in which judgement applies are as follows:

a) Deferred tax

The Balance Sheet includes a deferred tax liability. The directors consider that it is probable that the Company will generate sufficient taxable profits in future. In the event that this is not the case or that there are adverse changes in tax legislation, some or all of this liability may no longer be chargeable.

b) Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

c) Recoverability of receivables

The Company makes allowances for doubtful recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyse historical bad debts and current trends when making a judgement to evaluate the adequacy of the allowance for doubtful receivables. Where expectation is different from the original estimate, such differences will impact the carrying value of the receivable.

4. Turnover

The whole of the turnover was generated in the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	12,095	16,692
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	6,550	6,365
Other operating lease rentals	69,077	52,168
Defined contribution pension cost	13,376	8,872

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

6. Employees

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

	2017	2016
	£	£
Wages and salaries	2,188,289	2,124,066
Social security costs	262,036	257,723
Cost of defined contribution scheme	13,376	8,872
	2,463,701	2,390,661

The average monthly number of employees, including the directors, during the year was as follows:

	2017	2016
	No.	No.
Administrative and fee earning staff	33	34

7. Directors' remuneration

	2017	2016
	£	£
Directors' emoluments	853,314	801,762
Company contributions to defined contribution pension schemes	2,272	277
	855,586	802,039

During the year retirement benefits were accruing to 4 directors (2016 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £182,914 (2016 - £163,577).

8. Interest receivable

	2017	2016
	£	£
Interest receivable	3,490	898
	3,490	898

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

9. Interest payable and similar charges

	2017 £	2016 £
Interest payable	-	53
	<u>-</u>	<u>53</u>

10. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	143,103	173,998
Adjustments in respect of previous periods	-	(2,275)
Total current tax	<u>143,103</u>	<u>171,723</u>
Deferred tax		
Origination and reversal of timing differences	(1,510)	(2,825)
Total deferred tax	<u>(1,510)</u>	<u>(2,825)</u>
Taxation on profit on ordinary activities	<u>141,593</u>	<u>168,898</u>

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

10. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2016 - *higher than*) the standard rate of corporation tax in the UK of 19.50% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>671,257</u>	<u>844,069</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.50% (2016 - 20%)	130,886	168,814
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	10,631	2,233
Capital allowances for year in excess of depreciation	(146)	629
Adjustments to tax charge in respect of prior periods	-	(2,275)
Other differences leading to an increase (decrease) in the tax charge	222	(503)
Total tax charge for the year	<u>141,593</u>	<u>168,898</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Dividends

	2017 £	2016 £
Dividends paid on equity capital	226,800	222,600
	<u>226,800</u>	<u>222,600</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

12. Tangible fixed assets

	Leasehold property improve- ments £	Office equipment £	Total £
Cost or valuation			
At 1 October 2016	15,728	103,748	119,476
Additions	-	5,130	5,130
At 30 September 2017	15,728	108,878	124,606
Depreciation			
At 1 October 2016	10,721	91,666	102,387
Charge for the year on owned assets	3,146	8,949	12,095
At 30 September 2017	13,867	100,615	114,482
Net book value			
At 30 September 2017	1,861	8,263	10,124
At 30 September 2016	5,007	12,082	17,089

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
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13. Fixed asset investment

	Investment in subsidiary company £
Cost or valuation	
Additions	2
At 30 September 2017	<u>2</u>
Net book value	
At 30 September 2017	<u>2</u>
At 30 September 2016	<u>-</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the company:

Name	Class of shares	Holding	Principal activity
Manganese Bronze Group Trustees Limited	Ordinary	100 %	Dormant

Name	Registered office
Manganese Bronze Group Trustees Limited	Five Kings House, 1 Queen Street Place, London, EC4R 1QS

The aggregate of the share capital and reserves as at 30 September 2017 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

	Aggregate of share capital and reserves £
Manganese Bronze Group Trustees Limited	2
	<u>2</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

14. Debtors

	2017 £	2016 £
Trade debtors	1,116,458	1,159,080
Prepayments and accrued income	58,542	53,578
	<u>1,175,000</u>	<u>1,212,658</u>

15. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	65,985	31,005
Corporation tax	143,102	173,998
Taxation and social security	360,088	398,103
Other creditors	1,577	765
Accruals and deferred income	600,785	548,420
	<u>1,171,537</u>	<u>1,152,291</u>

16. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	2,540,964	2,175,743
Financial assets that are debt instruments measured at amortised cost	1,116,458	1,159,080
	<u>3,657,422</u>	<u>3,334,823</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(663,972)	(575,815)
	<u>(663,972)</u>	<u>(575,815)</u>

Financial assets measured at fair value through profit or loss comprise of cash at bank and in hand.

Financial assets measured at amortised cost comprise of trade debtors.

Financial liabilities measured at amortised cost comprise of trade and other creditors and accruals.

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

17. Deferred taxation

	2017 £	2016 £
At beginning of year	2,775	5,600
Movement in the year	(1,510)	(2,825)
At end of year	1,265	2,775

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	1,403	2,645
Short term timing differences	(138)	130
	1,265	2,775

18. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
420,000 Ordinary shares of £0.20 each	84,000	84,000

19. Reserves**Share premium account**

This reserve records shares paid out at a premium, above par.

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

Profit & loss account

Includes all current and prior period retained profits and losses.

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
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20. Pension commitments

The company operates a defined contribution pension scheme, the assets of which are held separately to those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £13,376 (2016 - £8,872).

21. Commitments under operating leases

At 30 September 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	83,737	19,116
Later than 1 year and not later than 5 years	279,125	-
	<u>362,862</u>	<u>19,116</u>

22. Related party transactions

Dividends on ordinary shares paid to directors in the year amounted to £77,115 (2016 - £79,995).