BESA PUBLICATIONS LIMITED

Registered No. 03034318

Annual report and financial statements
For the year ended 28 February 2018

BESA PUBLICATIONS LIMITED
Annual Report and Financial Statements
For the year ended 28 February 2018

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COMPANY INFORMATION

Directors	R B Kirton Welplan Ltd
Secretary	R B Kirton
Registered Office	Old Mansion House Eamont Bridge Penrith Cumbria CA10 2BX
Company Number	03034318
Independent Auditor	Mazars LLP One St Peter's Square Manchester M2 3DE

The directors submit their annual report together with the audited financial statements of the Company for the year to 28 February 2018.

Principal Activities

The Company's principal activity during the year was the sale of building and engineering services related technical literature.

Dividends

The Company paid dividends of £385,598 during the year (2017 - £105,000). No additional dividend has been proposed.

Directors

The directors who held office during the year were as follows:-

R B Kirton
Welplan Ltd

Professional Indemnity insurance has been in place, covering all directors, throughout the current and prior year.

Future Developments

Based on existing and new web based applications, the Board is optimistic that growth will continue to be achieved in 2018/19 and beyond.

Research and Development

Research in connection with the development of new services and products and the improvement of those currently provided by the company is carried out continuously. Development costs additions in the year relate to internally generated software development costs of £63,000 (2017 - £111,818) and externally acquired intellectual property of £5,500 (2017 - £33,076).

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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 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 proper 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.

Statement as to 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 that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and

- That 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.

Auditors

Mazars LLP have expressed their willingness to continue in office. A resolution to reappoint them in accordance with Section 485 of the Companies Act 2006 will be put to the annual general meeting.

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board on 25 July 2018 and signed on its behalf by:

R B Kirton
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BESA PUBLICATIONS LIMITED

Opinion

We have audited the financial statements of BESA Publications Limited (the 'Company') for the year ended 28 February 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 28 February 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 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 specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 2 and 3, 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.

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 the audit 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.

Timothy Hudson (Senior statutory auditor)
for and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditor

One St Peter's Square
Manchester
M2 3DE

Date: 6 August 2018.

BESA PUBLICATIONS LIMITED
Statement of Comprehensive Income
For the year ended 28 February 2018

	Note	2018 £	2017 £
Turnover	2	1,728,288	1,017,230
Cost of sales		(285,519)	(281,125)
Gross profit		1,442,769	736,105
Administrative expenses		(630,129)	(553,439)
Profit on ordinary activities before taxation	4	812,640	182,666
Tax charge on profit on ordinary activities	5	(155,809)	(57,822)
Profit on ordinary activities after taxation		656,831	124,844
Total comprehensive income for the year		656,831	124,844

The notes on pages 10 to 18 form part of these financial statements.

BESA PUBLICATIONS LIMITED
Balance Sheet as at 28 February 2018
Registered No 03034318

	Note		2018		2017
			£		£
Fixed Assets					
Intangible assets	7		175,870		163,952
Tangible assets	8		7,192		13,784
			183,062		177,736
Current Assets					
Debtors	9	1,758,929		1,156,207	
Cash at bank and in hand	10	7,290		1,809	
		1,766,219		1,158,016	
Creditors					
Amounts falling due within one year	11	(1,544,106)		(1,201,810)	
Net current assets / (liabilities)			222,113		(43,794)
Total assets less current liabilities			405,175		133,942
Net assets			405,175		133,942
Capital and reserves					
Called up share capital	12		100,000		100,000
Profit and loss account	13		305,175		33,942
Shareholders' equity			405,175		133,942

The financial statements were approved and authorised for issue by the board and signed on its behalf on 25 July 2018.

R B Kirton
Director

The notes on pages 10 to 18 form part of these financial statements.

BESA PUBLICATIONS LIMITED
Statement of Changes in Equity
For the year ended 28 February 2018

	Note	Share Capital £	Profit and Loss Account £	Total £
At 1 March 2016		**100,000**	**14,098**	**114,098**
Profit for the year		-	124,844	124,844
Total comprehensive income		-	124,844	124,844
Dividends paid	**6**	-	(105,000)	(105,000)
At 28 February 2017		**100,000**	**33,942**	**133,942**
Profit for the year		-	656,831	656,831
Total comprehensive income		-	656,831	656,831
Dividends paid	**6**	-	(385,598)	(385,598)
At 28 February 2018		**100,000**	**305,175**	**405,175**

The notes on pages 10 to 18 form part of these financial statements.

1 Accounting Policies

1.1 General Information

BESA Publications Limited ('the Company') is a limited company incorporated in the United Kingdom and registered in England and Wales. The address of its registered office and principal place of business is:

Old Mansion House, Eamont Bridge, Penrith, Cumbria, CA10 2BX

The principal activity of the Company is the sale of building and engineering services related technical literature.

These financial statements have been presented in pound sterling which is the functional currency of the Company.

1.2 Basis of Preparation

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' ('FRS 102') and applicable legislation as set out in the Companies Act 2006 and Schedule 1 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These financial statements have been prepared under the historical costs convention.

1.3 Financial Reporting Standard 102 – Reduced Disclosure Exemption

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of B&ESA Limited as at 28 February 2018.

The Company is a wholly owned subsidiary of Welplan Limited, which is incorporated in the United Kingdom, which itself is a wholly owned subsidiary of B&ESA Ltd. B&ESA Ltd is in turn a wholly owned subsidiary of the Building Engineering Services Association ('the BESA'). The BESA is the parent undertaking of the largest group which consolidates the financial information of the Company. B&ESA Limited is the parent undertaking of the smallest group which consolidates the financial information of the Company.

Copies of the B&ESA Limited consolidated financial statements may be obtained from Companies House and the registered office and principal place of business which is Old Mansion House, Eamont Bridge, Penrith, Cumbria, CA10 2BX.

The Annual Return for the Building Engineering Services Association and group can be obtained from the Certification Office, 22nd Floor, Euston Tower, 286 Euston Road, London, NW1 3JJ

1.4 Going Concern

These financial statements have been prepared on a going concern basis. The Directors have considered the various business risks applicable to the Company and have assessed the level of potential uncertainty in relation to the financial projections for a period of at least twelve months from the date of signing of the financial statements.

Based on this assessment, the Directors consider that the Company has an appropriate level of liquidity to meet the demands of the business and has therefore continued to adopt the going concern basis of accounting in preparing these financial statements.

1.5 Revenue Recognition

Sale of Technical Literature
Revenue is measured at the fair value of the consideration received or receivable and represents amounts for the sale of goods and the rendering of services, net of discounts and other sales related taxes.

Revenue arises from the sale of technical literature and from the provision of associated services.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the goods have been despatched;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services
Revenue for annual subscriptions to online publications is recognised equally over the subscription period.

Interest income
Interest income is recognised as interest accrues using the effective interest rate method.

1.6 Taxation

Tax expense for the period comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future gives rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.6 Taxation (continued)

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.7 Intangible Fixed Assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. The Company recognises an intangible asset in respect of development expenditure when it can demonstrate:

- its technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits. Among other things, the Company can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Amortisation of capitalised development expenditure does not commence until the asset is available for use. All expenditure not meeting the criteria set out above is considered to form part of the 'research' phase, and is expensed in the period in which it is incurred.

The periods amortised over are as follows:

Development expenditure	4 years

1.8 Tangible Fixed Assets

Plant and equipment are initially recognised at cost, which is the purchase price plus any directly attributable costs, and are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation is provided to write off the cost, less estimated residual values of fixed assets over their expected useful lives. It is calculated on a straight line basis at the following rates:

Plant and equipment	25% per annum

1.9 Impairment of Assets

At each reporting date the Company reviews the carrying value of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

1.9 Impairment of Assets (continued)

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. Impairment losses are charged to statement of Comprehensive Income in administration expenses.

1.10 Critical Accounting Judgements

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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 the revision and future periods, if the revision affects both current and future periods.

Accounting judgements
The critical accounting judgements made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below:

- *Intangible assets*
  Intangible assets are amortised over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions and the remaining life of the asset.

- *Development expenditure*
  Development expenditure is capitalised in accordance with the accounting policy given in note 1.7 to these financial statements. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets and the expected period of benefits.

- *Tangible fixed assets*
  Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

2 Turnover

An analysis of the Company's revenue by class and category of business is as follows:

	2018 £	2017 £
Subscriptions to online literature	1,648,927	940,095
Sale of technical literature	79,361	77,135
	1,728,288	1,017,230

Turnover originates in the United Kingdom.

3 Directors' Remuneration

No director received any emoluments during the current year.

There are no employees other than the directors (2017 – nil).

4 Operating Profit

The operating profit is stated after charging:

	2018 £	2017 £
Amortisation of intangible fixed assets	56,582	30,357
Depreciation of tangible fixed assets	6,592	6,593
Auditor's remuneration		
• Audit services	2,019	2,294
• Taxation compliance	400	400

5 Tax on Profit on Ordinary Activities before Taxation

	2018 £	2017 £
a) Analysis of charge in period		
Current Tax		
Group relief payable	155,809	37,073
Adjustments re prior year group relief	-	20,749
Tax on profit on ordinary activities	155,809	57,822

5 Tax on Profit on Ordinary Activities before Taxation (Continued)

b) Reconciliation of factors affecting tax charge for year

Profit on ordinary activities before taxation	812,640	182,666
Profit on ordinary activities by standard rate of Corporation tax in the UK 19.085% (2017: 20.00%)	155,092	36,533
Tax losses not recognised	717	540
Group relief	155,809	37,073
Payment for group relief	(155,809)	(37,073)
Adjustments in respect of prior periods	-	20,749
Tax on profit on ordinary activities	155,809	57,822

A deferred tax asset of £1,249 (2017 - £671) has not been recognised in relation to timing differences on fixed assets.

UK Finance Act 2016, which provided for a reduction in the UK corporation tax rate to 17% from 1 April 2020, was substantively enacted on 6 September 2016. Deferred tax assets and liabilities are valued at the relevant tax rate for the period in which they are expected to be recognised.

6 Dividends

	2018 £	2017 £
Ordinary Shares		
Final dividend paid of £3.86 (2017 - £1.05) per share	385,598	105,000
	385,598	105,000

No dividends have been declared or paid since the year end.

7 Intangible Fixed Assets

	Develop-ment Costs	Total £
Cost		
At 1 March 2017	228,117	228,117
Additions	68,500	68,500
At 28 February 2018	296,617	296,617
Amortisation		
At 1 March 2017	64,165	64,165
Charge for the year	56,582	56,582
At 28 February 2018	120,747	120,747
Net book value		
At 28 February 2018	175,870	175,870
At 28 February 2017	163,952	163,952

Development costs additions are internally generated software development costs (£63,000) and externally acquired intellectual property (£5,500).

The amortisation charge for the year is included in the Statement of Comprehensive Income under the heading of Administrative Expenses.

8 Tangible Fixed Assets

	Plant and Equipment	Total £
Cost		
At 1 March 2017	26,369	26,369
At 28 February 2018	26,369	26,369
Depreciation		
At 1 March 2017	12,585	12,585
Charge for the year	6,592	6,592
At 28 February 2018	19,177	19,177
Net book value		
At 28 February 2018	7,192	7,192
At 28 February 2017	13,784	13,784

9 Debtors

	2018	2017
	£	£
Trade debtors	532,375	337,177
Amounts owed by parent undertakings	1,189,680	770,000
Amounts owed by group undertakings	23,177	23,166
Other debtors including taxation	-	-
Prepayments and accrued income	13,697	25,864
	1,758,929	1,156,207

All amounts shown under debtors fall due for payment within one year.

Amounts owed to parent undertakings are unsecured, interest free and repayable on demand.

10 Cash in bank and in hand

	2018	2017
	£	£
Cash funds	7,290	1,809
	7,290	1,809

11 Creditors

	2018	2017
	£	£
Trade creditors	49,609	41,662
Amounts owed to parent undertakings	46,886	206,793
Amounts owed to group undertakings	208,528	52,719
Accruals and deferred income	1,164,713	849,815
Other taxation and social security	74,370	50,821
	1,544,106	1,201,810

All amounts shown under creditors fall due for payment within one year.

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

12 Share Capital

	2018	2017
	£	£
Authorised, issued and fully paid:		
100,000 (2017: 100,000) Ordinary shares of £1 each	100,000	100,000

The Company has one class of ordinary shares which carry voting rights but no right to fixed income.

13 Reserves

Profit and loss account
This reserve represents the cumulative profits and losses.

14 Related Party Transactions

The Company has taken advantage of the exemption conferred by FRS 102 section 33 not to disclose transactions with members of the group headed by the Building Engineering Services Association on the grounds that at least 100% of the voting rights in the Company are controlled within that group and the Company's results are included in consolidated financial statements.

15 Ultimate Parent Undertaking

The immediate parent undertaking is Welplan Limited, a company registered in England.

The ultimate parent undertaking is the Building Engineering Services Association, a registered trade and employers association operating in the United Kingdom.

The ultimate controlling party is considered to be the Building Engineering Services Association.