

Company Registration Number : 3266637

MMO UK LIMITED

Report and Financial Statements

31 December 2020

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MMO UK LIMITED

REPORT AND FINANCIAL STATEMENTS – 31 DECEMBER 2020

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MMO UK LIMITED

OFFICERS AND REGISTERD OFFICE

DIRECTOR

G P Nash

SECRETARY

I Wilson

REGISTERED OFFICE

Site A

Kingmoor Park South Industrial Estate

Queens Drive

Carlisle

CA6 4SB

MMO UK LIMITED

STRATEGIC REPORT AND DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 FOR THE YEAR ENDED 31 DECEMBER 2020

The director presents the annual report and the audited financial statements for the year ended 31 December 2019.

STRATEGIC REPORT

PRINCIPAL ACTIVITIES

The company's principal activity was to act as a corporate name at Lloyd's. The company's final year of underwriting was the 2000 account. The company does not intend to underwrite going forward.

RESULTS

The company made a loss for the year of £ 1,314,000 (2019: loss of £1,127,000) due principally to the ongoing accrual of loan interest. As the company has no distributable reserves the director does not recommend the payment of a dividend (2019: £nil).

BUSINESS REVIEW

During 2005 syndicate 1265 was reinsured to close into syndicate 1861, managed by Marlborough Underwriting Agency Limited, with effect from 31 December 2004. As a result of significant underwriting losses, the company has drawn on the Lloyd's Central Fund to meet its liabilities to policyholders. The director considers the company is no longer a going concern; accordingly, the financial statements have been drawn up on a discontinuance basis. The effect of this is explained in note 1 to the financial statements.

Approved by the Board of Directors and signed on behalf of the Board



GP Nash

28 September 2021

MMO UK LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTOR'S REPORT

DIRECTOR

The director who held office during the year was as follows:

G P Nash

FINANCIAL INSTRUMENTS

The company does not enter into complex financial instruments.

CHARITABLE DONATIONS

During the year the company did not make any charitable donations (2019: £nil).

AUDIT EXEMPTION

For the year ended 31st December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

Approved by the Board of Directors and signed on behalf of the Board



GP Nash

MMO UK LIMITED**PROFIT AND LOSS ACCOUNT****For the year ended 31 December 2020**

	<i>Notes</i>	2020 £'000	2019 £'000
Interest payable	2	(1,314)	(1,127)
Loss on ordinary activities before tax	3	(1,314)	(1,127)
Tax on loss on ordinary activities	6	-	-
Loss for the financial year		(1,314)	(1,127)

Other Comprehensive Income

There is no other comprehensive income, other than the loss shown above.

All activities for the current and preceding financial year derive from discontinued operations.

The notes on pages 9 to 11 form part of these financial statements.

MMO UK LIMITED**BALANCE SHEET**

At 31 December 2020

	<i>Notes</i>	2020 £'000	2019 £'000
ASSETS			
Current assets			
Cash at bank and at hand		7	1
		<u>7</u>	<u>1</u>
		<u>7</u>	<u>1</u>
LIABILITIES AND EQUITY SHAREHOLDERS' DEFICIT			
Creditors: amounts falling due within one year	7	34,632	33,312
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account		(34,625)	(33,311)
		<u> </u>	<u> </u>
Equity shareholders' deficit		(34,633)	(33,311)
		<u> </u>	<u> </u>
		<u>7</u>	<u>1</u>
		<u>7</u>	<u>1</u>

The notes on pages 9 to 11 form part of these financial statements.

The financial statements were approved by the Board of Directors on

Signed on behalf of the Board of Directors



GP Nash

Director

28/12/2021

Company Registration Number: 3266637

MMO UK LIMITED**STATEMENT OF CHANGES IN EQUITY**

	Called up share capital £000	Profit & loss account £000	Total equity £000
Balance at 1 January 2019	-	(32,094)	(32,094)
Total comprehensive income for the period			
Loss	-	(1,127)	(1,127)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	-	(33,311)	(33,311)
	<hr/>	<hr/>	<hr/>

	Called up share capital £000	Profit & loss account £000	Total equity £000
Balance at 1 January 2020	-	(33,311)	(33,311)
Total comprehensive income for the period			
Loss	-	(1,314)	(1,314)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	-	(34,625)	(34,625)
	<hr/>	<hr/>	<hr/>

MMO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1 Accounting policies

MMO UK Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The transition to FRS 102 has not affected the reported financial position or the financial performance of the company since the transition date.

The financial statements have been prepared on a discontinuance basis reflecting a deficit arising from the underwriting obligations to the syndicates in which the company participated, the fact the company’s final year of underwriting was the 2000 accounts and that the company does not intend to underwrite and/or otherwise trade in the future. Underwriting liabilities are normally financed by assets lodged with Lloyd’s, and letters of credit provided by investing shareholders if a company cannot meet its obligations by other means. All available letters of credit were fully utilised as at 31 December 2004 and the company was reliant on the Lloyd’s Central Fund to meet its liabilities to policyholders. Accordingly the financial statements have been prepared on a discontinuance basis. The impact of this is that all assets have been valued at their recoverable amounts. This has not had any financial impact on the financial statements of the company.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemption available under FRS 102 in respect of the following disclosure:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes;
- Key Management Personnel compensation.

In the opinion of the director, there are no aspects of the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

1.1 Measurement conversion

The financial statements are prepared on the historical cost basis.

1.2 Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred.

Deferred tax, without discounting, is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

2 Interest payable

	2020 £’000	2019 £’000
Interest payable on amounts due to Lloyd’s	1,314	1,217

MMO UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2020****3 Expenses and auditor's remuneration**

	2020 £'000	2019 £'000
<i>Included in operating loss are the following:</i>		
Auditor's Remuneration: Audit of these financial statements	-	4

The audit fee for the prior year were borne by the shareholders of the company.

4 Employees

There were no employees, other than the director and consequently no staff costs were incurred other than director's remuneration during the current or previous year.

5 Director's remuneration

The director received remuneration of £6,000 in respect of his services to the company during the current year (2018: £6,000). This expense was borne by the shareholders of the company.

6 Total tax expense recognised in the profit and loss account

	2020 £'000	2019 £'000
a) Analysis of charge in period		
Tax on loss on ordinary activities	-	-
b) Reconciliation of effective tax rate		
Loss for the year	(1,314)	(1,127)
Total tax credit	-	-
Loss before taxation	(1,314)	(1,127)
Tax using the UK corporation tax rate of 19% (2019 :19 %)	(250)	(214)
Current year losses for which no deferred tax asset was recognised	250	214
Total tax credit included in profit or loss	-	-

Factors that may affect future current and total tax charges

A deferred tax asset amounting to £3.95m (2019: £3.7m) in respect of unutilised trading losses carried forward of £17.9m has not been recognised due to uncertainty over sufficient taxable profits arising in the foreseeable future.

MMO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

7 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Due to former parent undertaking	17,195	17,195
Due to Lloyd's	17,394	16,080
Due to shareholders	36	28
Other creditors and accruals	7	7
	<hr/>	<hr/>
	34,632	33,310
	<hr/>	<hr/>

Amounts due to the former parent undertaking are not interest bearing and are repayable on demand. Amounts due to Lloyd's are subject to annual interest at 8% on unpaid cash calls.

8 Capital and reserves

Share capital

	2019 £	2018 £
Called up, allotted and fully paid 2 Ordinary £1 shares	2	2
	<hr/>	<hr/>

9 Contingent liabilities

Where a company participates in a syndicate which closes, it pays a reinsurance to close premium to other Lloyd's Names or an insurer external to Lloyd's to assume its ongoing liabilities. The nature of this arrangement is that of reinsurance, such that the company retains liability in the event of failure of these Lloyd's Names and the Lloyd's chain of security or any external insurer. The directors consider the likelihood of such failure of the reinsurance to close is extremely remote, and consequently the reinsurance to close has been deemed to settle liabilities outstanding at the closure of an underwriting account.

10 Related parties

At the year end £18,000 (2019: £15,000) and £18,000 (2019: £15,000) were due to EWM (Topco) Limited and Robertson Group Limited respectively. These entities are related parties of the company by virtue of common control.

11 Controlling parties

The controlling parties are The Edinburgh Woollen Mill (Group) Limited and Robertson Group Limited by virtue of their interests in the company's equity capital.

The accounts of these companies are available to the public and can be obtained from:

Robertson Group Limited
Lomond Court
Castle Business Park
Stirling
FK9 4TU

The Edinburgh Woollen Mill (Group) Limited
Waverley Mills
Langholm
Dumfriesshire
DG13 0EB