

## **Media Insurance Services Limited**

Financial Statements

Year Ended

31 March 2020

Company Number 03886401

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# Media Insurance Services Limited

## Company Information

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<b>Directors</b>	G E Stobart H S Perlin
<b>Registered number</b>	03886401
<b>Registered office</b>	Warren House 92 High Street Cranleigh Surrey GU6 8AJ
<b>Independent auditor</b>	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA

# **Media Insurance Services Limited**

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# Media Insurance Services Limited

Registered number: 03886401

## Balance Sheet As at 31 March 2020

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	5		5,509		576
<b>Current assets</b>					
Stocks		1,654		349	
Debtors: amounts falling due within one year	6	22,811		19,716	
Cash at bank and in hand		538,515		446,901	
		<u>562,980</u>		<u>466,966</u>	
Creditors: amounts falling due within one year	7	(276,352)		(234,569)	
<b>Net current assets</b>			<b>286,628</b>		<b>232,397</b>
Deferred tax	8	(517)		-	
		<u>(517)</u>		<u>-</u>	
<b>Net assets</b>			<b>291,620</b>		<b>232,973</b>
<b>Capital and reserves</b>					
Called up share capital	9	1,087		1,087	
Profit and loss account	10	290,533		231,886	
<b>Total equity</b>		<b>291,620</b>		<b>232,973</b>	

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 November 2020.

  
Q E Stobart  
Director

The notes on pages 2 to 8 form part of these financial statements.

# Media Insurance Services Limited

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 1. General information

Media Insurance Services Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

#### 2.2 Going concern

COVID-19 was declared a global pandemic on 11 March 2020 and the UK entered lockdown on the 23 March 2020. Given the nature of activities of the company, limited impact has been felt as a result of COVID-19 during this financial year, and subsequent to year end, with revenues decreasing by 8% which is in line with prior year decreases and expected given the nature of the services provided. Management have considered the potential impact of a second wave through stress testing budgets and believe given the nature of the operations and the significant cash balances held, that the entity remains a going concern.

#### 2.3 Turnover

Turnover primarily comprises policyholder premiums received net of the cost of underwriting and insurance premium tax. Insurance premiums are recognised when received and corresponding creditor balances are provided for the underwriter's premium and insurance premium tax due. No amounts are deferred as the policies written provide monthly rolling cover.

The balance of turnover comprises trail commission received from marketing insurance products and is recognised upon receipt.

# Media Insurance Services Limited

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

The estimated useful lives range as follows:

Fixtures and fittings	- straight line over 4 years
Computer equipment	- straight line over 3 years for hardware/ written off in year of purchase for software

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

#### 2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

#### 2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

# **Media Insurance Services Limited**

## **Notes to the Financial Statements For the Year Ended 31 March 2020**

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### **2. Accounting policies (continued)**

#### **2.8 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

#### **2.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **2.10 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### **2.11 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

#### **2.12 Pensions**

##### **Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

#### **2.13 Interest income**

Interest income is recognised in the statement of comprehensive income using the effective interest method.

# **Media Insurance Services Limited**

## **Notes to the Financial Statements For the Year Ended 31 March 2020**

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### **2. Accounting policies (continued)**

#### **2.14 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

Accounting policies which have a significant bearing on the reported financial condition and results of the company may require subjective or complex judgements. There are not considered to be any significant areas of judgement for the reporting period.

### **4. Employees**

The average monthly number of employees, including directors, during the year was 7 (2019 - 7).



# Media Insurance Services Limited

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 5. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2019	5,225	15,442	20,667
Additions	-	6,610	6,610
At 31 March 2020	5,225	22,052	27,277
<b>Depreciation</b>			
At 1 April 2019	5,225	14,866	20,091
Charge for the year	-	1,677	1,677
At 31 March 2020	5,225	16,543	21,768
<b>Net book value</b>			
At 31 March 2020	-	5,509	5,509
At 31 March 2019	-	576	576

### 6. Debtors: amounts falling due within one year

	2020 £	2019 £
Other debtors	812	13
Prepayments and accrued income	21,999	19,223
Deferred taxation	-	480
	22,811	19,716

# Media Insurance Services Limited

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 7. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	2,056	867
Corporation tax	109,652	59,123
Other taxation and social security	7,443	8,070
Accruals and deferred income	157,201	166,509
	<u>276,352</u>	<u>234,569</u>

### 8. Deferred taxation

	2020 £
At beginning of year	480
Charged to profit or loss	(997)
At end of year	<u>(517)</u>

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	<u>(517)</u>	<u>480</u>

### 9. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
108,670 ordinary shares of £0.01 each	<u>1,087</u>	<u>1,087</u>

# Media Insurance Services Limited

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 10. Reserves

The company's capital and reserves are as follows:

#### Called up share capital

Called up share capital represents the nominal value of the shares issued.

#### Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

### 11. Commitments under operating leases

At 31 March 2020 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than one year	16,000	16,000
In two to five years	64,000	64,000
In greater than five years	42,055	58,055
	<u>122,055</u>	<u>138,055</u>

### 12. Related party transactions

During the year, payments of £50,000 (2019 - £66,291) were made to R Redding, a shareholder, in relation to consultancy services provided to the company. No amount was owed at the balance sheet date (2019 - £Nil).

Total remuneration paid to directors for services to the company was £91,957 (2019 - £122,153). The directors are considered to be the key management personnel.

### 13. Controlling party

RW Redding and GE Stobart are considered to be the ultimate controlling parties by virtue of their ability to act in concert in respect of the operational and financial policies of the company.

### 14. Auditor's information

The auditor's report on the financial statements for the year ended 31 March 2020 was unqualified.

The audit report was signed on 04 November 2020 by James Fearon (senior statutory auditor) on behalf of BDO LLP.