

Media Insurance Services Limited

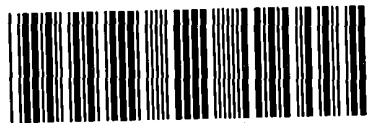
Directors' Report and Financial Statements

Year Ended

31 March 2022

Company Number 03886401

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Media Insurance Services Limited

Company Information

| | |
|----------------------------|--|
| Directors | G E Stobart H S Perlín C J S Jago |
| Registered number | 03886401 |
| Registered office | Warren House 92 High Street Cranleigh Surrey GU6 8AJ |
| Independent auditor | BDO LLP 31 Chertsey Street Guildford Surrey GU1 4HD |

Media Insurance Services Limited

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Media Insurance Services Limited
Registered number: 03886401

Balance Sheet
As at 31 March 2022

| | Note | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|--|------|----------------|-----------------------|----------------|-----------------------|
| Fixed assets | | | | | |
| Tangible assets | 8 | | 6,306 | | 3,305 |
| Current assets | | | | | |
| Stocks | | 954 | | 275 | |
| Debtors: amounts falling due within one year | 9 | 28,594 | | 27,143 | |
| Cash at bank and in hand | | 596,561 | | 589,294 | |
| | | <u>626,109</u> | | <u>616,712</u> | |
| Creditors: amounts falling due within one year | 10 | (267,569) | | (264,864) | |
| Net current assets | | | 358,540 | | 351,848 |
| Deferred tax | 11 | (1,108) | | (194) | |
| Net assets | | | <u>363,738</u> | | <u>354,959</u> |
| Capital and reserves | | | | | |
| Called up share capital | 12 | | 1,087 | | 1,087 |
| Profit and loss account | 13 | | 362,651 | | 353,872 |
| Total equity | | | <u>363,738</u> | | <u>354,959</u> |

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 30 March 2022


G.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 2022

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 and the nature of the company's operations and its principal activity are set out in the directors' report.

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

In preparing the financial statements the directors are required to assess the company's ability to continue to trade as a going concern for the foreseeable future. In undertaking this assessment, the directors have given due consideration to the company's historical and current trading, together with the forward-looking projections. In respect of COVID-19, given the nature of activities of the company, the company's operations have not been significantly impacted. The company's operations are not impacted by the ongoing conflict in Ukraine.

The company has prepared detailed forecasts for a period of more than 12 months and revenues have been forecast to decrease in line with decreases seen in prior years. These forecasts have been stress tested by considering an increase in the lapse rate of customers compared to the average seen over the past 12 months. Based on this assessment the directors are satisfied that the company will continue as a going concern and as such, the directors have prepared the annual financial statements on this basis.

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 amounts are provided for the underwriter's premium and insurance premium tax due. No amounts are deferred as the policies written provide monthly rolling cover.

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.

Media Insurance Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

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.

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.

Media Insurance Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

2. Accounting policies (continued)

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 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure.

2.11 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.

2.12 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.

2.13 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.

2.14 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 2022

2.15 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 or sources of estimation uncertainty for the reporting period.

4. Employees

The average monthly number of employees, including directors, during the year was 7 (2021 - 8).

Media Insurance Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

5. Tangible fixed assets

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-----------------------|-------------------------------|----------------------------|------------|
| Cost | | | |
| At 1 April 2021 | 5,225 | 22,052 | 27,277 |
| Additions | - | 6,246 | 6,246 |
| At 31 March 2022 | 5,225 | 28,298 | 33,523 |
| Depreciation | | | |
| At 1 April 2021 | 5,225 | 18,747 | 23,972 |
| Charge for the year | - | 3,245 | 3,245 |
| At 31 March 2022 | 5,225 | 21,992 | 27,217 |
| Net book value | | | |
| At 31 March 2022 | - | 6,306 | 6,306 |
| At 31 March 2021 | - | 3,305 | 3,305 |

6. Debtors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|--------------------------------|---------------|---------------|
| Other debtors | 1,061 | 726 |
| Prepayments and accrued income | 27,533 | 26,417 |
| | <u>28,594</u> | <u>27,143</u> |

Media Insurance Services Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

7. Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 718 | 1,094 |
| Corporation tax | 89,847 | 104,266 |
| Other taxation and social security | 5,817 | 7,860 |
| Accruals and deferred income | 171,187 | 151,644 |
| | <u>267,569</u> | <u>264,864</u> |

8. Deferred taxation

| | 2022 £ |
|---------------------------|--------------|
| At beginning of year | 194 |
| Charged to profit or loss | 914 |
| At end of year | <u>1,108</u> |

The deferred taxation balance is made up as follows:

| | 2022 £ | 2021 £ |
|--------------------------------|--------------|------------|
| Accelerated capital allowances | <u>1,108</u> | <u>194</u> |

9. Share capital

| | 2022 £ | 2021 £ |
|---|--------------|--------------|
| Allotted, called up and fully paid | | |
| 108,670 - ordinary shares of £0.01 each | <u>1,087</u> | <u>1,087</u> |

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 2022 the company had future minimum lease payments under non-cancellable operating leases as follows:

| | 2022 £ | 2021 £ |
|----------------------------|----------------|----------------|
| Not later than one year | 33,049 | 16,000 |
| In two to five years | 96,678 | 64,000 |
| In greater than five years | 10,055 | 26,055 |
| | <u>139,782</u> | <u>106,055</u> |

12. Related party transactions

During the year, payments of £50,000 (2021 - £50,000) in relation to consultancy services provided to the company and dividends of £174,248 (2021 - £174,800) were made to RW Redding, a shareholder.

Total remuneration paid to directors for services to the company was £118,805 (2021 - £73,000). The directors are considered to be the key management personnel.

A dividend of £204,552 was paid to the parent company, Hillmorton Financial Services Limited in the year (2021 - £205,200).

13. Controlling party

The immediate parent company is Hillmorton Financial Services Limited. 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. Auditors information

The auditor's report on the financial statements for the year ended 31 March 2022 was unqualified.

The audit report was signed on 30 August 2022 by Mark Hutton (senior statutory auditor) on behalf of BDO LLP.