

POWELL BATESON LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015
Company Registration No. 07142031 (England and Wales)

WEDNESDAY



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COMPANIES HOUSE

POWELL BATESON LIMITED

COMPANY INFORMATION

Directors

Mr E J Powell
Mr C P R Evans (Appointed 28 August 2015)
Mr A T Bastow (Appointed 28 August 2015)
Mr S D Reid (Appointed 1 October 2015)
Mr P D Smith (Appointed 14 January 2016)

Secretary

Mr M Blake

Company number

07142031

Registered office

Suite 30a 1st Floor
Port Of Liverpool Building
Pier Head
Liverpool
L3 1BY

Auditors

Duncan Sheard Glass
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Business address

Suite 30a 1st Floor
Port Of Liverpool Building
Pier Head
Liverpool
L3 1BY

Bankers

The Royal Bank of Scotland
1 Dale Street
Liverpool
L2 2PP

POWELL BATESON LIMITED

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POWELL BATESON LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2015

The directors present their report and financial statements for the year ended 30 September 2015.

Principal activities

The principal activity of the company is that of insurance brokers.

On 1 October the business of the company was transferred to a fellow subsidiary of the Hyperion Insurance Group Limited, Howden UK Group Limited. From this date the activity of the company became the operation of the run-off of the business placed prior to 1 October 2015.

Directors

The following directors have held office since 1 October 2014:

Mr E J Powell	
Mrs K A Bateson	(Resigned 31 August 2015)
Mr C P R Evans	(Appointed 28 August 2015)
Mr A T Bastow	(Appointed 28 August 2015)
Mr S D Reid	(Appointed 1 October 2015)
Mr I Richardson	(Appointed 1 October 2015 and resigned 14 January 2016)
Mr P D Smith	(Appointed 14 January 2016)

Charitable donations	2015 £	2014 £
During the year the company made the following payments:		
Charitable donations	1,068	3,800

Auditors

Duncan Sheard Glass were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

POWELL BATESON LIMITED

DIRECTORS' REPORT (CONTINUED)

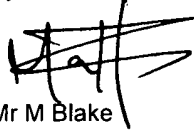
FOR THE YEAR ENDED 30 SEPTEMBER 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



Mr M Blake
Secretary

25 February 2016

POWELL BATESON LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF POWELL BATESON LIMITED

We have audited the financial statements of Powell Bateson Limited for the year ended 30 September 2015 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, 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 the 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 September 2015 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 matter 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.

POWELL BATESON LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF POWELL BATESON LIMITED

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.



Andrew Moss BA FCA (Senior Statutory Auditor)
for and on behalf of Duncan Sheard Glass

25 February 2016

**Chartered Accountants
Statutory Auditor**

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

POWELL BATESON LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Notes	2015 £	2014 £
Turnover - discontinued		1,793,461	1,652,608
Administrative expenses - discontinued		(1,565,370)	(1,173,497)
Operating profit - discontinued	3	228,091	479,111
Other interest receivable and similar income	2	1,249	1,642
Profit on ordinary activities before taxation		229,340	480,753
Tax on profit on ordinary activities	4	(48,450)	(102,533)
Profit for the year	12	180,890	378,220

There are no recognised gains and losses other than those passing through the profit and loss account.

POWELL BATESON LIMITED

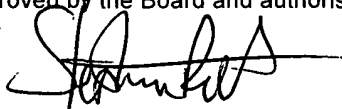
BALANCE SHEET

AS AT 30 SEPTEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	6		48,882		68,757
Current assets					
Debtors	7	2,120,103		1,839,527	
Cash at bank and in hand		855,748		437,248	
		<u>2,975,851</u>		<u>2,276,775</u>	
Creditors: amounts falling due within one year	8	<u>(1,752,435)</u>		<u>(1,250,887)</u>	
Net current assets			<u>1,223,416</u>		<u>1,025,888</u>
Total assets less current liabilities			<u>1,272,298</u>		<u>1,094,645</u>
Provisions for liabilities	9		<u>(4,293)</u>		<u>(7,530)</u>
			<u>1,268,005</u>		<u>1,087,115</u>
Capital and reserves					
Called up share capital	11		50,000		50,000
Profit and loss account	12		1,218,005		1,037,115
Shareholders' funds	13		<u>1,268,005</u>		<u>1,087,115</u>

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

Approved by the Board and authorised for issue on 25 February 2016



Mr S D Reid
Director

Company Registration No. 07142031

POWELL BATESON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for services and net of trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	10% straight line
Computer equipment	20% straight line
Fixtures, fittings & equipment	20% straight line

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Revenue recognition

Fee income represents commissions earned under the provision of professional services. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

POWELL BATESON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2015

2	Investment income	2015	2014
		£	£
	Bank interest	1,249	1,642
		<u>1,249</u>	<u>1,642</u>
3	Operating profit	2015	2014
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	23,450	22,373
	Operating lease rentals		
	- Plant and machinery	5,164	3,987
	- Other assets	69,167	69,808
	Directors' remuneration	<u>1,989</u>	<u>15,444</u>

The two directors of Powell Bateson Limited as at 30 September 2014 became employees of a separate Group company following its acquisition; remuneration of £274,845 was paid to the directors, and pension contributions of £21,875 were paid on their behalf by the separate Group company.

POWELL BATESON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2015

4	Taxation	2015	2014
		£	£
	Domestic current year tax		
	U.K. corporation tax	51,456	104,552
	Adjustment for prior years	231	373
	Total current tax	51,687	104,925
	Deferred tax		
	Origination and reversal of timing differences	(3,237)	(2,392)
		48,450	102,533
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	229,340	480,753
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 22.00%)	45,868	105,766
	Effects of:		
	Non deductible expenses	1,613	17,423
	Depreciation add back	4,690	4,922
	Capital allowances	(715)	(2,176)
	Adjustments to previous periods	231	373
	Group relief	-	(16,381)
	Marginal relief	-	(5,002)
		5,819	(841)
	Current tax charge for the year	51,687	104,925
5	Dividends	2015	2014
		£	£
	Ordinary interim paid	-	277,000

POWELL BATESON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2015

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 October 2014	69,834	80,108	149,942
Additions	-	3,576	3,576
At 30 September 2015	69,834	83,684	153,518
Depreciation			
At 1 October 2014	27,934	53,252	81,186
Charge for the year	6,983	16,467	23,450
At 30 September 2015	34,917	69,719	104,636
Net book value			
At 30 September 2015	34,917	13,965	48,882
At 30 September 2014	41,901	26,856	68,757

7 Debtors

	2015 £	2014 £
Trade debtors	1,104,126	998,477
Amounts owed by group undertakings and undertakings in which the company has a participating interest	955,676	816,305
Other debtors	60,301	24,745
	2,120,103	1,839,527

8 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	1,174,340	1,079,264
Amounts owed to group undertakings and undertakings in which the company has a participating interest	397,897	-
Taxation and social security	90,995	125,812
Other creditors	89,203	45,811
	1,752,435	1,250,887

POWELL BATESON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2015

9 Provisions for liabilities

	Deferred tax liability £
Balance at 1 October 2014	7,530
Profit and loss account	(3,237)
Balance at 30 September 2015	<u>4,293</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>4,293</u>	<u>7,530</u>

10 Retirement Benefits

	2015 £	2014 £
Contributions payable by the company for the year	<u>3,493</u>	<u>29,495</u>

11 Share capital

	2015 £	2014 £
Allotted, called up and fully paid 50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2014	1,037,115
Profit for the year	180,890
Balance at 30 September 2015	<u>1,218,005</u>

POWELL BATESON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2015

13 Reconciliation of movements in Shareholders' funds	2015 £	2014 £
Profit for the financial year	180,890	378,220
Dividends	-	(277,000)
	<hr/>	<hr/>
	180,890	101,220
Purchase of own shares	-	(859,802)
	<hr/>	<hr/>
Net addition to/(depletion in) shareholders' funds	180,890	(758,582)
Opening Shareholders' funds	1,087,115	1,845,697
	<hr/>	<hr/>
Closing Shareholders' funds	1,268,005	1,087,115
	<hr/>	<hr/>

14 Contingent liabilities

The company has provided a fixed and floating charge over its assets in respect of Group borrowings; the charge was released in November 2015.

15 Financial commitments

At 30 September 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 September 2016:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
Operating leases which expire:				
Between two and five years	47,288	47,288	2,870	2,870
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16 Control

The ultimate parent company is Hyperion Insurance Group Limited, a company registered in England and Wales.

Hyperion Insurance Group Limited prepares group financial statements and copies can be obtained from Companies House, Cardiff.

17 Post balance sheet events

On 1 October the business of the company was transferred to a fellow subsidiary of the Hyperion Insurance Group Limited, Howden UK Group Limited. From this date the activity of the company became the operation of the run-off of the business placed prior to 1 October 2015.

POWELL BATESON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2015

18 Related party relationships and transactions

Other transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

POWELL BATESON LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2015

POWELL BATESON LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2015

		2015		2014
	£	£	£	£
Turnover				
Commissions receivable		1,793,461		1,652,608
 Administrative expenses		 (1,565,370)		 (1,173,497)
Operating profit		<u>228,091</u>		<u>479,111</u>
 Other interest receivable and similar income				
Bank interest		1,249		1,642
 Profit before taxation	12.79%	<u><u>229,340</u></u>	29.09%	<u><u>480,753</u></u>

POWELL BATESON LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2015

	2015	2014
	£	£
Administrative expenses		
Wages and salaries (excl. N.I.)	71,157	547,209
Directors' remuneration	1,989	15,444
Employer's NI contributions	7,323	57,577
Staff pension costs defined contribution	3,493	29,495
Management charge	1,075,806	-
Risk management consultancy fees	4,263	15,420
Recruitment expenses	15,075	10,349
Staff training	24,875	10,934
Rent and service charge	69,167	69,808
Rates	20,605	14,127
Insurance	40,117	49,363
Light and heat	1,896	1,644
Cleaning	1,517	895
Printing, postage & stationery	10,158	10,815
Advertising & marketing	884	9,600
Computer running costs	32,310	27,972
Telephone	10,643	12,541
Equipment leasing	5,164	3,987
Motor expenses	3,907	4,369
Travelling expenses	67,755	47,468
Entertaining	11,249	9,451
Legal and professional fees	11,611	81,402
Consultancy fees	21,000	84,000
Compliance fees	1,320	7,147
Accountancy	9,000	12,766
Bank charges	1,171	1,354
Bad and doubtful debts	48	718
Charitable donations	1,068	3,800
Sundry expenses	10,504	5,657
Subscriptions	6,845	5,812
Depreciation	23,450	22,373
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	1,565,370	1,173,497
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