

Registered number: 02671775

BES TRUSTEES PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

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BES TRUSTEES PLC

COMPANY INFORMATION

Directors	H M Evans Z Fazal C Gilchrist H McGuire A J Munro A Pickering CBE R Tranter
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 2018

Business review

The key financial figures for the year were:

- Revenue increased in the year to £3,893,940 (2017 - £3,591,100)
- Operating profit of £690,541 (2017 - £667,767)
- Net cash flow from operating activities £435,554 (2017 - £593,661)

Whilst competition has increased in the sector, the demand for the work of professional trustees has continued to be strong and the company's revenue has grown by 8% this year. The directors expect to be able to continue to grow the business and to retain the confidence of our clients and staff in the coming years.

The company incurred unexpected one-off advisory costs in respect of an external approach that we received earlier in the year. The 'net cash flow' was lower than in 2017 because there was a larger amount of project work in Q4 than in previous years, not invoiced during the accounting period.

Principal risks and uncertainties

The marketplace has become increasingly competitive and the regulatory environment is changing. The directors are addressing the risks that the business faces and they expect there to be an increase in operating costs in future years. The company has a strong team currently and this can be augmented via the recruitment of new staff when existing staff retire. The company maintains good debtor control and has never had issues with debts of any significance.

Financial key performance indicators

The company consider its key performance indicators to be those detailed above. The company also views the retention of clients and staff as very important as these ensure that the company's position is maintained in the market.

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



A J Munro
Director

Date: 27 November 2018

BES TRUSTEES PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018

The directors present their report and the financial statements for the year ended 30 September 2018.

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 £534,129 (2017 - £529,664).

Dividends were paid during the year totalling £226,800 (2017 - £226,800).

Directors

The directors who served during the year were:

H M Evans (appointed 1 April 2018)
Z Fazal
C Gilchrist
H Lewis (resigned 31 December 2017)
H McGuire
A J Munro
A Pickering CBE
R Tranter
G Wardle (resigned 31 December 2017)

BES TRUSTEES PLC

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

Future developments

The company expects to maintain stable trading. New marketing initiatives will distinguish the company from its competitors over the new year.

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: 27 November 2018

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 (the 'company') for the year ended 30 September 2018, which comprise the statement of comprehensive income, the balance sheet, the statement of cash flows, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 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 Auditor's 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 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 there is a material

BES TRUSTEES PLC

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

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 or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement 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)

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.



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: 14 December 2018

BES TRUSTEES PLC

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Note	2018 £	2017 £
Turnover		3,893,940	3,591,100
Gross profit		3,893,940	3,591,100
Administrative expenses		(3,203,399)	(2,923,333)
Operating profit	5	690,541	667,767
Interest receivable and similar income	8	4,029	3,490
Profit before tax		694,570	671,257
Tax on profit	9	(160,441)	(141,593)
Profit for the financial year		534,129	529,664

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2018 (2017: £NIL).

The notes on pages 1.1 to 23 form part of these financial statements.

BES TRUSTEES PLC
REGISTERED NUMBER: 02671775

BALANCE SHEET
AS AT 30 SEPTEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible fixed assets	11	24,794	10,124
Fixed asset investment	12	2	2
Current assets			
Debtors: amounts falling due within one year	13	1,417,032	1,175,000
Bank & cash balances		2,726,957	2,540,964
		<u>4,143,989</u>	<u>3,715,964</u>
Creditors: amounts falling due within one year	14	(1,304,214)	(1,171,537)
Net current assets		<u>2,839,775</u>	<u>2,544,427</u>
Total assets less current liabilities		<u>2,864,571</u>	<u>2,554,553</u>
Provisions for liabilities			
Deferred tax		(3,954)	(1,265)
		<u>(3,954)</u>	<u>(1,265)</u>
Net assets		<u><u>2,860,617</u></u>	<u><u>2,553,288</u></u>
Capital and reserves			
Called up share capital	17	84,000	84,000
Share premium account	18	2,340	2,340
Capital redemption reserve	18	21,000	21,000
Profit and loss account	18	2,753,277	2,445,948
		<u><u>2,860,617</u></u>	<u><u>2,553,288</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: 27 November 2018

The notes on pages 11 to 23 form part of these financial statements.

BES TRUSTEES PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 October 2017	84,000	2,340	21,000	2,445,948	2,553,288
Comprehensive income for the year					
Profit for the year	-	-	-	534,129	534,129
Dividends: Equity capital	-	-	-	(226,800)	(226,800)
At 30 September 2018	84,000	2,340	21,000	2,753,277	2,860,617

The notes on pages 11 to 23 form part of these financial statements.

**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

The notes on pages 11 to 23 form part of these financial statements.

BES TRUSTEES PLC

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	2018 £	2017 £
Cash flows from operating activities		
Profit for the financial year	534,129	529,664
Adjustments for:		
Depreciation of tangible assets	12,120	12,095
Interest received	(4,029)	(3,490)
Taxation charge	160,441	141,593
(Increase)/decrease in debtors	(242,032)	37,658
Increase in creditors	118,238	50,140
Corporation tax (paid)	(143,313)	(173,999)
Net cash generated from operating activities	<u>435,554</u>	<u>593,661</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(26,790)	(5,130)
Interest received	4,029	3,490
Net cash from investing activities	<u>(22,761)</u>	<u>(1,640)</u>
Cash flows from financing activities		
Dividends paid	(226,800)	(226,800)
Net cash used in financing activities	<u>(226,800)</u>	<u>(226,800)</u>
Net increase in cash and cash equivalents	<u>185,993</u>	<u>365,221</u>
Cash and cash equivalents at beginning of year	2,540,964	2,175,743
Cash and cash equivalents at the end of year	<u><u>2,726,957</u></u>	<u><u>2,540,964</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,726,957	2,540,964
	<u><u>2,726,957</u></u>	<u><u>2,540,964</u></u>

The notes on pages 11 to 23 form part of these financial statements.

BES TRUSTEES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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 company's functional and presentational currency is GBP. The amounts presented in the financial statements have been rounded to the nearest pound.

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 2018

2. Accounting policies (continued)

2.4 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.

2.5 Interest income

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

2.6 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.

2.7 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 2018

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 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.

2.11 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.

BES TRUSTEES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

2. Accounting policies (continued)

2.12 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.

2.13 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.

2.14 Financial instruments

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

BES TRUSTEES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

2. Accounting policies (continued)

2.15 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.

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.

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

5. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Auditors remuneration	6,750	6,550
Other operating lease rentals	79,551	69,077
	<u>86,301</u>	<u>75,627</u>

6. Employees

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

	2018 £	2017 £
Wages and salaries	2,331,959	2,188,289
Social security costs	280,573	262,036
Cost of defined contribution scheme	19,947	13,376
	<u>2,632,479</u>	<u>2,463,701</u>

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

	2018 No.	2017 No.
Employees	<u>36</u>	<u>33</u>

7. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	811,964	853,314
Company contributions to defined contribution pension schemes	6,127	2,272
	<u>818,091</u>	<u>855,586</u>

During the year retirement benefits were accruing to 5 directors (2017 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £180,317 (2017 - £182,914).

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

8. Interest receivable

	2018 £	2017 £
Interest receivable	4,029	3,490
	4,029	3,490

9. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	157,603	143,103
Adjustments in respect of previous periods	149	-
Total current tax	157,752	143,103
Deferred tax		
Origination and reversal of timing differences	2,689	(1,510)
Total deferred tax	2,689	(1,510)
Taxation on profit on ordinary activities	160,441	141,593

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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

The tax assessed for the year is higher than (2017 - *higher than*) the standard rate of corporation tax in the UK of 19% (2017 - 19.50%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	<u>694,570</u>	<u>671,257</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.50%)	131,968	130,886
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	28,798	10,631
Capital allowances for year in excess of depreciation	-	(146)
Adjustments to tax charge in respect of prior periods	149	-
Deferred tax not recognised	(130)	-
Other differences leading to an increase (decrease) in the tax charge	(344)	222
Total tax charge for the year	<u>160,441</u>	<u>141,593</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

10. Dividends

	2018 £	2017 £
Dividends paid on equity capital	<u>226,800</u>	<u>226,800</u>
	<u>226,800</u>	<u>226,800</u>

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

11. Tangible fixed assets

	Leasehold property improve- ments £	Office equipment £	Total £
Cost or valuation			
At 1 October 2017	15,728	108,878	124,606
Additions	-	26,790	26,790
At 30 September 2018	<u>15,728</u>	<u>135,668</u>	<u>151,396</u>
Depreciation			
At 1 October 2017	13,867	100,615	114,482
Charge for the year on owned assets	1,861	10,259	12,120
At 30 September 2018	<u>15,728</u>	<u>110,874</u>	<u>126,602</u>
Net book value			
At 30 September 2018	<u>-</u>	<u>24,794</u>	<u>24,794</u>
At 30 September 2017	<u>1,861</u>	<u>8,263</u>	<u>10,124</u>

BES TRUSTEES PLC

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

	Investment in subsidiary company £
Cost or valuation	
At 1 October 2017	2
At 30 September 2018	<u>2</u>
Net book value	
At 30 September 2018	<u>2</u>
At 30 September 2017	<u>2</u>

Subsidiary undertaking

The following was a dormant subsidiary undertaking of the company:

Name	Class of shares	Holding	Registered office
Manganese Bronze Group Trustees Limited	Ordinary	100 %	Five Kings House, 1 Queen Street Place, London, EC4R 1QS

The aggregate of the share capital and reserves as at 30 September 2018 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	<u>2</u>

13. Debtors

	2018 £	2017 £
Trade debtors	1,350,409	1,116,458
Prepayments and accrued income	66,623	58,542
	<u>1,417,032</u>	<u>1,175,000</u>

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

14. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	33,715	65,985
Corporation tax	157,541	143,102
Other taxation and social security	466,246	360,088
Other creditors	-	1,577
Accruals and deferred income	646,712	600,785
	<u>1,304,214</u>	<u>1,171,537</u>

15. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at face value	2,726,957	2,540,964
Financial assets that are debt instruments measured at amortised cost	1,353,659	1,116,458
	<u>4,080,616</u>	<u>3,657,422</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(680,428)</u>	<u>(666,770)</u>

Financial assets measured at face value comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade debtors.

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

16. Deferred taxation

	2018 £	2017 £
At beginning of year	1,265	2,775
Movement in the year	2,689	(1,510)
At end of year	<u>3,954</u>	<u>1,265</u>

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
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16. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	3,954	1,403
Short term timing differences	-	(138)
	<u>3,954</u>	<u>1,265</u>

17. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
420,000 (2017 - 420,000) Ordinary shares of £0.20 each	<u>84,000</u>	<u>84,000</u>

18. 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 and loss account

Includes all current and prior period retained profits and losses.

19. 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 £19,947 (2017 - £13,376).

BES TRUSTEES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

20. Commitments under operating leases

At 30 September 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018	2017
	£	£
Not later than 1 year	83,737	83,737
Later than 1 year and not later than 5 years	195,388	279,125
	279,125	362,862

21. Related party transactions

Dividends on ordinary shares paid to directors in the year amounted to £66,050 (2017 - £77,115).