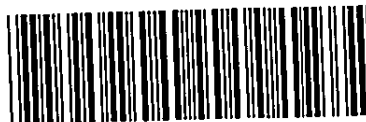


TEBC LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

Company Registration Number 04674059

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TEBC LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2012

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TEBC LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 DECEMBER 2012

The board of directors	G Elliott S B Lewis M R Waller P R Waller
Company secretary	G Elliott
Registered office	Mountbatten House Grosvenor Square Southampton Hampshire SO15 2JU
Auditor	RSM Tenon Audit Limited Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY
Accountants	RSM Tenon Limited Accountants & Business Advisers Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY
Lawyers	Blake Lapthorn New Kings Court Tollgate Chandlers Ford Eastleigh SO53 3LG Shoosmiths Russell House 1550 Parkway Solent Business Park Fareham PO15 7AG

TEBC LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements of the company for the year ended 31 December 2012

Principal activities and business review

The principal activity of the company during the period was to advise companies on employee benefit schemes. The company is authorised and regulated by the Financial Conduct Authority (previously Financial Services Authority)

The key financial highlights of the company's activities are

	2012 £	2011 £
Turnover	551,430	431,834
Profit before tax	147,519	33,009

The company's on-going strategy is to improve both turnover and overall bottom line profitability. This will be achieved by continuing to increase the company's overall market share whilst ensuring the cost base remains consistent.

There are no future developments planned for the company at present.

On 27 April 2012, the Company allotted 250,000 additional ordinary shares to its parent company, PES (Bristol) Limited. Consideration for this purchase was made through (the issue of) a £250,000 intercompany loan between the two companies.

Results and dividends

The company's result for the year is a profit of £147,519 (2011 £39,636)

The directors do not propose payment of a dividend (2011 £nil)

Financial risk management objectives and policies

The company is exposed to a moderate level of cash flow risk. The group manages this risk by financing its operations through a mixture of cash reserves, finance leases and bank loans, where necessary to fund its day to day operations.

Only a small proportion of the company's income is generated through invoiced sales and therefore the company's exposure to both price and credit risk is considered minimal.

The management's objectives are to retain sufficient liquid funds to enable it to meet its day to day requirements and match the repayment schedule of its external borrowings with the future cash flows expected to arise from the company's trading activities.

Directors

The directors who served the company during the year were as follows

G Elliott
S B Lewis
M R Waller
P R Waller

TEBC LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2012

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 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

RSM Tenon Audit limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors



G Elliott

Director

Approved by the directors on 24 May 2013

TEBC LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEBC LIMITED

YEAR ENDED 31 DECEMBER 2012

We have audited the financial statements of TEBC Limited for the year ended 31 December 2012 on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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.

Opinion on other matters prescribed by the Companies Act 2006

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

TEBC LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEBC LIMITED
(CONTINUED)**

YEAR ENDED 31 DECEMBER 2012

Matters on which we are required to report by exception

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

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

RSM Tenon Audit Limited

David Brookes, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited
Statutory Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

7/6/13

TEBC LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
Turnover		551,430	431,834
Cost of sales		(100,703)	(86,595)
Gross profit		<u>450,727</u>	<u>345,239</u>
Administrative expenses		(303,121)	(312,293)
Operating profit	2	<u>147,606</u>	<u>32,946</u>
Interest receivable		62	259
Interest payable and similar charges		(149)	(196)
Profit on ordinary activities before taxation		<u>147,519</u>	<u>33,009</u>
Tax on profit on ordinary activities	5	-	6,627
Profit for the financial year	14	<u>147,519</u>	<u>39,636</u>

All of the activities of the company are classed as continuing

All turnover is generated within the United Kingdom

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 14 form part of these financial statements

TEBC LIMITED
Registered Number 04674059

BALANCE SHEET

31 DECEMBER 2012

	Note	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	6		12,927		4,114
Current assets					
Debtors	7	461,930		77,968	
Cash at bank		27,183		30,009	
		<u>489,113</u>		<u>107,977</u>	
Creditors: Amounts falling due within one year	8	<u>(80,800)</u>		<u>(91,017)</u>	
Net current assets			408,313		16,960
Total assets less current liabilities			<u>421,240</u>		<u>21,074</u>
Provisions for liabilities	10		(96,151)		(93,504)
Net assets / (liabilities)			<u>325,089</u>		<u>(72,430)</u>
Capital and reserves					
Called-up share capital	13		250,001		¹
Profit and loss account	14		75,088		(72,431)
Shareholders' funds / (deficit)			<u>325,089</u>		<u>(72,430)</u>

These financial statements were approved by the directors and authorised for issue on 24 May 2013, and are signed on their behalf by



G Elliott
Director

The notes on pages 8 to 14 form part of these financial statements

TEBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2012

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

Cash flow statement

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements which includes a consolidated cash flow statement

Turnover

Turnover represents the value of commissions receivable and other fees earned. Credit is taken for commissions by reference to the renewal date or when a contract for new business commences. Provision is made for the estimated cost of any commissions which according to the terms of business may become refundable, due to cancellation, over a specific period.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Equipment, fixtures and fittings - 20% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

TEBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2012

1. Accounting policies (continued)

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

2 Operating profit

Operating profit is stated after charging

	2012 £	2011 £
Depreciation of owned fixed assets	2,498	721
Operating lease rentals – other assets	25,493	22,841
Auditors remuneration		
Audit of these financial statements	<u>4,950</u>	<u>4,780</u>

3. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2012 £	2011 £
Aggregate remuneration	111,544	65,938
Value of company pension contributions to money purchase schemes	2,322	2,185
	<u>113,866</u>	<u>68,123</u>

The number of directors on whose behalf the company made pension contributions was as follows

	2012 No	2011 No
Money purchase schemes	<u>1</u>	<u>1</u>

TEBC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2012

4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	2012 Number	2011 Number
Sales, marketing and product development	2	2
Finance and administration	4	4
	<u>6</u>	<u>6</u>

The aggregate payroll costs of these persons were as follows

	2012 £	2011 £
Wages and salaries	249,129	209,921
Social security costs	27,877	22,423
Other pension costs	5,144	3,802
	<u>282,150</u>	<u>236,146</u>

5. Taxation on ordinary activities

(a) Analysis of charge/(credit) in the year

	2012 £	2011 £
<i>UK Corporation tax</i>		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	(6,627)
Current tax on income for the period	<u>-</u>	<u>-</u>
<i>Deferred tax</i>		
Origination/reversal of timing differences	-	-
Effect of increased/decreased tax rate	-	-
	<u>-</u>	<u>-</u>
Tax on profit / (loss) on ordinary activities	<u>-</u>	<u>(6,627)</u>

TEBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2012

5. Taxation on ordinary activities (continued)

(b) Factors affecting the current tax charge for the period

The current tax charge for the period is lower (2011 lower) than the standard rate of corporation tax in the UK (24.5%, 2011 26.5%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	147,519	33,009
Profit on ordinary activities by rate of tax	<u>36,142</u>	<u>8,747</u>
Expenses not deductible for tax purposes	154	297
Capital allowances in period in excess of depreciation	(347)	(818)
Utilisation of tax losses	-	(5,428)
Group relief received	(35,949)	(2,798)
Adjustments in respect of prior periods	-	(6,627)
Total current tax charge/(credit) (see above)	<u>-</u>	<u>(6,627)</u>

6. Tangible fixed assets

	Equipment, fixtures and fittings £
Cost	
At 1 January 2012	46,654
Additions	<u>11,311</u>
At 31 December 2012	<u>57,965</u>
Depreciation	
At 1 January 2012	42,540
Charge for the year	<u>2,498</u>
At 31 December 2012	<u>45,038</u>
Net book value	
At 31 December 2012	<u>12,927</u>
At 31 December 2011	<u>4,114</u>

TEBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2012

7. Debtors

	2012	2011
	£	£
Trade debtors	27,379	2,163
Amounts owed by group undertakings	421,630	62,188
Prepayments	4,903	2,402
Other debtors	8,018	11,215
	<u>461,930</u>	<u>77,968</u>

8. Creditors: Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	2,899	2,594
Amounts owed to group undertakings	-	62,796
Accruals	71,158	18,898
Other taxation and social security	6,145	6,464
Other creditors	598	265
	<u>80,800</u>	<u>91,017</u>

9. Pensions

The pension cost charge represents contributions payable by the company to the fund and amounted to £5,144 (2011 - £3,802). There are contributions due outstanding at 31 December 2012 of £nil (2011 - £nil).

10. Provisions for liabilities

	Provision for clawbacks £
Balance brought forward	93,504
Charge to the profit and loss account	<u>2,647</u>
Balance carried forward	<u>96,151</u>

The provision for clawbacks is in relation to commissions income received which may become refundable.

11. Related party transactions

As the company is a wholly owned subsidiary of Benefex Holdings Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

TEBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2012

12. Commitments under operating leases

At 31 December 2012 the company had aggregate annual commitments under non-cancellable operating leases as set out below

	2012		2011	
	Land and Buildings £	Other £	Land and Buildings £	Other £
<i>Operating leases which expire</i>				
In the second to fifth years inclusive	25,915	1,792	21,300	-
	<u>25,915</u>	<u>1,792</u>	<u>21,300</u>	<u>-</u>

13. Share capital

Allotted, called up and fully paid

	2012		2011	
	No	£	No	£
Ordinary shares of £1 each	<u>250,001</u>	<u>250,001</u>	<u>1</u>	<u>1</u>

On 27 April 2012, the company allotted 250,000 additional ordinary shares to its parent company, PES (Bristol) Limited. Consideration for this purchase was made through (the issue of) a £250,000 intercompany loan between the two companies

14. Profit and loss account

	2012 £	2011 £
Balance brought forward	(72,431)	(112,067)
Profit for the financial year	147,519	39,636
Balance carried forward	<u>75,088</u>	<u>(72,431)</u>

15. Contingencies

The company has provided an all assets debenture on behalf of Benefex Limited in respect of the sales finance facility. The total borrowing secured on this guarantee as at 31 December 2012 was £674,851 (2011 - £551,221)

16. Ultimate parent company

The immediate holding company is PES (Bristol) Limited, a company incorporated in England and Wales, which owns 100% of the shareholding of the company. The ultimate holding company is Benefex Holdings Limited, a company incorporated in England and Wales, which owns 100% of the shareholding in PES (Bristol) Limited

The Parent Company's accounts are available from the company secretary at Mountbatten House, Grosvenor Square, Southampton, Hampshire, SO15 2JU

TEBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2012

17. Ultimate controlling party

There is no single ultimate controlling party