

BESA PUBLICATIONS LIMITED

Registered No. 03034318

Annual report and financial statements
For the year ended 28 February 2023

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BESA PUBLICATIONS LIMITED
Annual Report and Financial Statements
For the year ended 28 February 2023

CONTENTS

| | |
|-------|-----------------------------------|
| 1 | Company Information |
| 2-4 | Report of the Directors |
| 5-7 | Report of the Independent Auditor |
| 8 | Statement of Comprehensive Income |
| 9 | Balance Sheet |
| 10 | Statement of Changes in Equity |
| 11-19 | Notes to the Financial Statements |

BESA PUBLICATIONS LIMITED
Annual Report and Financial Statements
For the year ended 28 February 2023

COMPANY INFORMATION

| | |
|---------------------|---|
| Directors | S A Hardy K Cogan D W Frise H J W Ropner |
| Secretary | S A Hardy |
| Registered Office | Old Mansion House Eamont Bridge Penrith Cumbria CA10 2BX |
| Company Number | 03034318 |
| Independent Auditor | Armstrong Watson Audit Limited Fairview House Victoria Place Carlisle CA1 1HP |

BESA PUBLICATIONS LIMITED

Report of the Directors

For the year ended 28 February 2023

The directors submit their annual report together with the audited financial statements of the Company for the year to 28 February 2023.

Principal Activities

The Company's principal activity during the year was the sale of property maintenance software.

Dividends

The Company paid dividends of £1,561,594 during the year (2022 - £1,592,535). No additional dividend has been proposed.

Directors

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

S A Hardy
Welplan Ltd (Resigned 29 July 2022)
K Cogan (Appointed 29 July 2022)
D W Frise (Appointed 29 July 2022)
H J W Ropner (Appointed 29 July 2022)

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

Future Developments

SFG20 is a business with significant potential arising from the role it can play in meeting the maintenance requirements of the built environment and new compliance requirements under the Building Safety Act, which has introduced a wide range of regulatory changes to the facilities management sector. SFG20's software & consultancy services are sold primarily to the UK domestic market, but is also penetrating a growing number of international markets which closely adhere to the UK regulatory framework.

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 cost additions in the year relate to internally generated software development costs of £668,611 (2022 - £170,411). There were additions of £18,697 in the year relating to externally acquired intellectual property (2022 - £Nil).

BESA PUBLICATIONS LIMITED

Report of the Directors

For the year ended 28 February 2023

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 Applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 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 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.

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

Armstrong Watson Audit Limited 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.

Small Companies Regime

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

This report was approved by the board on 27 July 2023 and signed on its behalf by:



H J W Ropner
Director

BESA PUBLICATIONS LIMITED
Report of the Directors
For the year ended 28 February 2023

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 2023 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 2023 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Besa Publications Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

BESA PUBLICATIONS LIMITED

Report of the Independent Auditor

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 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' 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 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.

BESA PUBLICATIONS LIMITED

Report of the Independent Auditor

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, such as the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental, health and safety legislation, as well as compliance with government bodies for the provision of apprenticeships.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- reviewing the key areas of the financial statements most susceptible to fraud whilst tailoring our audit plans.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates, such as the defined benefit pension and investment property valuations were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisors;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial


BESA PUBLICATIONS LIMITED

Report of the Independent Auditor

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.


Joanna Gray (4 Jul 31, 2023 15:53 GMT+2)

Joanna Gray (Senior statutory auditor)
for and on behalf of Armstrong Watson Audit Limited, Chartered Accountants and Statutory Auditors

Fairview House
Victoria Place
Carlisle
CA1 1HP

Date: 31/07/2023

BESA PUBLICATIONS LIMITED
Statement of Comprehensive Income
For the year ended 28 February 2023

| | Note | 2023 £ | 2022 £ |
|--|----------|-------------|-------------|
| Turnover | 2 | 5,843,982 | 4,376,137 |
| Cost of sales | | (1,518,878) | (1,029,774) |
| Gross profit | | 4,325,104 | 3,346,363 |
| Administrative expenses | | (2,012,725) | (1,159,746) |
| Operating profit | | 2,312,379 | 2,186,617 |
| Interest receivable | | - | 280 |
| Profit on ordinary activities before taxation | 4 | 2,312,379 | 2,186,897 |
| Tax charge on profit on ordinary activities | 5 | (350,622) | (373,014) |
| Profit on ordinary activities after taxation | | 1,961,757 | 1,813,883 |
| Total comprehensive Income for the year | | 1,961,757 | 1,813,883 |

The notes on pages 11 to 19 form part of these financial statements.

BESA PUBLICATIONS LIMITED

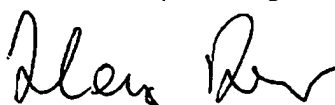
Balance Sheet as at 28 February 2023

Registered No 03034318

| | Note | 2023 £ | 2022 £ |
|--|------|------------------|------------------|
| Fixed Assets | | | |
| Intangible assets | 7 | 863,064 | 253,309 |
| Tangible assets | 8 | - | 15,137 |
| | | <u>863,064</u> | <u>268,446</u> |
| Current Assets | | | |
| Debtors | 9 | 6,279,001 | 4,191,092 |
| Cash at bank and in hand | 10 | 1 | - |
| | | <u>6,279,002</u> | <u>4,191,092</u> |
| Creditors | | | |
| Amounts falling due within one year | 11 | (5,174,420) | (3,359,856) |
| Net current assets | | <u>1,104,582</u> | <u>831,236</u> |
| Total assets less current liabilities | | <u>1,967,646</u> | <u>1,099,682</u> |
| Creditors | | | |
| Amounts falling due after more than one year | 12 | (456,069) | - |
| Net assets | | <u>1,511,577</u> | <u>1,099,682</u> |
| Capital and reserves | | | |
| Called up share capital | 13 | 111,732 | 100,000 |
| Profit and loss account | 14 | 1,399,845 | 999,682 |
| Shareholders' equity | | <u>1,511,577</u> | <u>1,099,682</u> |

The financial statements were approved and authorised for issue by the board and signed on its behalf on 27 July 2023.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.



H J W Ropner
Director

The notes on pages 11 to 19 form part of these financial statements.

BESA PUBLICATIONS LIMITED
Statement of Changes in Equity
For the year ended 28 February 2023

| | Note | Share Capital £ | Profit and Loss Account £ | Total £ |
|----------------------------|------|-----------------------|------------------------------------|------------------|
| At 28 February 2021 | | 100,000 | 778,334 | 878,334 |
| Profit for the year | | - | 1,813,883 | 1,813,883 |
| Dividends paid | 6 | - | (1,592,535) | (1,592,535) |
| At 28 February 2022 | | 100,000 | 999,682 | 1,099,682 |
| Profit for the year | | - | 1,961,757 | 1,961,757 |
| Dividends paid | 6 | - | (1,561,594) | (1,561,594) |
| Shares issued | 12 | 11,732 | - | 11,732 |
| At 28 February 2023 | | 111,732 | 1,399,845 | 1,511,577 |

The notes on pages 11 to 19 form part of these financial statements.

BESA PUBLICATIONS LIMITED

Notes to the Financial Statements For the year ended 28 February 2023

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 property maintenance software.

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

1.2 Basis of Preparation

The financial statements are prepared under the historic cost convention and in accordance with the FRS102 Section 1A Small Entities – The financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

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 2023.

The Company was 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. The Company was a subsidiary of Welplan Limited until 1 June 2022 when the shares were transferred to 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.

BESA PUBLICATIONS LIMITED
Notes to the Financial Statements
For the year ended 28 February 2023

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

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.

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.

BESA PUBLICATIONS LIMITED

Notes to the Financial Statements

For the year ended 28 February 2023

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:

| | |
|------------------|---------------|
| Office 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.

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.

BESA PUBLICATIONS LIMITED
Notes to the Financial Statements
For the year ended 28 February 2023

1.10 Share Based Payments

Where shares have been awarded to employees by virtue of their employment; the fair value of these shares, less any consideration received, is charged to the profit and loss account. The expense is recognised over the period that the employees become unconditionally entitled to the rewards of share ownership.

The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met.

1.11 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:

- ***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.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, 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.

- ***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.
- ***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.

BESA PUBLICATIONS LIMITED
Notes to the Financial Statements
For the year ended 28 February 2023

2 Turnover

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

| | 2023 £ | 2022 £ |
|------------------------------------|------------------|------------------|
| Subscriptions to online literature | 5,843,982 | 4,337,328 |
| Sale of technical literature | - | 38,809 |
| | <u>5,843,982</u> | <u>4,376,137</u> |

Turnover originates in the United Kingdom.

3 Directors' Remuneration

No director received any emoluments during the current year.

During the year, 8,380 newly allotted ordinary B shares were issued to 4 directors for qualifying services under a long-term incentive scheme.

Shares were issued at their fair value being equal to their nominal value of £1.

The directors provided cash consideration equal to the fair value in exchange for these shares.

There are no employees other than the directors (2022 – nil).

4 Operating Profit

The operating profit is stated after charging:

| | 2023 £ | 2022 £ |
|---|---------------|---------------|
| Amortisation of intangible fixed assets | 77,553 | 49,644 |
| Depreciation of tangible fixed assets | - | 658 |
| Auditor's remuneration | | |
| • Audit services | 9,033 | 2,013 |
| • Taxation compliance | 1,650 | 619 |
| | <u>77,553</u> | <u>52,921</u> |

5 Tax on Profit on Ordinary Activities before Taxation

| | 2023 £ | 2022 £ |
|---|----------------|----------------|
| a) Analysis of charge in period | | |
| Current Tax | | |
| Corporation tax payable | 69,550 | 46,374 |
| Adjustment to Corporation tax payable in prior year | (46,374) | - |
| Group relief payable | 378,012 | 368,862 |
| Adjustment to group relief from prior year | (50,566) | (42,222) |
| | <u>350,622</u> | <u>373,014</u> |
| Tax on profit on ordinary activities | <u>350,622</u> | <u>373,014</u> |

BESA PUBLICATIONS LIMITED
Notes to the Financial Statements
For the year ended 28 February 2023

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 | 2,312,379 | 2,186,897 |
| Profit on ordinary activities by standard rate of Corporation tax in the UK 19.00% (2022: 19.00%) | 439,352 | 415,510 |
| Fixed asset differences | 2,233 | (274) |
| Expenditure not deductible for tax purposes | 6,210 | - |
| Group relief | (327,679) | (368,862) |
| Payment for group relief | 327,446 | 368,862 |
| Adjustment in relation to prior periods | (96,940) | (42,222) |
| Tax on profit on ordinary activities | 350,622 | 373,014 |

A deferred tax asset of £Nil (2022 - £Nil) has not been recognised in relation to timing differences on fixed assets.

In May 2021 the UK Parliament substantively enacted an increase in the rate of Corporation tax to 25% which will apply from 1 April 2023.

6 Dividends

| | 2023 | 2022 |
|---|------------------|------------------|
| | £ | £ |
| Ordinary Shares | | |
| Final dividend paid of £15.62 (2022 - £15.93) per share | 1,561,594 | 1,592,535 |
| | <u>1,561,594</u> | <u>1,592,535</u> |

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

BESA PUBLICATIONS LIMITED

Notes to the Financial Statements
For the year ended 28 February 2023

7 Intangible Fixed Assets

| | Develop- ment Costs | Total £ |
|----------------------------|---------------------------|------------------|
| Cost | | |
| At 28 February 2022 | 599,290 | 599,290 |
| Additions | 687,308 | 687,308 |
| At 28 February 2023 | 1,286,598 | 1,286,598 |
| Amortisation | | |
| At 1 March 2022 | 345,981 | 345,981 |
| Charge for the year | 77,553 | 77,553 |
| At 28 February 2023 | 423,534 | 423,534 |
| Net book value | | |
| At 28 February 2023 | 863,064 | 863,064 |
| At 28 February 2022 | 253,309 | 253,309 |

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

8 Tangible Fixed Assets

| | Office Equipment | Total £ |
|----------------------------|---------------------|------------|
| Cost | | |
| At 1 March 2022 | 15,795 | 15,795 |
| Disposals | (15,795) | (15,795) |
| At 28 February 2023 | - | - |
| Depreciation | | |
| At 1 March 2022 | 658 | 658 |
| On Disposals | (658) | (658) |
| At 28 February 2023 | - | - |
| Net book value | | |
| At 28 February 2023 | - | - |
| At 29 February 2022 | 15,137 | 15,137 |

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

BESA PUBLICATIONS LIMITED
Notes to the Financial Statements
For the year ended 28 February 2023

9 Debtors

| | 2023 £ | 2022 £ |
|-------------------------------------|------------------|------------------|
| Trade debtors | 2,200,844 | 806,617 |
| Amounts owed by parent undertakings | - | 3,284,443 |
| Amounts owed by group undertakings | 4,048,790 | - |
| Prepayments and accrued income | 24,185 | 100,032 |
| Other Debtors | 5,182 | - |
| | <u>6,279,001</u> | <u>4,191,092</u> |

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

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

10 Cash in bank and in hand

| | 2023 £ | 2022 £ |
|------------|-----------|-----------|
| Cash funds | 1 | - |
| | <u>1</u> | <u>-</u> |

11 Creditors

| | 2023 £ | 2022 £ |
|--------------------------------------|------------------|------------------|
| Trade creditors | 78,235 | 101,904 |
| Amounts owed to parent undertakings | 278,530 | 196,224 |
| Amounts owed to group undertakings | 110,453 | 139,291 |
| Amounts owed to related undertakings | - | 948 |
| Accruals and deferred income | 4,331,483 | 2,750,686 |
| Other taxation and social security | 371,875 | 165,146 |
| Other creditors | 3,844 | 5,657 |
| | <u>5,174,420</u> | <u>3,359,856</u> |

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

12 Creditors due after more than one year

| | 2023 £ | 2022 £ |
|-----------------|----------------|-----------|
| Deferred income | 456,069 | - |
| | <u>456,069</u> | <u>-</u> |

BESA PUBLICATIONS LIMITED
Notes to the Financial Statements
For the year ended 28 February 2023

13 Share Capital

| | 2023 £ | 2022 £ |
|--------------------------------------|----------------|----------------|
| Authorised, issued and fully paid: | | |
| 100,000 Ordinary A shares of £1 each | 100,000 | 100,000 |
| 11,732 B Ordinary shares of £1 each | 11,732 | - |
| | <u>111,732</u> | <u>100,000</u> |

The Company has two classes of ordinary shares in issue at the year-end date.

Both classes of shares confer voting rights to the holder and neither provide any rights to redemption.

Ordinary A shares confer to the holder the right to a share of any dividend resolved to be paid by the board, to be distributed pro rata to the number of ordinary A shares held by them. In the circumstance of an exit event, the holders of ordinary A shares are entitled to all proceeds up to a threshold value and thereafter a share of proceeds pro rata to the number of ordinary shares held by them.

Ordinary B shares do not confer to the holder any right to a dividend. In the circumstance of an exit event, the holders of ordinary B shares are entitled to a share of proceeds in excess of a threshold value. Ordinary B shares vest according to length of employment with the Company, with all shares fully vested over three years. In the event that a holder of B shares becomes a leaver during the vesting period, the holder may be obliged to transfer some or all unvested shares back to the Company.

14 Reserves

Profit and loss account

This reserve represents the cumulative profits and losses.

15 Ultimate Parent Undertaking

The immediate parent undertaking was Welplan Limited, a company registered in England, until 1 June 2022 when the shareholding was transferred to B&ESA Limited, a company registered in England. B&ESA Limited is the Immediate parent undertaking of Welplan Limited and part of the same group.

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.

16 Related Party Transactions

BESA Publications Limited became a partially owned subsidiary from 27 January 2023 and is now a related party of the BESA Group for the purposes of FRS102 Section 33 "Related Party Disclosure". A summary of the aggregate transactions which have been undertaken by the company with these parties is as follows:

| | 2023 £ | 2022 £ |
|--------------------------------------|----------------|-----------|
| Costs recharged from group companies | <u>28,052</u> | <u>-</u> |
| Amounts included in debtors | 4,048,790 | - |
| Amounts included in creditors | <u>388,983</u> | <u>-</u> |