



**Continuous
Mortality Investigation**

Institute and Faculty of Actuaries

CONTINUOUS MORTALITY INVESTIGATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2017

Company Registration no: 08373631

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COMPANIES HOUSE

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Continuous Mortality Investigation Limited ("CMI") is registered in England & Wales (Company number: 8373631)
with its Registered Office: 7th floor, Holborn Gate, 326-330 High Holborn, London, WC1V 7PP

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

COMPANY INFORMATION

DIRECTORS

Anne Moore

Paul Reynolds

COMPANY NO

08373631

REGISTERED ADDRESS

7th Floor, Holborn Gate, 326-330 High Holborn, London, WC1V 7PP

AUDITORS

haysmacintyre, 26 Red Lion Square, London, WC1R 4AG

BANKERS

Lloyds Bank plc

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

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CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2017

The directors submit their report together with the audited financial statements of the company for the year ended 28 February 2017. The company was incorporated on 24 January 2013 and commenced trading on 1 March 2013, following the transfer of the net assets and operation of the Continuous Mortality Investigation on that date.

Results and dividends

The directors do not recommend payment of a dividend for the year (2016:£nil).

Principal activity and review of the business

The Continuous Mortality Investigation (CMI) has been accumulating and analysing data on mortality and morbidity risks arising under life assurance, annuity and pension business for around 90 years. The CMI has a long history of providing authoritative and independent mortality and sickness rate tables which have helped support the prudential and financial reporting of almost all UK life insurers and pension funds.

The CMI collects information from insurance companies and actuarial consultancies in order to carry out research into the mortality and morbidity experiences of various classes of insured lives, annuitants and pensioners; in particular:

- To compare the actual mortality and morbidity experience with the expected experience based on one or more published tables.
- To construct tables of mortality and morbidity functions based on analysis of aggregated data primarily for use by its subscribers.
- To make estimates of future developments in mortality and morbidity rates.
- To carry out other statistical investigations and research that may be useful to its subscribers with regard to the conduct of long term assurance, annuity and pension business, of sickness and related insurances and of self-administered pension schemes.

The CMI's work is currently undertaken within a UK private company, Continuous Mortality Investigation Limited (CMI Limited), which is limited by shares and wholly owned by the Institute and Faculty of Actuaries.

Full outputs of the CMI are available to commercial organisations only if they pay the appropriate subscription. Free access is provided to academics for non-commercial research, and to regulators and other government bodies.

Notwithstanding its incorporation, the CMI continues to operate on a not-for-profit basis, seeking to set subscription fees at an appropriate level to fund its ongoing activities.

The directors are satisfied with the financial performance of the company for the year.

Future developments

The directors expect a higher level of activity in 2017/18 than in 2016/17, with expenditure exceeding income, resulting in some use of reserves. Activity levels will then reduce gradually to be consistent with income and with reserves at an appropriate level.

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

**DIRECTORS' REPORT (CONT)
FOR THE YEAR ENDED 28 FEBRUARY 2017**

Statement of disclosure to auditors

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

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Directors and their interests

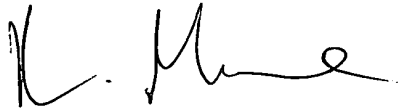
The directors who served during the year were:

Anne Moore
Paul Reynolds

Neither of the directors had any interest in the shares of the company at 28 February 2017, or at any other time during the year. No rights to subscribe for shares in or debentures of the company or anybody corporate in the same group were granted or exercised during the year.

The report of the directors has been prepared in accordance with section 415A of the Companies Act 2006.

Approved by the Board of Directors and signed on its behalf



Anne Moore
Director

23 May 2017

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

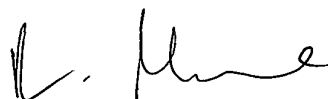
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

So far as the directors are aware at the time the report is approved:

- there is no relevant audit information of which CMI Limited's auditors are unaware;
- the directors have taken all steps that they ought to have taken to be aware of any relevant audit information and to establish that the auditors are aware of that information.



..... Anne Moore
Director

23 May 2017

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONTINUOUS MORTALITY INVESTIGATION LIMITED

We have audited the financial statements of Continuous Mortality Investigation Limited for the year ended 28 February 2017 which comprise the Profit and Loss Account, the Balance Sheet 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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.

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 28 February 2017 and of its loss 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.

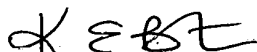
Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements. In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's 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
- 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.
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Director's Report.



Kathryn Burton (Senior statutory auditor)
for and on behalf of haysmacintyre, Statutory Auditor
23 May 2017

26 Red Lion Square
London
WC1R 4AG

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 28 FEBRUARY 2017**

	2017	2016
	£	£
Turnover	1,204,303	1,229,740
Cost of sales	(1,127,262)	(996,020)
Gross Profit	77,041	233,720
Administration expenses	(105,032)	(144,020)
Operating (loss)/profit	(27,991)	89,700
Interest received	9,162	-
(Loss)/ profit on ordinary activities before taxation	(18,829)	89,700
Tax on ordinary activities	-	(17,940)
(Loss)/profit on ordinary activities after taxation	(18,829)	71,760
Retained earning b/f	807,399	735,639
(Loss)/profit for the year	(18,829)	71,760
Retained earning c/f	788,570	807,399

All business activities are continuing in nature.

There is no other comprehensive income during the period (2016: £nil).

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

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

**BALANCE SHEET
AT 28 FEBRUARY 2017**

	Note	2017 £	2016 £
CURRENT ASSETS			
Debtors	6	12,482	21,830
Cash at bank and in hand		1,220,978	1,265,317
		<u>1,233,460</u>	<u>1,287,147</u>
CREDITORS: amounts falling due within one year	7	(444,889)	(479,747)
Net Current Assets		<u><u>788,571</u></u>	<u><u>807,400</u></u>
Capital and Reserves			
Called up share capital	8	1	1
Profit and loss account		788,570	807,399
Total shareholders' funds		<u><u>788,571</u></u>	<u><u>807,400</u></u>

These 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 FS 102 Section 1A – small entities.

The financial statements and related notes on pages 9 to 11 were approved and authorised for issue by the board of directors on 23 May 2017 and were signed on their behalf by:



Anne Moore
Director

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

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

1. Company information

The company is registered in England and Wales and its registered office is : 7th Floor, Holborn Gate, 326-330 High Holborn, London, WC1V 7PP.

2. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The company has taken advantage of the exemption in section 1.12 of FRS 102 from presenting a statement of cash flows.

The company adopts the going concern basis for the preparation of its financial statements.

The following principal accounting policies have been applied

3. Principal Accounting policies

a) Revenue

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

b) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

c) Cash and cash equivalents

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

d) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017 (CONT)

e) Creditors

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Short term creditors are measured at the transaction price.

f) Taxation

Tax is recognised in the Income statement, except that a change 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 reporting date in the countries where the company operates and generates income.

g) Subscriptions are recognised in the year when they are due. Administrative costs are matched to services provided.

4. Directors and employees

The Company had no employees during the year. The directors are the key management personnel and there was no directors' remuneration for the year.

The company has appointed Barnett Waddingham LLP to support this activity and the costs so arising are dealt with either in cost of sales or as administrative costs.

5. Auditors remuneration

Auditors remuneration of £2,400 (2016:£2,350) was charged in the year.

6. Debtors

	2017 £	2016 £
Bank Interest	1,022	1,585
VAT	11,460	20,245
	<u>12,482</u>	<u>21,830</u>

CONTINUOUS MORTALITY INVESTIGATION LIMITED

Company Registration no: 08373631

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017
(CONT)**

7. Creditors: amounts falling due within one year

	2017	2016
	£	£
Other creditors	6,190	13,444
Taxes payable	-	17,940
Deferred revenue	322,362	212,232
Owing to Barnett Waddingham LLP	116,337	236,131
	<u>444,889</u>	<u>479,747</u>

8. Share capital

	Authorised £1 ordinary shares	Allotted, issued and fully paid ordinary shares
	Number	£
At 29 February 2016 and 28 February 2017	<u>1</u>	<u>1</u>

All ordinary shares carry one vote and are entitled to an equal share of any proceeds upon wind up of the company.

9. Related party transactions

CMI Limited has a contract with Barnett Waddingham LLP to provide services to the company including administrative support. The company contracts out these services to Barnett Waddingham LLP to the terms of a contract dated 1 April 2009. CMI Limited was assigned all the rights, title, interests and benefit in that contract from CMI effective from 1 March 2013.

One Council member of the Institute and Faculty of Actuaries until June 2016, Nick Salter, is the senior partner of Barnett Waddingham LLP. Barnett Waddingham LLP provides services to CMI Limited for which fees amounting to £1,215k were incurred during the year, including the outstanding balance shown in note 8. Arrangements relating to the provision of services by Barnett Waddingham to the CMI were in place prior to his election to Council.

At 28 February 2017, CMI Limited did not have a balance outstanding with the Institute and Faculty of Actuaries.

10. Ultimate parent company and controlling party

CMI Limited is a 100% subsidiary undertaking of the Institute and Faculty of Actuaries which is a body incorporated by Royal Charter and these accounts are consolidated into the group financial statements.