

**Story Agency Limited**  
(formerly Chapter Agency Limited)

**Annual Report**

**Year ended 31 December 2021**

**Company Registration Number 06764409**

WED THURSDAY



\*ABDKQRI3\*

A23	29/09/2022	#344
COMPANIES HOUSE		
*ABEZOMVT*		
A3	19/10/2022	#180
COMPANIES HOUSE		

**Story Agency Limited**

**Financial Statements**

**Year ended 31 December 2021**

<b>Contents</b>	<b>Page</b>
Directors' Report	1
Statement of Income and Retained Earnings	2
Balance Sheet	3
Notes and Accounting Policies	4 - 7

## **Story Agency Limited**

### **Directors' Report**

**Year ended 31 December 2021**

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 December 2021.

The company changed its name from Chapter Agency Limited to Story Agency Limited on 9 May 2022.

#### **Principal Activity**

The company's principal activity is that of a marketing and advertising agency.

#### **Results**

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

#### **Directors**

The directors who served the company during the year were as follows:

D J H Burman

G D Lee (Appointed 30 April 2021)

P D C Fitzwilliam (Resigned 30 April 2021)

#### **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 UK Financial Reporting Standard 102 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 year.

In preparing those 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.

#### **Small Company Provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006



G D Lee  
15 July 2022

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

**Story Agency Limited****Statement of Income and Retained Earnings**

Year ended 31 December 2021

	2021 £	2020 £
<b>Turnover</b>	<b>2,326,141</b>	<b>1,738,186</b>
<b>Cost of sales</b>	<b>(791,104)</b>	<b>(424,375)</b>
<b>Gross Profit</b>	<b>1,535,037</b>	<b>1,313,811</b>
<b>Administrative expenses</b>	<b>(1,233,914)</b>	<b>(1,389,513)</b>
<b>Other operating income</b>	<b>7,410</b>	<b>178,621</b>
<b>Operating Profit</b>	<b>308,533</b>	<b>102,919</b>
<b>Interest receivable</b>	<b>707</b>	<b>-</b>
<b>Profit on Ordinary Activities Before Taxation</b>	<b>309,240</b>	<b>102,919</b>
<b>Tax on profit on ordinary activities</b>	<b>(64,800)</b>	<b>(19,341)</b>
<b>Profit for the Financial Period</b>	<b>244,440</b>	<b>83,578</b>
<b>Dividends paid</b>	<b>(182,000)</b>	<b>(144,000)</b>
<b>Opening retained profit reserve</b>	<b>1,119,921</b>	<b>1,180,343</b>
<b>Closing retained profit reserve</b>	<b>1,182,361</b>	<b>1,119,921</b>

**Story Agency Limited****Balance Sheet**

31 December 2021

	Notes	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible assets	6	4,991	13,452
Investments	7	12,000	12,000
		<u>16,991</u>	<u>25,452</u>
<b>Current Assets</b>			
Debtors	8	1,229,404	624,734
Cash at bank and in hand		388,118	857,140
		<u>1,617,522</u>	<u>1,481,874</u>
<b>Creditors: Amounts falling due within one year</b>	9	(448,665)	(387,105)
<b>Net Current Assets</b>		<u>1,168,857</u>	<u>1,094,769</u>
<b>Total Assets Less Current Liabilities</b>		<u>1,185,848</u>	<u>1,120,221</u>
<b>Capital and Reserves</b>			
Called-up share capital	12	300	300
Capital contribution reserve		3,187	-
Profit and loss account		1,182,361	1,119,921
<b>Shareholders' Funds</b>		<u>1,185,848</u>	<u>1,120,221</u>

**Company Registration Number 06764409**

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the period by virtue of section 479A, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements were approved for issue by the directors on 15 July 2022 and were signed on their behalf by:



G D Lee  
Director

## Story Agency Limited

### Notes and Accounting Policies

31 December 2021

#### 1. Company Information

Story Agency Limited is a company limited by share capital, incorporated in England & Wales under the Companies Act. The address of the registered office is The Old Sawmills, Filleigh EX32 0RN.

#### 2. Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the recognition and measurement requirements of Financial Reporting Standard 102 (FRS102) the Financial Reporting standard applicable in the UK and Ireland, including Section 1A, and the Companies Act 2006. There are no material departures from FRS102.

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

##### Going concern

The Covid-19 pandemic has resulted in an unprecedented global trading environment to which no business can be immune. It is impossible to predict the impact with any accuracy, but, as a member of a group of companies, the company has access to the resources available to its ultimate parent, The MISSION Group plc ("MISSION"). MISSION provides financial support to its subsidiary undertakings wherever necessary and has indicated that it has sufficient financial resources to weather the Covid-19 storm. After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Further details can be found in the accounts of The MISSION Group plc. The company therefore continues to adopt the going concern basis in preparing its financial statements.

##### Reporting exemptions

The company has consent from its shareholder to exclude from its financial reports the following:

- Cash Flow statement
- Compensation of key management personnel
- Share based payments
- Certain disclosure requirements in relation to basic and non-basic financial instruments

#### 3. Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Revenue recognition policies in respect of contracts which straddle the year end. Estimates of revenue to be recognised on contracts which straddle the year end are typically based on the amount of expenditure and time so far committed to those contracts in relation to the total estimated expenditure and time to complete them.

#### 4. Principal Accounting Policies

##### (a) Turnover and Income Recognition

Turnover is in respect of the provision for services including fees, commissions, rechargeable expenses and sales of materials performed subject to specific contract. Where recorded turnover exceeds amounts invoiced to clients, the excess is classified as accrued income.

Project income is recognised in the period in which the project is worked on. For projects which fall over the accounting year end, income is recognised to reflect the partial performance of the contractual obligations.

Income is recognised on the following basis:

- Project income is recognised by apportioning the fees billed or billable to the time period for which those fees were earned by relationship to the percentage of completeness of the project to which they relate.
- Unbilled costs relating to contracts for services are included at rechargeable value in accrued income.
- Unbilled costs relating to contracts for products are carried forward at the lower of cost and net realisable value with no profit recognition.
- Financial liabilities are released to income when the liability is extinguished.

## **Story Agency Limited**

### **Notes and Accounting Policies**

31 December 2021

#### **(b) Financial Instruments**

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. 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.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as fair value through profit and loss, which are initially measured at fair value. Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Debt instruments which meet the conditions to be classified as basic instruments are subsequently measured at amortised cost using the effective interest method.

Basic debt instruments that are classified as payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. Financial liabilities are released to the profit and loss account when the liability is extinguished.

#### **(c) Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Short Leasehold Improvements	-	5 years straight line
Fixtures & Fittings	-	5 years straight line
Technical Equipment	-	5 years straight line

#### **(d) Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **(e) Corporation taxation**

UK corporation tax payable is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

#### **(f) Deferred taxation**

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

#### **(g) Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### **(h) Share based payments**

The company has applied the requirements of FRS102: Section 26, Share based payments, which require the fair value of share based payments to be recognised as an expense. Certain employees have received remuneration in the form of share options over the un-issued share capital of the ultimate parent company. The fair value of the equity instruments granted is measured on the grant date by use of a Monte Carlo simulation model and is expensed to the profit and loss account over the appropriate vesting period.

#### **(i) Government grants**

Grant income is accounted for using the accruals method. The income is recognised when the costs to which the grants relate are recognised.

# Story Agency Limited

## Notes and Accounting Policies

31 December 2021

### 5. Particulars of Employees

The average number of staff employed by the company during the financial year, analysed by category, was as follows:

	2021	2020
	No.	No.
Creative, Design and Client Services	19	23
Administration	1	1
	<u>20</u>	<u>24</u>

### 6. Tangible Fixed Assets

	Short Leasehold Improvements £	Fixtures and Fittings £	Technical Equipment £	Total £
<b>Cost</b>				
As at 1 January 2021	25,578	67,030	63,441	156,049
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2021	<u>25,578</u>	<u>67,030</u>	<u>63,441</u>	<u>156,049</u>
<b>Depreciation</b>				
As at 1 January 2021	24,028	63,531	55,038	142,597
Charge for the year	841	2,120	5,500	8,461
Disposals	-	-	-	-
At 31 December 2021	<u>24,869</u>	<u>65,651</u>	<u>60,538</u>	<u>151,058</u>
<b>Net Book Value</b>				
At 31 December 2021	<u>709</u>	<u>1,379</u>	<u>2,903</u>	<u>4,991</u>
At 31 December 2020	<u>1,550</u>	<u>3,499</u>	<u>8,403</u>	<u>13,452</u>

### 7. Investments

Shares in an unlisted company, held at cost  
£

<b>Cost</b>	
As at 1 January 2021	12,000
Additions	-
At 31 December 2021	<u>12,000</u>

	2021 £	2020 £
<b>8 Debtors</b>		
Trade debtors	468,685	311,699
Other debtors	11,169	7,030
Corporation tax	-	7,512
Amounts owed by group undertakings	694,450	211,493
Prepayments and accrued income	55,100	87,000
	<u>1,229,404</u>	<u>624,734</u>



## Story Agency Limited

### Notes and Accounting Policies

31 December 2021

	2021 £	2020 £
<b>9. Creditors: Amounts falling due within one year</b>		
Payments on account	18,666	39,527
Trade creditors	125,721	52,673
Corporation tax	52,700	-
Amounts due to group undertakings	462	-
Other taxation and social security	135,516	211,018
Accruals and deferred income	115,600	83,887
	<u>488,665</u>	<u>387,105</u>

### 10. Commitments under Operating Leases

At 31 December 2021 the Company had total commitments under non-cancellable operating leases as set out below.

	2021		2020	
	Land and Buildings £	Other items £	Land and Buildings £	Other Items £
Due within 1 year	35,857	4,731	38,436	5,517
Within 2 to 5 years	-	3,548	32,261	7,755
	<u>35,857</u>	<u>8,279</u>	<u>70,697</u>	<u>13,272</u>

### 11. Contingent Liabilities

The Company is party to a cross guarantee structure with the group's bankers by means of a fixed and floating charge over all of the assets of the group companies in favour of the National Westminster Bank plc. The amount dealt with in these financial statements is £nil (2020 - £nil).

As at 31 December 2021 the net assets of the Group were £93,472,000 (2020 - £90,299,000) and the net borrowings under this group arrangement amounted to £10,327,000 (2020- £1,163,000).

### 12. Share Capital

	2021		2020	
	No.	£	No.	£
<b>Allotted, called up and fully paid</b>				
Ordinary shares of £1 each	285	285	285	285
Ordinary B shares of £1 each	15	15	15	15
	<u>300</u>	<u>300</u>	<u>300</u>	<u>300</u>

The ordinary shares and the ordinary B shares rank pari-passu.

### 13. Related party transactions

During the year the company made sales of £1,008 (2020 - £6,000) to Hatton3 Limited, a company in which D J H Burman is a director and shareholder. The amount owed by Hatton3 Limited as at the end of the year was £nil (2020 - £7,200).

### 14. Ultimate Parent Company

The immediate parent company is The Mission Marketing Holdings Limited and the ultimate parent company is The MISSION Group plc, both companies are incorporated in England and Wales. The consolidated accounts of the ultimate parent company are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.