

**THE MPS PERIODICAL PAYMENTS TRUSTEE LIMITED**

**ANNUAL REPORT**

**2016**



**THE MPS PERIODICAL PAYMENTS TRUSTEE LIMITED**

**Directors:** S J Kayll  
H Kew  
D A Wheeler

**Secretary:** D A Wheeler

**Registered Office:** Level 19  
32 London Bridge Street  
London  
SE1 9SG

**Auditors:** Grant Thornton UK LLP  
No 1 Whitehall Riverside  
Leeds  
LS1 4BN

**Bankers:** Barclays Bank Plc  
1 Churchill Place  
London  
E14 5HP

**THE MPS PERIODICAL PAYMENTS TRUSTEE LIMITED**  
**ANNUAL ACCOUNTS 2016**

**DIRECTORS REPORT**

The directors present their report and accounts for the year ended 31 December 2016.

***Principal activity***

To act as Trustee to trusts established by The Medical Protection Society Limited (MPS) to provide security for payments to be paid in satisfaction of an order for periodical payments made pursuant to Section 2 of the Damages Act 1996 as amended by Section 100 of the Courts Act 2003 and any variation of any such order either made directly against members which MPS has agreed to indemnify, or against persons who are to be indemnified, in whole or in part, by members MPS has in turn agreed to indemnify.

***Review of the business***

The company was first registered on 16 July 2009 and was appointed Trustee of the first MPS Periodical Payments Trust on 9 September 2009 and of the second Periodical Payments Trust on 16 December 2011.

The results for the year to 31 December 2016 are set out in detail on pages 6 to 11.

***Dividend***

The directors propose that no dividend should be paid for the year (2015: £nil).

***Directors***

The directors who served during the year are listed on page 1.

***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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws), including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland". 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 period.

In preparing these 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.

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**DIRECTORS REPORT**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

***Auditors***

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

***Small company status***

The report of the directors has been prepared in accordance with the special provisions of section 415A of the Companies Act 2006 relating to small companies.

***Approval***

The report of the directors was approved by the Board on 12 September 2017 and signed on its behalf by:



David Wheeler  
Secretary  
32 London Bridge Street  
London  
SE1 9SG

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MPS**  
**PERIODICAL PAYMENTS TRUSTEE LIMITED**

We have audited the financial statements of The MPS Periodical Payments Trustee Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the statement of directors' responsibilities set out on pages 2 and 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report has been prepared in accordance with applicable legal standards.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MPS**  
**PERIODICAL PAYMENTS TRUSTEE LIMITED**

**Matters on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report, and take advantage of the small companies exemption from the requirement to prepare a strategic report.

*Ch. Pate M. W.*

Michael Redfern  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Leeds  
12 September 2017

**THE MPS PERIODICAL PAYMENTS TRUSTEE LIMITED**  
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**Statement of Comprehensive Income**

Year ended 31 December 2016

	Notes	2016 £	2015 £
<b><i>Income: continuing operations</i></b>			
Received from the Trust	6	16,320	21,781
		<hr/>	<hr/>
<b><i>Expenditure</i></b>			
Administration expenses	7	(16,320)	(21,781)
		<hr/>	<hr/>
<b><i>Profit on ordinary activities before taxation: continuing operations</i></b>		-	-
<b><i>Tax on profit on ordinary activities</i></b>		-	-
		<hr/>	<hr/>
<b><i>Total comprehensive income for the year</i></b>		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9-12 form part of these financial statements.

**THE MPS PERIODICAL PAYMENTS TRUSTEE LIMITED**  
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**Balance Sheet**

At 31 December 2016

	Notes	2016 £	2015 £
<b>Current Assets</b>			
Amount due from parent undertaking		25,777	26,707
Cash at bank and in hand		19,840	19,840
		<b>45,617</b>	<b>46,547</b>
<b>Creditors</b>			
Amounts falling due within one year	9	(5,680)	(6,610)
<b>Net assets</b>		<b>39,937</b>	<b>39,937</b>
<b>Accumulated funds</b>			
Share capital	10	40,001	40,001
Income and expenditure reserve	11	(64)	(64)
		<b>39,937</b>	<b>39,937</b>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the directors, and were signed on their behalf on 12 September 2017.

  
**Simon Kayll**  
 Director

The MPS Periodical Payments Trustee Limited  
 Registered Company No. 06964901

The notes on pages 9-12 form part of these financial statements.



**THE MPS PERIODICAL PAYMENTS TRUSTEE LIMITED**  
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**Statement of Changes in Equity**  
Year ended 31 December 2016

	Share capital £	Income and expenditure £	Total £
<b>At 1 January 2015</b>	<b>40,001</b>	<b>(64)</b>	<b>39,937</b>
Total comprehensive income for the year	-	-	-
<b>At 31 December 2015</b>	<b>40,001</b>	<b>(64)</b>	<b>39,937</b>
Total comprehensive income for the year	-	-	-
<b>At 31 December 2016</b>	<b>40,001</b>	<b>(64)</b>	<b>39,937</b>

The notes on pages 9-12 form part of these financial statements.

**THE MPS PERIODICAL PAYMENTS TRUSTEE LIMITED**  
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**NOTES TO THE ACCOUNTS**

**1 *Company Information***

The MPS Periodical Payments Trustee Limited is a private company limited by shares incorporated in England, with company number 06964901. The registered office is Level 19, 32 London Bridge Street, London, SE1 9SG.

**2 *Basis of preparation***

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The company has taken advantage of the exemption from the requirement of S1.12 of FRS 102 to prepare a cash flow statement as during the year it was a wholly owned subsidiary undertaking of The Medical Protection Society Limited, whose consolidated financial statements include those of the company and are publicly available.

The financial statements are presented in Sterling (£).

**3 *Going concern***

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. The company therefore continues to adopt the going concern basis in preparing its financial statements.

**4 *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:

**Amounts due from other group entities**

The Directors have made the judgement that the balance due from the MPS Periodical Trust will be received as there are sufficient assets in the trust to be able to settle current and future liabilities.

**THE MPS PERIODICAL PAYMENTS TRUSTEE LIMITED**  
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**NOTES TO THE ACCOUNTS**

**5 Principal accounting policies**

**(a) Debtors**

Trade and other debtors are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less impairment losses.

**(b) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with a maturity date of three months or less.

**(c) Creditors**

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

**(d) Income**

Income received is recognised to the extent that the company has obtained the right to consideration in exchange for its performance. Income is measured at the fair value of the consideration received excluding VAT and other sales taxes or duties.

**6 Income**

The company receives management fee income from the MPS Periodical Payments Trust in respect of approved administration expenses that the company incurs with regard to oversight of the Trust.

**7 Administration expenses**

*The profit on ordinary activities before taxation is stated after charging:*

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Fees payable to the auditor in respect of the audit of the company's financial statements	<u><b>1,050</b></u>	<u><b>1,050</b></u>

Other auditors' remuneration is disclosed in the Group financial statements, as the Group financial statements are required to comply with regulation 5(1) of the Companies (Disclosure of Auditor Remuneration) Regulations 2005.

**8 Directors' emoluments**

The aggregate emoluments of the directors were £nil (2015: £nil). Pension costs incurred in respect of the directors were £nil (2015: £nil).

Directors' emoluments were paid by the parent company, The Medical Protection Society Limited.

The company has no employees other than directors (2015: nil).

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**NOTES TO THE ACCOUNTS**

**9 Creditors: amounts falling due within one year**

	2016 £	2015 £
Other creditors and accruals	<u>5,680</u>	<u>6,610</u>

**10 Share capital**

	2016 £	2015 £
Allotted and fully paid, £1 each	<u>40,001</u>	<u>40,001</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

**11 Reserves**

***Income and expenditure reserve***

This reserve records the retained earnings and accumulated losses of the company.

**12 Financial assets and liabilities**

	2016 £	2015 £
<i>Financial assets measured at amortised cost</i>		
- Amount due from parent undertaking	25,777	26,707
- Cash at bank and in hand	<u>19,840</u>	<u>19,840</u>
	<u>45,617</u>	<u>46,547</u>

**13 Related party transactions**

The company has taken advantage of the exemption in s33.1A of FRS 102 from disclosing transactions with the parent company and other wholly owned subsidiaries in The Medical Protection Society Limited Group.

The company has also taken advantage of the reduced disclosures exemption in s1.12 of FRS 102 from disclosing its Key Management Personnel by way of being a wholly owned subsidiary of The Medical Protection Society Limited.

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**NOTES TO THE ACCOUNTS**

***14 Ultimate holding company***

The ultimate holding company is The Medical Protection Society Limited (a company limited by guarantee and incorporated in England), which is the largest and smallest group into which the results of the company are consolidated.

The Medical Protection Society Limited has guaranteed that The MPS Periodical Payments Trustee Limited has adequate resources to meet its liabilities as they fall due.

Copies of the Group's financial statements are obtainable from:

Companies Registration Office  
Companies House  
Crown Way  
Cardiff  
CF14 3UZ