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## Financial highlights

*During 1987-88 Counters:*

*Increased business volume against heavy competitive pressure.*

*Secured a Real Unit Cost reduction of 1.9% on 1985-86 cost levels, putting the Business back in line with the scheduled RUC target achievement after two years.*

*Achieved a profit before interest of £9.5m compared with our Government target of £9.2m.*

*Achieved a Trading profit of £33.6m, up £14.5m on 1986-87.*

*National Savings bank books*



I am pleased to be able to report, for the first time, the creation of Post Office Counters Business as a separate, wholly-owned subsidiary of the Post Office. Its creation, as Post Office Counters Ltd, half-way through the year was the culmination of a process over the last three years aimed at reorganising Counters into a dedicated business with its own management structure. Its new status will consolidate the advantages of dedicated management with a clear focus and sense of purpose, and thereby enable Counters to respond in particular to the competitive threats to its traditional business.

I am also glad to report that Counters has performed better over the last year, meeting its Government targets for profit and Real Unit Costs. The operating loss in 1986-87 has been turned into an operating profit, total profits, including interest received, increasing by £14.5m to £33.6m. This has been achieved by higher business volume; at the same time, significant improvements in efficiency have resulted in a 1.9% reduction in Real Unit Costs, against 1985-86, reversing last year's unit cost increase.

1987-88 was also a year when we made a major drive on quality and service in all its aspects, with the number one priority being to shorten queues, reduce waiting and target ourselves to do better still. The introduction of some 750 more part-timers to staff counters at peak times, together with better management control, facilitated by the new dedicated management structure, saw an improvement in waiting times in main post offices. Much remains to be done to improve this aspect of service, but I am determined that Counters should build on this success to create a total quality approach.

The Board of Post Office Counters Ltd has so far met five times. It is my aim to expand its membership by bringing in some more external non-executive members who will help Counters in its developing role in the High Street. With its 21,000 outlets it remains a force to be developed and this is the Board's overall objective.

The last four months of the year were dominated by the Monopolies and Mergers Commission (MMC) investigation of the business. This investigation was part of the regular process of investigations by the MMC into the efficiency of nationalised industries. The inquiry has absorbed many hours of senior management time, and I have been pleased with the way all managers handled this,

St. John Ambulance  
special stamp



*continuing to run the business well despite these pressures. Our approach to the inquiry was positive, seeing it as an opportunity to test, justify, and if necessary, change our own ideas on the way in which to move the company forward (and we are now responding equally positively to the Commission's recommendations).*

*In my first six months as Chairman of Post Office Counters Ltd, I have been impressed by the way its management and staff have coped with major threats and problems, to produce a better financial performance and a major improvement in its service. We are approaching a time of great change and I am confident that Counters is equal to the challenge.*



*Sir Bryan Nicholson*

## Review of Operations.

A year of steady progress

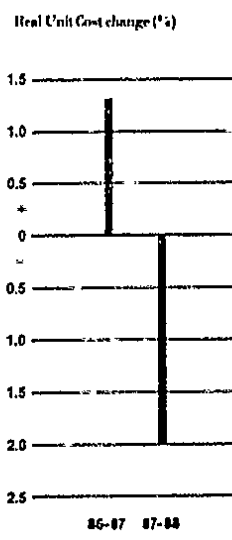
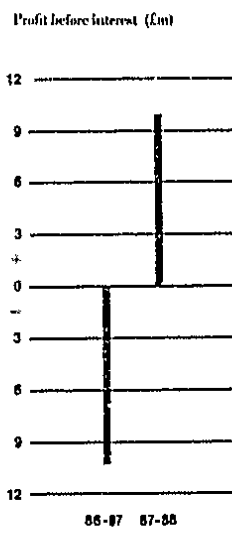


John Roberts

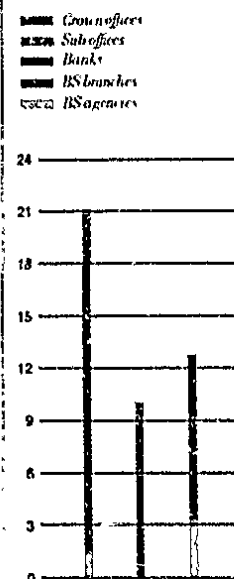
**D**uring 1987-88 Counters made rapid progress in establishing its separate identity within the Post Office Group, and faced up to intensifying competitive threats. On 1 October the Counters Business began trading as Post Office Counters Ltd, a wholly-owned subsidiary of the Post Office. This development marked another step forward to our goal of competing on equal terms, as a successful retail business, with our rivals in the High Street.

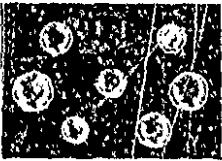
**E**qually important was the unveiling at Hemel Hempstead and Aberdeen of the first offices to incorporate the new design and service package. This marked the start of a major campaign to improve all aspects of style and service at main post offices.

**D**uring the year we achieved a successful financial recovery from the disappointing results of 1986-87. The business returned to profitability, achieving an operating profit of £9.5m, and a trading profit (including interest) of £33.6m. A substantial Real Unit Cost reduction of 1.9% on 1985-86 costs brought the Business back into line with expected performance after two years of our three year Government target period. However, we were helped in this by some one-off changes and much more still needs to be done to improve the underlying performance if Counters is to continue to give clients and customers a fair price and good service.



Comparison of retail outlets  
With the "big four" High Street  
banks and the five largest building  
societies in thousands. Sources:  
Abstract of Banking Statistics of  
the Committee of London and  
Scottish Bankers and the Building  
Societies Association.





*Proof contact*

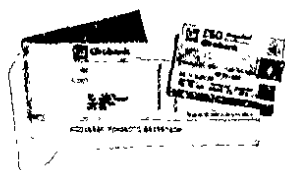
**C**ustomers are responding positively to Hemet Hempstead's "smart, modern High Street shop look", according to Branch Manager John Twigg. From his office, he's able to review the entire operation and is particularly proud of the way the Postshop has "taken off".



**V**inessa Leeson, 29, Finance Manager in the Birmingham & Coventry Counters District Office joined eight years ago and is now responsible for a large department. She was a finalist in Cosmopolitan's Women of Tomorrow competition, and has twice achieved the world's top score in the Chartered Institute of Management Accountants examinations.







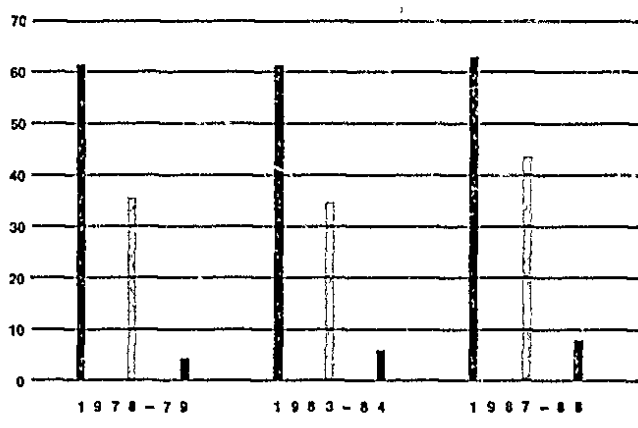
Girobank cheque book and guarantee card

The financial results for 1987-88 were bolstered by a small amount of growth, with an increase in volume of 1.3% over the previous year. Even though 1987-88 was the seventh successive year of growth, achieved against the background of competitive pressures which intensified during the year, there are already signs that we will face a considerable struggle to avoid decline in 1988-89 and beyond.

Above all there are growing threats to our traditional business, for example, from DISS who, during the year, started a further campaign to persuade those receiving benefits to have them paid into their bank accounts, and competition in the banking and savings area intensified further. In parallel, some clients,

particularly Government Departments, also sought a change in the basis of determining Counters' prices, which, if conceded, would have significantly weakened performance. This pressure will continue in 1988-89.

Inevitably, we lost some ground in these areas and they highlighted the competitive pressure on areas of our core business. To overcome this, much groundwork has gone into researching new business, particularly in the financial services market and retailing. It is now our aim to test new products in these areas and, if possible, develop new business in partnership with the private sector.



Composition of main Counters' business (%)  
Index of volume 1978-79 = 100

Government  
Post Office  
Other



DNS gift token

**B**ut not everything is for the future. During the year a further 14 Postshops were planned for opening inside post offices shortly after the end of the year, bringing the total to 50; and 500 free-standing retail display units (browsers) were installed in main offices. Retail sales have, on average, more than tripled in those offices where browsers have been installed.

**T**he sale of gift tokens for London's West End Theatres has been a major success, with turnover of over £100,000 in the first 6 months. Another new group of products has been the sale of prepayment meter tokens for fuel boards. Already we have contracts with the Merseyside and North Wales, South of Scotland and London Electricity Boards and negotiations with other Boards continue.

**T**he contract for issue of senior citizens concessionary travel cards, previously struck with the GLC, was renewed with the London Residuary Body and London Regional Transport. This will bring an estimated 1 million transactions in the London area during 1988-89. Counters is also in discussion with Local Authorities about ways in which we can help in the collection of the Community Charge.



Motor vehicle licence and  
vehicle licence stamp

**P**ost Office Counters actively encourages its employees to broaden their horizons. Po Wong, 24, of the Wessex Counters District Office was one of 13 Post Office sponsored participants in Operation Raleigh. His exotic and adventurous expedition to Malaysia involved him in public works projects in Sarawak, Sabah and atop Mt. Kinabalu.





**B**uckley SPSO topped 2,000 o'her contenders to become The Brightest and Best Sub-Post Office in Wales. Subpostmistress, Mrs Wynn Mayne-Flower, and her husband Peter, serve 4,500 customers per week from seven counter positions and a quick service till. They're noted for high standards and a friendly, helpful staff.

## Improving quality

Nothing affects our customers' views of Counters more than the quality, speed and style of the service we achieve. Much effort has been put into researching and understanding this and considerable improvement is needed, not least to help establish and deliver the various marketing initiatives described earlier. Accordingly, 1987-88 saw the introduction of a major quality package involving all aspects of service to clients and customers. Its aim is to bring about a radical change in customers' perception of post offices.

Specific elements of the package include the introduction of more part-time staff (some 750 during 1987-88), to help Counters reduce waiting times by matching staffing to traffic; a successful trial of 20 quick service positions (which will be followed by a national implementation in medium to large offices in 1988-89) will speed up service for short transactions; a programme installing new change-giving stamp vending machines inside offices, together with some 800 machines already installed outside, will also take customers out of the main queue for short transactions. A trial of Phoncard vending machines is under way and a trial of automated deposit boxes for Girobank will begin early in 1988-89.

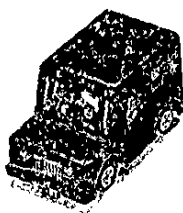
Total service also demands a good quality environment and a programme of refurbishment and redecoration in line with the new Hemel Hempstead design is under way. This will be closely monitored to ensure Counters and its customers get value for money. In 1987-88 more than 100 offices were redecorated or refurbished to the new standards (with 350 more to follow next year), making a big impact on customers. So too has the introduction of workwear for our staff. Together, all these changes have begun to create a new style of post office.

The final element of quality is access to the service. In 1987-88 Counters broadly maintained the



18p  
Sir Isaac Newton  
special stamp

Postmen Pat van



size of its network. Even though some small rural sub-offices closed where no applicant could be found, Counters with government support, is committed to maintain a rural network. But the extent to which the network can stay the same in the future depends very much on its costs and how much it is used.

Partly for these reasons the year also saw the introduction of more part-time post offices in the rural area. We agreed with the National Federation of Sub-Postmasters that in our smallest offices, subpostmasters could open for fewer hours for less remuneration, matching their opening times more closely to the needs of their community. This scheme has begun successfully, with some 40 offices previously closed reopening on this part-time basis. In this way closures are avoided, costs are contained, and service maintained albeit for shorter periods.

Another aspect of tailoring Counters' service to customer need was the opening during the year of an experimental "In-Store" office at a SavaCentre super-store outside Reading. The experiment is currently being evaluated.

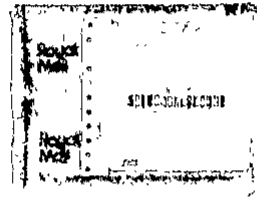
The development of new technology to match the competition continued during 1987-88. Preparation for the Counter Automation pilot project in the Thames Valley is now well advanced and a trial of Electronic Cash Registers designed to help staff in their work on summarising their transactions and balancing the accounts began shortly after the end of the year.

Other initiatives included the nationwide implementation of new cash management and general accounting computer systems to underpin the new District-based structure and give local managers the information they need. Four offices have successfully trialled a computerised personnel system, which will be introduced during 1988-89.



London Transport travel permit

**T**he first "Community Sub-Post Office" in the Colchester Counters District, Bramfield Office, is housed in a 17th century thatched cottage. For subpostmistress, Mrs Thelma Worboys, the new designation means a more convenient, flexible operation. A choice of opening hours allows her to tailor services to local requirements.



*Postage paid*



## Counters people

**Quality** in its widest sense, new business development and the imaginative use of new technology are powerful elements of Counters' approach to the future, but the Business stands or falls on the commitment of all of us in Counters.

**Counters** people are our main strength and extensive training campaigns, at all levels, have built on this. New training courses were used by 2,500 counter clerk recruits during the year and revised arrangements for training subpostmasters were successfully piloted, for national introduction by this Summer. Counters has also taken a major role in YTS and all our Districts were awarded full or provisional Approved Training Organisation status during the year.

**Around** 400 Branch Managers, and almost all of our Area Managers and their staff, attended specially devised one-week training courses at Post Office training colleges. 'Workshops' for the key staff were held in many Districts and the views of staff and subpostmasters were sought through attitude surveys. We will continue to place emphasis on training, internal communication, and the relationship with the Post Office Unions' Council and its constituent unions. Counters is committed to the development of equal opportunities policy, and gives high priority to caring for the health, safety and well being of our staff.

**But** staff involvement is not just about job performance. During the year many Counters people showed great courage in facing often violent attacks. Three Counters people received honours from Her Majesty the Queen for their service to the community. Many made their mark in the academic and sporting spheres, while everyone contributed in the busiest year for charitable work on record. Tragedies at Enniskillen, Hungerford and Zeebrugge, famine in Ethiopia and Mozambique and several major television appeals meant a massive workload. This charitable work emphasised the unique social role we play in the communities we serve.

Branch Manager's Passport



turnmail envelopes





**P**ost Office Counters is one of the country's largest participants in the Youth Training Scheme, with around 1,000 YTS trainees. Training includes a confidence boosting Youth Development Course. Trainees from North Midlands Counters Closures are seen here jumping in at the deep end at Mallock in the Peak District.

*In this photo, North Midlands Counters Closure staff, Louise Hogg, Louise Stapleton and Rachel Wellington, YTS Manager Sheila Bannister, Les Burton, Lea Green Centre Course Director, and inmates Melanie Leverton, Julie Tibbatts, Heather Godby and Sharon Pollard*



**P**hilip Sellers is the Post Office Board member for corporate finance and planning. He is chairman of the Nationalised Industries Finance Panel. Previously Director of Finance at North Thames Gas and Director of Finance and Planning at British Rail.

**M**anaging Director John Roberts joined in 1967, specialising in Counters in 1981. Involved in headquarters planning, regional personnel and finance, he has served as director of the Chairman's office and Secretary. He became a member of the Post Office Board in 1985.

*Left to right, Philip Sellers, Sir Bryan Nicholson, Managing Director John Roberts, Anthony Butler and Morag Macdonald*



**C**hairman Sir Bryan Nicholson, also Chairman and Chief Executive of the Post Office Board, joined in 1987, following a distinguished public and private sector career. He has chaired the Manpower Services Commission and Rank Xerox UK Ltd. He is also Chairman of CNA and a member of NEDC.

**A**nthony Butler is planning and business development director of the Deo Corporation. His private sector career has included senior appointments with GEC, RTZ and Vickers. He is a member of the Post Office Board.



**S**ecretary Morag Macdonald, LL.B., joined the Post Office in 1969 and was called to the Bar of England and Wales in 1974. She is also Secretary of the Post Office and of Girobank plc.

**M**arketing Director Dick Wheelhouse joined the Post Office in 1965 and has been involved in planning, finance and training. Previously, he held senior sales and marketing positions in London and the South West Region.

**G**eneral Manager of Counter Automation Brian White joined in 1986, having been Head of Business Services for the Department of Employment. A Certified Accountant, he has wide audit experience in the public sector and has been involved in large computer systems developments.

**P**ersonnel and Industrial Relations Director Bob People joined the Post Office in 1967 and Counters in 1983. He held positions in finance and planning in Wales, Scotland, the North West and South East, assuming his current position in 1985.



*Left to right, Brian White, Richard Dykes, Dick Wheelhouse, Managing Director John Roberts, Bob People and Bryan Lee-Smith*

**D**irector of Operations and Performance Richard Dykes joined Counters in 1986. Previously he held policy and management appointments with British Shipbuilders and the Department of Employment and was Principal Private Secretary of the Secretary of State for Employment.

**F**inance Director Bryan Lee-Smith joined the Post Office in 1983 working in corporate finance before moving to Counters. A chartered accountant, his background includes a variety of audit and consultancy positions both in England and abroad.

**P**ost Office Counters Business Accounts  
*for the year ended 30 March 1988*

The accounts of the Post Office Counters business and of Post Office Counters Ltd have been prepared in accordance with the following accounting policies.

**A Basis of preparation**

In the period ended 30 September 1987, the Post Office Counters business continued to form part of the undertaking of the Post Office. The business accounts have been prepared in accordance with Section 75 of the British Telecommunications Act 1981 and a direction given by the Secretary of State. They deal with the combined results and state of affairs of the whole of the Post Office Counters business for the year ended 30 March 1988. They are termed "Post Office Counters Business Accounts".

From 1 October 1987, under the Post Office Counters Scheme 1987, a scheme executed by the Post Office in accordance with Section 60 of the British Telecommunications Act 1981, all property, rights and liabilities relating to the Counters business of the Post Office were assumed by Post Office Counters Ltd, a wholly owned subsidiary of the Post Office. The statutory accounts of Post Office Counters Ltd are at pages 36 to 44.

It is Post Office policy that the accounting year should end on the Wednesday nearest to 31 March.

**B Accounting convention**

The accounts on pages 22 to 30 and 36 to 44 have been prepared under the current cost convention, including certain historical cost information. To allow for the impact of price changes on working capital, a monetary working capital adjustment has been calculated by reference to appropriate price indices. The adjustment is based on the excess of trade debtors: no adjustment is made where there is an excess of trade creditors. No gearing adjustment is made in the profit and loss accounts of nationalised industries in view of the special nature of their capital structure, although the effect of such an adjustment, if made, is shown by way of note.

**C Inter-business trading**

Each of the operating businesses of the Post Office makes use of the other's services. Interbusiness charges are negotiated on a normal commercial basis.

**D Turnover**

Turnover comprises the value of all services provided, excluding VAT. This includes work performed as the agent of government departments and certain other authorities.

**E Tangible fixed assets**

(i) Under the current cost convention tangible fixed assets have been included at their value to the Business/ Company, determined as follows for each asset category:

*Freehold land and buildings:* land and buildings which in the opinion of the Post Office Board and Post Office Counters Ltd Board can be replaced on the open market are included as non-specialised freehold land and buildings at open market values for their existing use. Those buildings which in the Boards' opinion by their nature and function can only be replaced by special construction or adaptation are included as specialised freehold buildings at depreciated replacement cost (DRC). Estimated gross replacement cost (GRC) has been based upon chartered surveyors' evaluations. The freehold land underlying specialised buildings is included at open market value for existing use and vacant land at open market value.

*Leasehold land and buildings:* costs of acquisitions and adaptations at DRC after evaluation of GRC using appropriate replacement cost indices or chartered surveyors' evaluations.

*Motor vehicles and computers:* at DRC after evaluation of the actual replacement costs of the assets concerned.

*Other tangible fixed assets:* at DRC after evaluation of GRC using appropriate replacement cost indices.

(ii) Depreciation of tangible fixed assets is provided on a straight line basis by reference to the open market value and remaining useful life (RUL) for non-specialised buildings and to GRC, life to date and RUL for specialised buildings and other tangible fixed assets. The lives assigned to major categories of tangible fixed assets are:

**Buildings:**

freehold	up to 60 years RUL
leasehold	the period of the lease or 60 years, whichever is shorter

Motor vehicles 3-4 years

**Fixtures and equipment:**

office machines	4-12 years
computers	5-6 years
other	5-20 years

**Leased assets**

Leased assets have not been capitalised but annual rentals are expensed as incurred. Information required by Statement of Standard Accounting Practice No. 21, "Accounting for Leased Assets and Hire Purchase Contracts", is disclosed in the notes to the accounts.

**H Deferred taxation**

Deferred taxation is provided at expected tax rates on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the accounts, where reasonable probability exists that such taxation will crystallise in the foreseeable future.

**I Pensions**

(i) *Staff:* Membership of the Post Office Staff Superannuation Scheme or the Post Office Pension Scheme is open to most permanent employees of the Post Office and all their members are contracted out of the earnings related part of the state pension scheme.

The schemes are externally funded and financed on the basis that the combined current service contributions payable by the members and the operating businesses of the Post Office are sufficient to cover the cost of the benefits which are expected to accrue in the future to members. The amount payable by the Post Office is charged annually to profit and loss account.

Valuations of the Post Office Staff Superannuation Scheme are carried out by independent actuaries at intervals not normally exceeding three years as determined by the Trustees. In each year between actuarial valuations the actuaries review on broad lines the rate of current service contributions. The latest review suggests that the previous deficiency has been liquidated. The results of the actuarial valuations carried out as at 31 March 1985 are reported in the notes to the accounts.

The Post Office Pension Scheme applies to staff employed from 1 April 1987 and both members' and Post Office contribution rates will be adjusted proportionately if a future valuation reveals a surplus or a deficiency.

(ii) *Subpostmasters:* Retirement gratuities are payable under normal circumstances to subpostmasters with at least five years service. Provision is made for this liability on an accrued internal fund basis, following actuarial assessment.

**J Foreign currencies**

Assets and liabilities in overseas currencies, other than those covered by forward contracts, have been translated into sterling using year-end exchange rates and any differences taken to profit and loss account.

# **Current cost profit and loss account**

*for the year ended 30 March 1988*

	Notes	1988 £m	1988 £m	1987 1 April £m	1987 1 April £m
<b>Turnover</b>			<b>769.2</b>		<b>770.0</b>
Staff costs	2	232.5		254.4	
Depreciation and other amounts written off tangible fixed assets		6.6		4.4	
Other operating charges		<u>520.6</u>		<u>516.1</u>	
			<u>759.7</u>		<u>774.9</u>
<b>Profit/(loss) on ordinary activities before interest and taxation</b>	3		<b>9.5</b>		<b>(4.9)</b>
Net interest receivable other than interest payable on long-term loans	5		<u>24.1</u>		<u>24.0</u>
<b>Profit on ordinary activities before taxation and interest payable on long-term loans</b>			<b>33.6</b>		<b>19.1</b>
Taxation	6		<u>11.3</u>		<u>4.1</u>
<b>Profit on ordinary activities after taxation, before interest payable on long-term loans</b>			<b>22.3</b>		<b>15.0</b>
Interest payable on long-term loans	5		<u>1.4</u>		<u>1.4</u>
<b>Profit for the financial year – retained</b>			<u>20.9</u>		<u>13.6</u>

## **Statement of reserves**

*for the year ended 30 March 1988*

<b>Reserves at 2 April 1987</b>		<b>395.3</b>	<b>369.1</b>
Net revaluation of tangible fixed assets		12.1	12.6
Profit retained		<u>20.9</u>	<u>13.6</u>
<b>Reserves at 30 March 1988</b>	14	<u>428.3</u>	<u>395.3</u>

**Current assets sheet**

at 30 March 1988

		1988	1988	1987	1987
	Notes	£m	£m	1 April	1 April
				£m	£m
<b>Tangible fixed assets</b>	7		176.8		169.2
<b>Current assets</b>					
Debtors	9	58.2		33.3	
Inter-business balances		266.9		14.6	
Investments		—		107.7	
Cash at bank and in hand		669.6		701.6	
		<u>994.7</u>		<u>857.2</u>	
<b>Creditors — amounts falling due within one year</b>					
Agency service balances		596.8		503.3	
Other creditors	10	81.0		67.7	
		<u>677.8</u>		<u>571.0</u>	
<b>Net current assets</b>			<u>316.9</u>		<u>286.2</u>
<b>Total assets less current liabilities</b>			<u>493.7</u>		<u>455.4</u>
<b>Provisions for liabilities and charges</b>	11		48.4		43.2
<b>Capital and reserves</b>					
Called-up share capital	12	0.1		—	
Long-term loans	13	16.9		16.9	
Revaluation reserve	14	87.1		81.0	
Profit and loss account	14	245.8		224.9	
Other reserves	14	95.4		89.4	
			<u>445.3</u>		<u>412.2</u>
			<u>493.7</u>		<u>455.4</u>

Approved by the Post Office Board on 11 July 1988

*Bryden Nicholson*

*John Roberts*

B H Nicholson

A J Roberts



# **Current cost source and application of funds**

for the year ended 30 March 1988

	1988	1988	1987	1987
	£m	£m	1 April	1 April
Source of funds			£m	£m
<b>Generated within the business</b>				
Profit on ordinary activities before taxation and interest				
payable on long-term loans	33.6		19.1	
Proceeds from sale of assets	13.6		3.9	
		47.2		23.0
Adjustments for items not involving the movement of funds				
Depreciation and other amounts written off tangible fixed assets	6.6		4.4	
(Profit)/loss on disposal of assets	(2.4)		0.7	
Movement on provisions	0.7		(0.1)	
		4.9		5.0
<b>Funds from other sources</b>				
Issue of share capital		0.1		
		52.2		28.0
<b>Application of funds</b>				
Additions to tangible fixed assets	13.3		9.9	
Taxation (recovered)/paid	(5.7)		1.6	
Interest payable on long-term loans	1.4		1.4	
		9.0		12.9
<b>Increase/(decrease) in working capital</b>				
Debtors	25.5		5.3	
Investments	(107.7)		46.8	
Creditors – amounts falling due within one year				
Agency service balances	(93.5)		(65.6)	
Inter-business balances (excluding taxation)	258.8		115.0	
Other creditors	(7.9)		26.7	
	75.2		128.2	
<b>Movement in liquid funds</b>				
Cash at bank and in hand	(32.0)		(113.1)	
		43.2		15.1
		52.2		28.0

## Notes on the accounts

for the year ended 30 March 1988

### 1 Basis of preparation

The accounts have been prepared in accordance with the accounting policies set out on pages 20 and 21.

### 2 Staff costs

	1988	1987
	£m	£m
Wages and salaries	200.7	217.1
Social security costs	14.3	15.5
Pension costs	17.5	18.4
Pension fund deficiency contribution	—	3.4
<b>Total</b>	<b>232.5</b>	<b>254.4</b>

Following actuarial review of the Post Office Staff Superannuation Scheme, in accordance with accounting policy note 1, pension fund deficiency contributions were reduced by £3.2m (1987 £1.4m) as a result of ceasing the employers contribution rate with effect from 2 April 1987.

### 3 Profit/(loss) on ordinary activities

	1988	1987
	£m	£m
The profit/(loss) on ordinary activities is stated after taking account of:		

#### Income from:

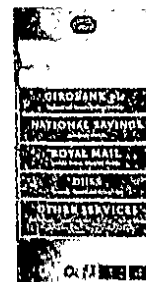
Letters and Parcels	162.1	144.7
Girobank	157.0	151.3
Non-counter agency business – settlement of claim for prior year	4.7	—

#### Expenses:

Subpostmasters' costs	299.1	289.0
Auditors' remuneration	0.1	0.1
Research and development	0.4	0.4
Lease charges – property	7.7	8.1
Girobank charges	57.4	57.1
Letters and Parcels charges	35.1	44.5
Corporate charges	31.1	24.3
Reclaim of National Insurance contributions from prior year	(3.0)	—

The results for 1986–87 included profit of £5.9m on a turnover of £37.8m in respect of television licence work, which in 1987–88 became a Corporate responsibility.

Customer service sign

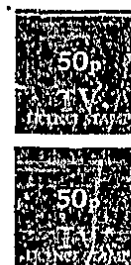


# Notes on the accounts

continued

<b>4</b>	<b>Employee information</b>	<b>1988</b>	<b>1987</b>
	During the year, the number of employees whose emoluments exceeded £30,000 was as follows:	<b>number</b>	<b>number</b>
	£30,001 to £35,000	13	9
	£35,001 to £40,000	3	6
	£40,001 to £45,000	<u>6</u>	<u>—</u>
	Average staff numbers were:		
	Business and territorial headquarters	1,505	1,471
	District offices	<u>16,869</u>	<u>16,804</u>
	Total (including part-time staff counted as half)	<u>18,374</u>	<u>18,275</u>
	Subpostmasters	<u>19,487</u>	<u>19,719</u>
<b>5</b>	<b>Interest</b>	<b>1988</b>	<b>1987</b>
		<b>£m</b>	<b>£m</b>
	(i) Net interest receivable		
	Interest receivable	34.9	35.3
	Less interest payable on loans other than those at (ii) below repayable within five years of 30 March 1988	<u>(10.8)</u>	<u>(11.3)</u>
		<u>24.1</u>	<u>24.0</u>
	(ii) Interest payable on loans		
	Loans repayable within five years of 30 March 1988	0.4	0.2
	Loans repayable more than five years after 30 March 1988	<u>1.0</u>	<u>1.2</u>
		<u>1.4</u>	<u>1.4</u>
	Tax relief on the interest payable is taken into account in determining the taxation charge set out in note 6.		
<b>6</b>	<b>Taxation</b>	<b>1988</b>	<b>1987</b>
		<b>£m</b>	<b>£m</b>
	Corporation tax at 35% (1987 35%) on the profit for the year	7.1	5.6
	Deferred taxation	4.8	(0.8)
	Adjustments relating to prior years	<u>(0.6)</u>	<u>(0.7)</u>
		<u>11.3</u>	<u>4.1</u>

Deferred taxation not provided for the year amounts to £Nil (1987 £3.9m) in respect of accelerated capital allowances.



T.V. licence  
savings stamps

7	Tangible fixed assets	Land and buildings			Motor vehicles	Fixtures and equipment	Total
		Freehold	Long lease	Short lease			
		£m	£m	£m	£m	£m	£m
	<b>Gross replacement cost</b>						
	At 2 April 1987	109.7	12.4	55.9	—	52.8	230.8
	Revaluation	9.8	(1.0)	2.8	—	1.6	13.2
	Acquisitions — external	2.5	1.8	2.9	0.1	5.7	13.0
	— group	—	—	—	0.2	0.1	0.3
	Disposals — external	(10.2)	(0.7)	(0.2)	—	(0.6)	(11.7)
	— group	—	—	—	—	(0.4)	(0.4)
	<b>At 30 March 1988</b>	<b>111.8</b>	<b>12.5</b>	<b>61.4</b>	<b>0.3</b>	<b>59.2</b>	<b>245.2</b>
	<b>Accumulated depreciation</b>						
	At 2 April 1987	3.5	3.1	24.6	—	30.4	61.6
	Backlog	(0.4)	(0.3)	0.7	—	1.1	1.1
	Provisions	1.3	0.1	2.0	0.1	3.1	6.6
	Disposals — external	—	(0.2)	(0.1)	—	(0.5)	(0.8)
	— group	—	—	—	—	(0.1)	(0.1)
	<b>At 30 March 1988</b>	<b>4.4</b>	<b>2.7</b>	<b>27.2</b>	<b>0.1</b>	<b>34.0</b>	<b>68.4</b>
	<b>Net replacement cost</b>						
	At 2 April 1987	106.2	9.3	31.3	—	22.4	169.2
	At 30 March 1988	107.4	9.8	34.2	0.2	25.2	176.8

In accordance with accounting policy note E a programme of property valuations has been undertaken professionally, providing for an annual revaluation of high value properties and a complete revaluation of the remaining freehold properties over a period of four years. Balance sheet values reflect the results of specific property valuations performed within the year, covering the majority of Counters' properties. All valuations have been performed by chartered surveyors.

#### 8 Leased assets

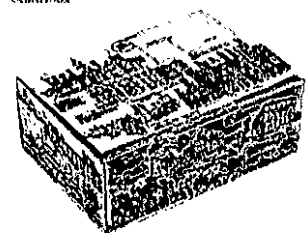
For 1988–89, Counters is committed to land and buildings operating lease payments of £6.8m of which £0.2m is for leases expiring in that year, £0.8m for leases expiring in the period 1989–93 and the remainder for leases expiring in 1993–94 and thereafter.

# Notes on the accounts

continued

<b>9 Debtors</b>	<b>1988</b>	<b>1987</b>
	<b>£m</b>	<b>£m</b>
(i) Trade debtors		
Receivable within one year	33.5	18.6
Receivable beyond one year	0.8	1.0
	<u>34.3</u>	<u>19.6</u>
(ii) Prepayments and accrued income		
Prepayments and accrued income	22.5	12.4
Stores	1.4	1.3
	<u>58.2</u>	<u>33.3</u>
<b>10 Other creditors</b>	<b>1988</b>	<b>1987</b>
	<b>£m</b>	<b>£m</b>
Creditors and accruals	66.7	54.1
Taxation and social security	14.3	13.6
	<u>81.0</u>	<u>67.7</u>

Sunbox



# 11 Provisions for liabilities and charges

(i) Provisions for liabilities and charges are:

	Deferred taxation	Network review	Subpost- masters' gratuities	Total
	£m	£m	£m	£m
Provision at 2 April 1987	1.8	1.7	39.7	43.2
Amounts charged for the year	4.8	—	8.7	13.5
Amounts paid in the year	—	—	(6.3)	(6.3)
Amounts released in the year	—	(1.7)	—	(1.7)
Amounts charged for prior year	(0.3)	—	—	(0.3)
Provision at 30 March 1988	<u>6.3</u>	<u>—</u>	<u>42.1</u>	<u>48.4</u>

(ii) The potential amounts of deferred taxation and the amounts provided in the accounts are:

	Potential taxation		Provided in accounts	
	1988	1987	1988	1987
	£m	£m	£m	£m
Accelerated capital allowances	11.5	23.1	—	—
Other timing differences	6.3	1.8	6.3	1.8
	<u>17.8</u>	<u>24.9</u>	<u>6.3</u>	<u>1.8</u>

Counters does not consider that there is a potential tax liability in respect of the surplus arising on the revaluation of fixed assets. The revaluation is on a replacement cost basis which is not relevant for computing any tax liability. No provision is made for capital gains tax on the disposal of assets, in view of the expected roll-over relief available. The estimated amount deferred by such relief is approximately £13.4m (1987 £10.1m).

## 12 Called-up share capital

The authorised and issued share capital is 50,000 ordinary £1 shares, all allotted to and owned by the Post Office.

## 13 Long-term loans

	1988	1988	1987	1987
	£m	Average interest rate %	£m	Average interest rate %
Repayable within five years:				
between one and two years	0.2	5.9	0.2	5.9
between two and five years	5.9	6.9	3.2	6.7
Repayable in whole otherwise than by instalments more than five years after 30 March 1988	10.8	10.0	13.5	9.4
Total outstanding	<u>16.9</u>	<u>8.8</u>	<u>16.9</u>	<u>8.8</u>

# Notes on the accounts

continued

14	Reserves	Revaluation reserve	Profit and loss account	Other reserves	Total
		£m	£m	£m	£m
	At 2 April 1987	81.0	224.9	89.4	395.3
	Net revaluation of tangible fixed assets	12.1	—	—	12.1
	Profit retained	—	20.9	—	20.9
	Transfers	(6.0)	—	6.0	—
	At 30 March 1988	<u>87.1</u>	<u>245.8</u>	<u>95.4</u>	<u>428.3</u>
	Other reserves represent the realised element of the current cost adjustments.				
15	Historical cost information	Gross historical cost £m	Accumulated depreciation £m	Net book amount £m	
	(i) Tangible fixed assets at 30 March 1988				
	Land and buildings	84.6	17.5	67.1	
	Vehicles	0.2	—	0.2	
	Fixtures and fittings	<u>32.3</u>	<u>9.9</u>	<u>22.4</u>	
		<u>117.1</u>	<u>27.4</u>	<u>89.7</u>	
	(ii) Historical cost profit		1988	1987	
			£m	£m	
	Current cost profit for the financial year		20.9	13.6	
	Current cost adjustments				
	Depreciation		1.6	0.4	
	Disposal of assets		<u>4.4</u>	<u>2.5</u>	
	Historical cost profit for the financial year		<u>26.9</u>	<u>16.5</u>	
16	Commitments		1988	1987	
	(i) Capital expenditure		£m	£m	
	Contracted for but not provided in the accounts		2.1	0.5	
	Authorised but not yet contracted for		—	—	
	(ii) Pension scheme				
	An actuarial valuation of the Post Office Staff Superannuation Scheme as at 31 March 1985 revealed a deficiency of £226.5m in respect of Post Office staff excluding Girobank. The latest review suggests that this has now been liquidated.				
17	Contingent liabilities				
	There were no material contingent liabilities at 30 March 1988 (1987 nil).				

*to the Secretary of State for Trade and Industry on the accounts  
of the Post Office Counters business*

In our opinion the accounts give a true and fair view of the state of affairs of the business at 30th March 1988 and of the profit, changes in reserves and source and application of funds for the year then ended and comply with directions and approvals given by the Secretary of State for Trade and Industry.

Ernst & Whinney  
Chartered Accountants  
London  
11 July 1988

[illegible]



**P**ost Office Counters Ltd Accounts  
*for the period ended 30 March 1988*

The Directors have pleasure in presenting this report and audited accounts for the six months ended 30th March 1988.

### 1 Results and dividend

Counters profit for the period was £22.2 million. The Directors do not propose payment of a dividend in respect of the first six months' operations.

### 2 Activities

The company, which is a wholly owned subsidiary of the Post Office, provides a range of financial services for clients in the public and private sectors. These services include the payment of pensions and allowances for the DHSS, the collection of revenue for British Telecom, savings and banking transactions for the Department of National Savings and Girobank, and the sale of postage stamps for the Royal Mail Letters and Parcels divisions of the Post Office Group. The Company also operates the postal order money transmission service and sells stationery items on its own account. It operates principally through some 21,000 outlets at main and sub-post offices.

### 3 Review of future developments

Counters anticipates that competitive pressure on some areas of its core businesses will intensify in the medium term. To meet this threat the Company has sought to develop new business. This initiative has been endorsed by the MMC, which investigated Counters during the year. The Company's response to the Commission's findings – which will be a positive one – will effectively set out a programme for action in the second half of 1988–89 and beyond.

### 4 Directors

The following have served as directors during the period since incorporation of Post Office Counters Ltd on 13th August 1987:

Sir Bryan Nicholson (Chairman. Appointed 22nd September 1987)

Mr A J Roberts (Managing Director)

Mr P E Sellers

Mr A B Butler

Sir Ronald Dearing CB, (Resigned 30th September 1987).

### 5 Staff

Under an agreement between the Company and the Post Office, the Post Office provides staff engaged in the business of the Company. The Company meets the full costs of their employment. The following information is provided about these staff even though they are not employees of the Company:

(a) The average weekly number of staff employed during the period was 18,374 and their aggregate cost of employment for the period was £114.5 million.

(b) Disabled staff: It is policy to provide full and fair consideration to every application for employment from disabled persons. Where existing members of staff become disabled, efforts are made to ensure employment continues.

(c) Staff Involvement: Information on a wide range of the Company's activities is supplied to staff through the Post Office newspaper, "The Courier", backed up by internal communication effort centring on weekly training sessions at post offices. Consultation with the unions representing the staff takes place on a regular basis.

### 6 Charitable Donations

During the period the Company made charitable donations amounting to £4,500.

## 7 Auditors

Ernst & Whinney have indicated their willingness to continue in office and a resolution concerning their re-appointment will be submitted to the Annual General Meeting.

## 8 Taxation

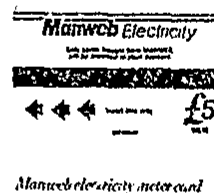
The close company provisions of the Income and Corporation Taxes Act 1970 do not apply to the Company.

By order of the Board

M Macdonald

Secretary

11 July 1988



## Current cost profit and loss account

for the period ended 30 March 1988

		1988	1988
	Notes	£m	£m
Turnover			384.3
Staff costs	2	114.5	
Depreciation and other amounts written off tangible fixed assets		3.1	
Other operating charges		260.2	
			377.8
Profit on ordinary activities before interest and taxation	3		6.5
Net interest receivable	5		15.7
Profit on ordinary activities before taxation			22.2
Taxation	6		8.4
Profit retained			<u>13.8</u>

## Statement of reserves

for the period ended 30 March 1988

Reserves at 1 October 1987		407.7
Net revaluation of tangible fixed assets		6.8
Profit retained		<u>13.8</u>
Reserves at 30 March 1988	13	<u>428.3</u>

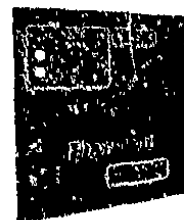


Thomas Cook travellers cheques

# Current cost balance sheet

at 30 March 1988

		1988	1988
	Notes	£m	£m
<b>Tangible fixed assets</b>	7		176.8
<b>Current assets</b>			
Debtors	9	58.2	
Inter-business balances		266.9	
Cash at bank and in hand		669.6	
		994.7	
<b>Creditors – amounts falling due within one year</b>			
Agency service balances		596.8	
Other creditors	10	81.0	
		677.8	
<b>Net current assets</b>			316.9
<b>Total assets less current liabilities</b>			493.7
<b>Creditors – amounts falling due after one year</b>			(16.9)
<b>Provisions for liabilities and charges</b>	11		(48.4)
			<u>428.4</u>
<b>Capital and reserves</b>			
Called-up share capital	12		0.1
Revaluation reserve	13		87.1
Profit and loss account	13		245.8
Other reserves	13		<u>95.4</u>
			<u>428.4</u>



Photocopy machine

Approved by the Post Office Counters Ltd Board on 11 July 1988

*Bryan Nicholson*

B H Nicholson

*John Roberts*

A J Roberts

# Current cost source and application of funds

for the period ended 30 March 1983

	1983	1988
Source of funds	£m	£m
<b>Generated within the business</b>		
Profit on ordinary activities before taxation	22.2	
Proceeds from sale of assets	1.9	
		24.1
Adjustments for items not involving the movement of funds		
Depreciation and other amounts written off tangible fixed assets	3.1	
Loss on disposal of assets	0.7	
Movement on provisions	(0.3)	
		3.5
		27.6
<b>Funds from other sources</b>		
Issue of shares for cash		0.1
		27.7
<b>Application of funds</b>		
Additions to tangible fixed assets	8.3	
Taxation paid	(0.5)	
		7.8
<b>Increase/(decrease) in working capital</b>		
Debtors	33.9	
Creditors—amounts falling due within one year		
Agency service balances	(51.4)	
Inter-business balances (excluding taxation)	26.6	
Other creditors	2.9	
		12.0
<b>Movement in liquid funds</b>		
Cash at bank and in hand		7.9
		27.7

Water Authority  
savings stamps



## Notes on the accounts

for the period ended 30 March 1983

### 1 Basis of preparation

The accounts have been prepared in accordance with the accounting policies set out on pages 20 and 21.

### 2 Staff costs

	1988
	£m
Wages and salaries	100.3
Social security costs	7.4
Pension costs	6.8
Total	<u>114.5</u>

### 3 Profit on ordinary activities

	1988
	£m

The profit on ordinary activities is stated after taking account of:

#### Income from:

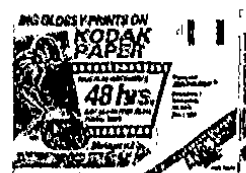
Letters and Parcels	81.1
Girobank	76.7
Non-counter agency business -- settlement of claim for prior year	4.7

#### Expenses:

Subpostmasters' costs	146.8
Auditors' remuneration	0.1
Research and development	0.2
Lease charges -- property	3.7
Girobank charges	28.7
Letters and Parcels charges	17.8
Corporate charges	17.5
Reclaim of National Insurance Contributions from prior year	(3.0)

#### Emoluments

No emoluments are payable by Post Office Counters Ltd to directors. Their remuneration as Chairman or director respectively of the Post Office Board is taken into account in the assessment of a general administrative charge which the Post Office makes to Post Office Counters Ltd.



Fotopost Express envelope

# Notes on the accounts

continued

## 4 Employee information 1988

During the period no employees emoluments exceeded £30,000. number

Average staff numbers were:

Business and territorial headquarters 1,505

District offices 16,869

Total (including part-time staff counted as half) 18,374

Subpostmasters 19,487

## 5 Interest 1988

£m

Interest receivable 16.4

Interest payable on loans

(i) repayable within five years of 30 March 1988 0.2

(ii) repayable more than five years after 30 March 1988 0.5

Net interest receivable 15.7

Tax relief on the interest payable is taken into account in determining the taxation charge set out in note 6.

## 6 Taxation 1988

£m

Corporation tax at 35% on the profit for the period (2.0)

Deferred taxation 9.2

Adjustments relating to prior years 1.2

8.4

Deferred taxation not provided for the period amounts to £nil in respect of accelerated capital allowances.



Postal Order



## 7 Tangible fixed assets

	Land and buildings			Motor vehicles	Fixtures and equipment	Total
	Freehold	Long lease	Short lease			
	£m	£m	£m	£m	£m	£m
<b>Gross replacement cost</b>						
At 1 October 1987	104.4	15.0	60.5	—	55.0	234.9
Revaluation	7.5	(1.8)	(0.8)	—	0.5	5.4
Acquisitions — external	1.4	—	1.8	0.1	4.8	8.1
— group	—	—	—	0.2	—	0.2
Disposals — external	(1.5)	(0.7)	(0.1)	—	(0.6)	(2.9)
— group	—	—	—	—	(0.5)	(0.5)
<b>At 30 March 1988</b>	<b>111.8</b>	<b>12.5</b>	<b>61.4</b>	<b>0.3</b>	<b>59.2</b>	<b>245.2</b>
<b>Accumulated depreciation</b>						
At 1 October 1987	4.3	3.4	27.3	—	32.5	67.5
Backlog	(0.4)	(0.5)	(0.9)	—	0.4	(1.4)
Provisions	0.4	—	0.9	0.1	1.7	3.1
Disposals — external	0.1	(0.2)	(0.1)	—	(0.5)	(0.7)
— group	—	—	—	—	(0.1)	(0.1)
<b>At 30 March 1988</b>	<b>4.4</b>	<b>2.7</b>	<b>27.2</b>	<b>0.1</b>	<b>34.0</b>	<b>68.4</b>
<b>Net replacement cost</b>						
At 1 October 1987	100.1	11.6	33.2	—	22.5	167.4
At 30 March 1988	107.4	9.8	34.2	0.2	25.2	176.8

In accordance with accounting policy note E a programme of property valuations has been undertaken professionally, providing for an annual revaluation of high value properties and a complete revaluation of the remaining freehold properties over a period of four years. Balance sheet values reflect the results of specific property valuations performed within the period, covering the majority of Counters' properties. All valuations have been performed by chartered surveyors.

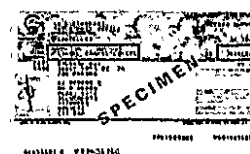
## 8 Leased assets

For 1988-89, Counters is committed to land and buildings operating lease payments of £6.8m of which £0.2m is for leases expiring in that year, £0.8m for leases expiring in the period 1989-93 and the remainder for leases expiring in 1993-94 and thereafter.

# Notes on the accounts

continued

<b>9</b>	<b>Debtors</b>	<b>1988</b>
		<b>£m</b>
	(i) Trade debtors	
	Receivable within one year	33.5
	Receivable beyond one year	0.8
		<u>34.3</u>
	(ii) Prepayments and accrued income	
	Prepayments and accrued income	22.5
	Stores	1.4
		<u>58.2</u>
<b>10</b>	<b>Other creditors</b>	<b>1988</b>
		<b>£m</b>
	Creditors and accruals	66.7
	Taxation and social security	14.3
		<u>81.0</u>



D.H.S.S. green Giro cheque

**11 Provisions for liabilities and charges****(i) Provisions for liabilities and charges are:**

	Deferred taxation	Network review	Subpost- masters' gratuities	Total
	£m	£m	£m	£m
Provision at 1 October 1987	1.9	1.5	40.9	44.3
Amounts charged for the period	9.2	—	4.1	13.3
Amounts paid in the period	—	—	(2.9)	(2.9)
Amounts released in the period	—	(1.5)	—	(1.5)
Amounts released for prior periods	(4.8)	—	—	(4.8)
Provision at 30 March 1988	<u>6.3</u>	<u>—</u>	<u>42.1</u>	<u>48.4</u>

**(ii) The potential amounts of deferred taxation and the amounts provided in the accounts are:****Potential taxation      Provided in accounts**

	1988 £m	1988 £m
Accelerated capital allowances	11.5	—
Other timing differences	6.3	6.3
	<u>17.8</u>	<u>6.3</u>

Counters does not consider that there is a potential tax liability in respect of the surplus arising on the revaluation of fixed assets. The revaluation is on a replacement cost basis which is not relevant for computing any tax liability. No provision is made for capital gains tax on the disposal of assets, in view of the expected roll-over relief available. The estimated amount deferred by such relief is approximately £13.4m.

**12 Called-up share capital**

The authorised and issued share capital is 50,000 ordinary £1 shares, all allotted to and owned by the Post Office.

**13 Reserves**

	Revaluation reserve	Profit and loss account	Other reserves	Total
	£m	£m	£m	£m
At 1 October 1987	81.8	232.0	93.9	407.7
Net revaluation of tangible fixed assets	6.8	—	—	6.8
Profit retained	—	13.8	—	13.8
Transfers	(1.5)	—	1.5	—
At 30 March 1988	<u>87.1</u>	<u>245.8</u>	<u>95.4</u>	<u>428.3</u>

Other reserves represent the realised element of the current cost adjustments, including appropriate amounts in provisions.

## Notes on the accounts

continued

14	Historical cost information	Gross historical cost £m	Accumulated depreciation £m	Net book amount £m
	(i) Tangible fixed assets at 30 March 1988			
	Land and buildings	84.6	17.5	67.1
	Fixtures and fittings	32.3	9.9	22.4
	Vehicles	0.2	—	0.2
		<u>117.1</u>	<u>27.4</u>	<u>89.7</u>
	(ii) Historical cost profit			1988
				£m
	Current cost profit for the period			13.8
	Current cost adjustments			
	Depreciation			0.3
	Disposal of assets			1.2
	Historical cost profit for the period			<u>15.3</u>
15	Commitments			1988
	(i) Capital expenditure			£m
	Contracted for but not provided in the accounts			2.1
	Authorised but not yet contracted for			—
	(ii) Pension scheme			
	An actuarial valuation of the Post Office Staff Superannuation Scheme as at 31 March 1985 revealed a deficiency of £226.5m in respect of Post Office staff excluding Girobank. The latest review suggests that this has now been liquidated.			
16	Contingent liabilities			
	There were no material contingent liabilities at 30 March 1988.			



It's a little special stamp

## Report of the auditors

to the members of *Post Office Counters Ltd*

We have audited the accounts set out on pages 20 to 21 and 36 to 44 in accordance with approved auditing standards. The accounts have been prepared under the current cost convention as stated in accounting policy note B.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 30 March 1988 and of the profit, changes in reserves and source and application of funds for the period then ended and comply with the Companies Act 1985.

*Ernst & Whinney*

Ernst & Whinney  
Chartered Accountants  
London  
11 July 1988



*Postal vellum stationery*

## Counters business data

(value and number of transactions)

### Postage stamps

	£m
1978-79	388.7
1979-80	434.8
1980-81	531.9
1981-82	601.2
1982-83	647.9
1983-84	676.6
1984-85	732.0
1985-86	753.0
1986-87	772.5
1987-88	818.1

### Girobank services

	Customer deposits <sup>2</sup>		Withdrawals		DHSS orders		Other services	
	£m	millions	£m	millions	£m	millions	£m	millions
1978-79	6466.4	49.4	1196.4	32.6	2677.1	115.7	1754.9	21.9
1979-80	7204.0	55.9	1426.8	35.7	2714.9	103.5	3362.3	23.9
1980-81	7526.1	61.0	1636.1	35.6	3770.7	96.3	5467.1	24.4
1981-82	7743.8	64.7	1673.5	33.7	5263.9	114.8	10283.8	25.8
1982-83	8704.0	70.2	1897.5	33.7	5988.9	120.2	11528.7	29.5
1983-84	9789.5	70.5	2035.1	40.7	5844.7	112.7	12444.5	28.1
1984-85	10586.8	76.2	2329.6	45.8	6676.4	117.1	16053.7	29.9
1985-86	28562.9	83.8	2293.8	45.2	6564.3	110.4	1464.8	22.5
1986-87	31236.0	84.9	2285.5	43.2	6660.3	106.0	2595.9	26.2
1987-88	32222.8	81.4	2333.0	41.8	5975.7	90.7	2265.4	27.0

### Postal orders

	£m	millions
1978-79	526.8	172.8
1979-80	511.0	154.9
1980-81	458.2	118.4
1981-82	350.3	88.1
1982-83	313.5	68.6
1983-84	295.1	61.2
1984-85	277.3	58.5
1985-86	265.6	56.0
1986-87	267.1	54.3
1987-88	277.8	50.6

#### Notes

1. All 1984-85 figures include the effect of the 53-week accounting year.
2. From 1985-86 Girobank deposits include Transcash and corporate deposits.

## Pensions and allowances

	Child benefits/ family allowances		National Insurance pensions	
	£m	millions	£m	millions
1978-79	1941.7	425.9	10089.2	576.6
1979-80	2957.3	381.1	11268.5	598.7
1980-81	2996.9	372.0	13396.9	566.5
1981-82	3584.9	392.0	16007.9	576.9
1982-83	3937.5	313.9	18445.3	591.8
1983-84	4317.3	284.8	19078.9	581.1
1984-85	4555.4	276.4	20367.6	589.0
1985-86	4585.8	261.6	21787.1	595.0
1986-87	4668.4	257.7	23617.1	609.2
1987-88	4738.2	251.7	24954.0	616.8

## Savings & other stamps

	£m
1978-79	190.8
1979-80	214.1
1980-81	342.1
1981-82	377.0
1982-83	441.2
1983-84	474.6
1984-85	507.7
1985-86	524.2
1986-87	550.5
1987-88	587.4



Home Help stamps

## Licences issued

	Motor vehicles		Television	
	£m	millions	£m	millions
1978-79	497.8	15.6	287.3	16.6
1979-80	521.2	15.8	371.5	16.4
1980-81	715.6	16.7	464.4	16.4
1981-82	1025.0	19.3	512.5	16.5
1982-83	1530.0	23.6	633.4	16.4
1983-84	1551.5	24.6	653.7	16.4
1984-85	1923.0	25.8	676.4	16.7
1985-86	2057.7	26.1	811.5	15.7
1986-87	2219.4	27.8	836.0	16.0
1987-88	2276.6	28.7	862.6	16.4

## Counters business data

(continued)

### Telephone bills paid

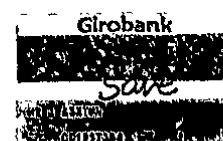
1978-79	723.0	33.9
1979-80	772.0	19.4
1980-81	1267.9	37.5
1981-82	1602.1	38.1
1982-83	1918.7	45.0
1983-84	1852.0	46.7
1984-85	1877.7	46.1
1985-86	1858.0	43.4
1986-87	2189.7	43.8
1987-88	2148.5	43.1

### National savings services

	NSB deposits		NSB withdrawals		Other services	
	£m	millions	£m	millions	£m	millions
1978-79	996.9	32.8	531.4	20.5	1465.2	19.0
1979-80	1026.5	31.4	591.7	21.0	1939.6	21.6
1980-81	1315.2	27.9	805.5	18.4	2437.9	20.3
1981-82	1328.7	27.0	643.7	17.8	3960.9	22.5
1982-83	1621.3	26.5	1116.2	17.1	2578.3	15.5
1983-84	1610.1	26.6	707.8	16.5	1870.3	9.9
1984-85	1633.7	26.2	771.7	16.5	2264.8	8.2
1985-86	1597.7	24.4	743.1	15.0	1237.2	5.4
1986-87	1826.3	23.8	704.9	13.5	650.1	2.7
1987-88	2151.9	24.3	752.7	13.2	421.2	1.7

### Other services

	£m	million
1978-79	428.5	33.2
1979-80	482.6	31.2
1980-81	543.1	29.4
1981-82	636.4	30.5
1982-83	143.1	14.5
1983-84	149.3	13.8
1984-85	158.4	16.7
1985-86	250.9	81.7
1986-87	248.4	87.1
1987-88	254.8	87.4



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