

HR TRUSTEES LIMITED

**Annual report and financial statements for the year ended
31 March 2018**

Registered number: 00745598

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Annual report and financial statements 2018

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Annual report and financial statements 2018
Directors and advisors for the year ended 31 March 2018

Directors

E C Bruce-Gardner (Appointed on 11 January 2018)

A J Davies

C M Hayes

W Phelan (Appointed on 11 January 2018)

S M Southall (Appointed on 11 January 2018)

C L Teagle

M R A Ainslie (Resigned on 11 January 2018)

J S Bernstein (Resigned on 11 January 2018)

B O Bramhall (Resigned on 11 January 2018)

P G Cuff (Resigned on 11 January 2018)

K J McKelvey (Resigned on 23 February 2018)

J A A Samuels (Resigned on 23 January 2018)

Secretary

I E Nash (Appointed on 11 January 2018)

Registered Office

11 Strand

London

WC2N 5HR

United Kingdom

Auditors

BDO LLP

55 Baker Street

London

W1U 7EU

United Kingdom

Annual report and financial statements 2018
Directors' report for the year ended 31 March 2018

The Directors present the Directors' report and the audited financial statements of HR Trustees Limited for the year ended 31 March 2018.

Principal activities

HR Trustees Limited (The Company) is a company incorporated and domiciled within the United Kingdom. The Company's principal activity during the year was the provision of corporate trustee and independent trustee services. No change in activities is envisaged in the ensuing year.

From 1 April 2017 until 10 January 2018, the Company was a wholly owned subsidiary of Xafinity Consulting Limited and the ultimate controlling undertaking was Xafinity plc.

On 11 January 2018, through a series of consecutive transactions on the day, PS Independent Trustees Holdings Limited (now known as PSGS Group Limited), a subsidiary of Punter Southall Group Limited, acquired the Company as part of the consideration for the sale of the Punter Southall Holdings group of companies to Xafinity Plc.

As a result of these transactions, the immediate Parent Company is PS Independent Trustees Holdings Limited (now known as PSGS Group Limited) and ultimate controlling undertaking is Punter Southall Group Limited, an entity incorporated in the United Kingdom.

Review of the business

The Company's results for the year are set out in the profit and loss account on page 7 and profit after tax of £nil (2017: £nil).

Dividends

The company paid a dividend of £37,564 to the ordinary shareholders on 3 January 2018 (2017: nil).

Qualifying third party indemnity provisions

The Company has in place qualifying third party indemnity provisions for the directors of HR Trustees Limited.

Directors

The Directors who held office during the year are given below:

E C Bruce-Gardner (Appointed on 11 January 2018)

A J Davies

C M Hayes

W Phelan (Appointed on 11 January 2018)

S M Southall (Appointed on 11 January 2018)

C L Teagle

M R A Ainslie (Resigned on 11 January 2018)

J S Bernstein (Resigned on 11 January 2018)

B O Bramhall (Resigned on 11 January 2018)

P G Cuff (Resigned on 11 January 2018)

K J McKelvey (Resigned on 23 February 2018)

J A A Samuels (Resigned on 23 January 2018)

Annual report and financial statements 2018
Directors' report for the year ended 31 March 2018 *continued*

Statement of Directors' responsibilities

The Directors are responsible for preparing the Director's 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 income statement of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

Auditors

All Directors have taken all appropriate steps to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP has expressed its willingness to continue in office and a resolution to reappoint it will be proposed at the forthcoming board meeting in accordance with section 487 of the Companies Act 2006.

In preparing this Directors' report, advantage has been taken of the small companies' exemption.

On behalf of the Board:


W Phelan
Director

Date: 14 DEC 2018

Annual report and financial statements 2018
Independent auditors' report to the members of HR Trustees Limited

Opinion

We have audited the financial statements of HR Trustees Limited ("the Company") for the year ended 31 March 2018 which comprise the profit and loss account and statement of comprehensive income, statement of financial position, 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its results for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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.

Other information *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.

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 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 Director's 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; or
- the Directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report, and from the requirement to prepare a strategic report.

Annual report and financial statements 2018
Independent auditors' report to the members of HR Trustees Limited *continued*

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, 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 at the Financial Reporting Council's website at: <https://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.



Daniel Taylor (Senior Statutory Auditor)

For and on behalf of BDO LLP,

55 Baker Street,

W1U 7EU,

London,

United Kingdom

Date: 14/12/18

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Annual report and financial statements 2018
Profit and loss account and statement of comprehensive income for the year ended
31 March 2018

Profit and loss account for the year ended 31 March 2018

	Note	2018 £'000	2017 £'000
Turnover	5	2,772	2,735
Administrative expenses		(2,772)	(2,735)
Operating profit		-	-
Profit on ordinary activities for the year		-	-

Statement of comprehensive income for the year ended 31 March 2018

	2018 £'000	2017 £'000
Profit on ordinary activities for the year	-	-
Total comprehensive income for the year	-	-

The notes on pages 10 to 15 form part of these financial statements.

Annual report and financial statements 2018
Statement of financial position as at 31 March 2018
Registered number: 00745598

	Note	2018 £'000	2017 £'000
Current assets			
Trade and other receivables	9	5	43
		5	43
Total assets		5	43
Capital and reserves			
Called up share capital	10	5	5
Retained earnings		-	38
Total shareholders' funds		5	43

The financial statements were approved by the Board and authorised for issue on:
They were signed on behalf of the Board by:

14 DEC 2018



W Phelan
Director

The notes on pages 10 to 15 form part of these financial statements.

Annual report and financial statements 2018
Statement of changes in equity for the year ended 31 March 2018

	Share capital	Retained earnings	Total equity
	£'000	£'000	£'000
Balance as at 1 April 2017 and 1 April 2016	5	38	43
Dividends paid	-	(38)	(38)
Balance as at 31 March 2018	5	-	5

The notes on pages 10 to 15 form part of these financial statements.

Annual report and financial statements 2018
Notes to the financial statements for the year ended 31 March 2018

1. General information

HR Trustees Limited is a company incorporated and domiciled in the United Kingdom, with company registration number 00745598. The registered office is 11 Strand, London WC2N 5HR, United Kingdom.

The nature of the Company's operations is detailed in the Directors' report.

2. Standards issued but not yet effective

The following new IFRS and amendments that are relevant to the Company have been issued but are not yet effective for the current financial year. The company will adopt them no later than their effective dates, to the extent that they are applicable to its activities.

Standard	Topic	Date effective
IFRS 9	Financial instruments	1 April 2018
IFRS 15	Revenue contracts with customers (including amendments to IFRS 15)	1 April 2018

The impact of the above standards on our financial statements has been assessed by management in light of internal interpretation and practice in the market. Our assessment is as follows:

IFRS 9

IFRS 9: 'Financial instruments' is effective for periods beginning on or after 1 January 2018 (endorsed 22 November 2016). The standard replaces the guidance on IAS 39 'Financial instruments: Recognition and Measurement' and addresses the classification, measurement and recognition of financial assets and liabilities including a new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Based on an assessment performed by management, the introduction of IFRS will not have any material impact on the reported results and financial position of the Company.

IFRS 15

IFRS 15 'Revenue from Contracts with Customers' replaces IAS 18 'Revenue' and other existing revenue recognition interpretations. It describes the principles an entity must follow to measure and recognise revenue using a five step approach. The standard requires revenue to be recognised when goods or services are transferred to customers and the entity has satisfied its performance obligations under the contract, and at an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The standard does not apply to financial instruments, lease or insurance contracts.

IFRS 15 will be applied by the Company from 1 April 2018 and based on management's assessment, as revenue is recognised on the accrual basis, no change to the Company's accounting policy with respect to the recognition of their revenue is expected.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis under historical cost convention and in accordance with International Financial Reporting Standards, International Accounting Standards and interpretations (collectively IFRS) and International Financial Reporting Interpretation Committee (IFRIC) interpretations, as adopted by the European Union (IFRS as adopted by the EU).

The functional and presentational currency of the Company is Pound Sterling.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Dividend income

Equity dividends are recognised when they become legally payable or receivable. Interim equity dividends are recognised when paid.

Going concern

At the date of approval of the financial statements the Directors have a reasonable expectation that the Company has adequate resources to continue in operational for the foreseeable future.

Turnover

Turnover represents the invoiced value, net of value added tax, of services provided to Group undertakings. Turnover is recognised on an accrual basis

Taxation

Tax expense comprises current and deferred tax.

Current tax

Current tax assets and liabilities comprise those obligations to, or claim from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date.

Deferred tax

Deferred tax is provided in respect of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill (if any) or from the initial recognition of other assets and liabilities in a transaction, other than a business combination (if any), that affects neither the tax nor the accounting profit.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to be applied to their respective period of realisation, provided they are enacted or substantially enacted at the reporting date.

3. Accounting policies *continued*

Taxation continued

Where applicable, deferred tax assets and liabilities are offset when there is a legally enforceable right to set off, when they relate to income taxes levied by the same taxation authority and the Group intends to settle on a net basis.

Changes in deferred tax assets and liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity, in which case the related deferred tax is also charged or credited directly to equity.

Deferred tax has not been recognised in the Company's accounts for the current or prior year.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. Appropriate provisions for estimated irrecoverable amounts are recognised within administrative expenses when there is objective evidence that the assets are impaired.

4. Critical accounting estimates and judgements

The preparation of financial statements in compliance with IFRS requires the Company's Directors to make certain critical accounting estimates and exercise judgements, as well as making certain assumptions and estimates regarding the future. These estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

There are no estimates and assumptions that have a significant risk

5. Turnover

Turnover is attributable to the principal activity of the Company and arises solely within the United Kingdom.

Annual report and financial statements 2018**Notes to the financial statements for the year ended 31 March 2018 *continued*****6. Operating profit**

	2018 £'000	2017 £'000
<i>This is stated after charging:</i>		
Administrative expenses	2,772	2,735

Auditors' remuneration of £7,250 was paid by PS Independent Trustees Limited (now trading as Punter Southall Governance Services Limited) (2017: £800).

7. Employees

The Company has no employees apart from the Directors. None of the Directors received remuneration during the year.

8. Tax on profit on ordinary activities

There was no tax charge in the current or prior year.

9. Trade and other receivables

	2018 £'000	2017 £'000
<i>Debtors due within one year</i>		
Amounts due from Group undertakings	5	39
Other debtors	-	4
	5	43

All transactions with related parties are made in the ordinary course of business and balances outstanding at the reporting date are unsecured. Loans are repayable on demand.

10. Called up share capital

	2018 £'000	2017 £'000
Authorised		
5,000 ordinary shares of £1 each	5	5
Allotted, called up and fully paid		
5,000 ordinary shares of £1 each	5	5

Annual report and financial statements 2018**Notes to the financial statements for the year ended 31 March 2018 *continued*****11. Reserves**

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share capital	Nominal value of share capital subscribed for
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere

12. Related party transactions

During the year the Company provided services of £2,772,451 to other related parties (2017: £2,735,460). These transactions were included in turnover.

	2018 £'000	2017 £,000
Xafinity Consulting Limited	2,183	2,735
PS Independent Trustees Limited	589	-
	<u>2,772</u>	<u>2,735</u>

During the year the Company paid administrative expenses of £2,772,451 to other related parties (2017: £2,735,460). These transactions were included in administrative expenses.

	2018 £'000	2017 £,000
Xafinity Consulting Limited	2,183	2,735
PS Independent Trustees Limited	589	-
	<u>2,772</u>	<u>2,735</u>

The following balances were receivable from / (owed to) related parties at 31 March:

	2018 £'000	2017 £,000
Punter Southall Group Limited	5	-
Xafinity Consulting Limited	-	43

13. Immediate and ultimate Parent Company

From 1 April 2017 until 10 January 2018, the Company was a wholly owned subsidiary of Xafinity Consulting Limited and the ultimate controlling undertaking was Xafinity plc.

On 11 January 2018, through a series of consecutive transactions on the day, PS Independent Trustees Holdings Limited (PSITL), a subsidiary of Punter Southall Group Limited (PSG), acquired the Company as part of the consideration for the sale of the Punter Southall Holdings group of companies to Xafinity Plc.

As a result of these transactions, the immediate Parent Company is PSITL and ultimate controlling undertaking is PSG, an entity incorporated in the United Kingdom. PSG is the Parent of the smallest group of which the Company is a member, and the largest group of which the Company is a member.

Copies of the financial statements of Punter Southall Group Limited can be obtained from the Company Secretary: Punter Southall Group Limited, 11 Strand, London, WC2N 5HR, United Kingdom.