

Company Registration No. 06737690 (England and Wales)

FRANKING DIRECT LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021
PAGES FOR FILING WITH REGISTRAR

FRANKING DIRECT LTD

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 5

FRANKING DIRECT LTD

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	4	100		118,075	
Cash at bank and in hand		-		17,903	
		<u>100</u>		<u>135,978</u>	
Creditors: amounts falling due within one year	5	(567)		(49,095)	
Net current (liabilities)/assets			(467)		86,883
			<u></u>		<u></u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			(567)		86,783
			<u></u>		<u></u>
Total equity			(467)		86,883
			<u></u>		<u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 12 November 2021 and are signed on its behalf by:

G Taylor
Director

M Smith
Director

Company Registration No. 06737690

FRANKING DIRECT LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Company information

Franking Direct Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Bevan Kidwell LLP, 113-117 Farringdon Road, London, EC1R 3BX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Revenue represents the amounts received or receivable for the rental of postal franking machines and the sale of associated equipment.

1.3 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

FRANKING DIRECT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.5 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.6 Covid-19

The directors have closely monitored the government guidance in response to the COVID-19 pandemic and have noted no items in relation to the pandemic which require disclosure at the balance sheet date.

1.7 Brexit

The directors have considered the impact of Brexit on the company and have concluded that there are no impacts as a result of Brexit which require disclosure at the balance sheet date.

1.8 Transfer of trade

As part of a group restructuring exercise, a transfer of trade and assets occurred on 1st August 2020 whereby all trade and assets were hived up to the parent company, the Mailing Room Holdings Ltd, who in turn transferred these trade and assets to a fellow subsidiary, the Mailing Room Ltd. No gain or loss was reported on the transfer. The purpose of this transfer was to strengthen the Mailing Room Limited brand.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

FRANKING DIRECT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

3 Employees

The average monthly number of persons (including directors) employed by the company during the period was nil (2020 - nil).

4 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	-	11,312
Amounts owed by group undertakings	100	106,763
	<u>100</u>	<u>118,075</u>

5 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	-	2,168
Corporation tax	567	22,260
Other taxation and social security	-	6,745
Other creditors	-	17,922
	<u>567</u>	<u>49,095</u>

6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Nathaniel Davidson BA(Hons) ACA FCCA and the auditor was Lopian Gross Barnett & Co.

7 Events after the reporting date

There were no events after the reporting period date which require disclosure at the balance sheet date.

8 Related party transactions

During the year there were no related party transactions which require disclosure.

FRANKING DIRECT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

9 Parent company

The company is a wholly owned subsidiary of The Mailing Room Holdings Limited and the results for the company are included within the consolidated accounts. The registered office of The Mailing Room Holdings Limited is Bevan Kidwell LLP, 113-117 Farringdon Road, London, EC1R 3BX.

The ultimate controlling parties are G Bevan and H Bevan.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.