

Registered number: 02584802

**REVISECATCH LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 27 MARCH 2022**





## **REVISECATCH LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	M Fullick G Howell A Harvey
<b>Company secretary</b>	D Heilig
<b>Registered number</b>	02584802
<b>Registered office</b>	185 Farringdon Road London England EC1A 1AA
<b>Independent auditor</b>	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA



## **REVISECATCH LIMITED**

### **CONTENTS**

	<b>Page</b>
<b>Strategic report</b>	<b>1 - 2</b>
<b>Directors' report</b>	<b>3 - 4</b>
<b>Directors' responsibilities statement</b>	<b>5</b>
<b>Independent auditor's report</b>	<b>6 - 9</b>
<b>Income statement</b>	<b>10</b>
<b>Balance sheet</b>	<b>11</b>
<b>Statement of changes in equity</b>	<b>12</b>
<b>Notes to the financial statements</b>	<b>13 - 26</b>



## **REVISECATCH LIMITED**

### **STRATEGIC REPORT FOR THE PERIOD ENDED 27 MARCH 2022**

#### **Principal activities**

The principal activity of the Company is as a provider of courier services predominantly focused upon clients in London and the South East.

#### **Results and dividends**

The profit after tax for the period ended 27 March 2022 was £28,438,000 (2021: £29,424,000). During the period a dividend of £10,000,000 (2021: £1,338,000) was paid to the parent company. No dividends have been declared post period end (2021: £Nil).

#### **Review of the business and future developments**

During the reporting period the Company has posted a strong performance in both the urgent London courier market and the provision of courier services to Royal Mail Group as part of the UK COVID-19 test kit program.

Post period end the Company has continued to be part of the government COVID-19 test kit program, which Royal Mail Group won last period, and results continue to be strong.

The Company expects to continue its current business activities for the foreseeable future.

Through monitoring of key financial and quality of service indicators the Directors consider the performance and position of the Company to be in line with expectations.

#### **Key Performance Indicators (KPIs)**

The Directors consider a number of financial KPIs in monitoring the performance of the Company as follows:

- Revenue, and
- Profit Before Tax

Revenue for the period was £104,701,000 (2021: £92,012,000) and profit before tax for the period was £35,066,000 (2021: £36,325,000). The Directors are satisfied that the Company has met its expectations with respect to the KPIs in this reporting period.

#### **Principal risk and uncertainties**

There continue to be two principal risks being faced by the Company and both relate to couriers.

Firstly, a question mark continues to exist surrounding the Employment status of the Company's couriers. The government continues to review the definition of worker status and some of the many claims presented to Employment tribunals are now being heard. A change in the law/and or finding of worker status against the Company could have an impact on the cost base of the Company which we continue to monitor. However, the Directors have undertaken actions to mitigate this risk.

Secondly, existing players together with fresh entrants in the same-day courier environment that incorporate both food and grocery deliveries continue to disrupt the market. The number of these opportunities, allied to the reduced courier labour force arising from Brexit, has resulted in an upward pressure on courier earnings.

The one uncertainty is whether the government COVID-19 test kit program will continue beyond the period ended 26 March 2023. We do not expect the program to continue after that time, and as such period ended 28 March 2021, period ended 27 March 2022 and period ended 26 March 2023 will be considered exceptional years.



## REVISECATCH LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 27 MARCH 2022

#### Corporate Responsibility

The Company is committed to carrying out its activities in a socially responsible manner in respect of the environment, employees, customers and local communities. The Board of the ultimate parent company, Royal Mail plc, publishes details of its activities in its Annual Report and Financial Statements.

#### SECTION 172 (1) STATEMENT

The Companies (Miscellaneous Reporting) Regulations 2018 require Directors to explain how they considered and had regard to the interests of key stakeholders and the broader matters set out in Section 172(1) (a-f) of the Companies Act 2006 ("S172") when performing their duty to promote the success of the Company. Section 172 requires a Director of a Company to act in the way he or she considers, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a. the likely consequences of any decisions in the long term;
- b. the interests of the Company's employees;
- c. the need to foster the Company's business relationships with suppliers, customers and others;
- d. the impact of the Company's operations on the community and environment;
- e. the desirability of the Company maintaining a reputation for high standards of business conduct; and
- f. the need to act fairly as between members of the Company.

The Directors of the Company consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have had regard to the matters set out above in the decisions taken during the reporting period.

The Company is a member of the Royal Mail plc Group and has adopted all applicable Group policies and procedures, including the Royal Mail Business Code of Conduct, Corporate Responsibility Policy and the Equality and Fairness Policy.

The Company ensures that the requirements of S172 are met and that the interests of its stakeholder groups are considered through a combination of the following:

- Standing agenda items presented at each Board meeting, including updates on operations, financial performance, compliance and development, and health and safety.
- Regular engagement with our stakeholders, including, but not limited to, suppliers, customers and employees. For example, the Company requests annual feedback on the quality of its service from its employees.
- Being able to put something back into the community; to put value into an economy by generating local growth is very important to us. We are proud of the amount of jobs created and our continued provision of services to the UK COVID-19 testing program.

As the Company forms part of the wider Group, stakeholder engagement also took place at Group level. You can read more about how the Royal Mail plc Group Board engaged with stakeholders during the reporting period in its Annual Report and Accounts for the financial year ended 27 March 2022, which can be found at [www.royalmailgroup.com](http://www.royalmailgroup.com).

This report was approved by the Board and signed on its behalf by:



**M Fullick**  
Director

Date: 16 September 2022



## **REVISECATCH LIMITED**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 27 MARCH 2022**

The Directors present their report and the financial statements for the 52 weeks ended 27 March 2022 (2021: 52 weeks ended 28 March 2021).

#### **Directors**

The Directors who served during the period were:

M Fullick  
G Howell  
A Harvey

No Director has a beneficial interest in the share capital of the Company.

#### **Research and development**

Research and development expenditure during the period amounted to £Nil (2021: £Nil).

#### **Political donations**

No political donations were made in the period (2021: £Nil).

#### **Disclosure of information to auditor**

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.

#### **Indemnity of Directors**

To the extent permitted by the Companies Act 2006, the Company may indemnify any Director or former Director of the Company or any associated company against any liability. The ultimate parent undertaking, Royal Mail plc, holds a Directors' and officers' liability insurance policy covering the Directors and officers or former Directors of its subsidiary undertakings against any liability.

#### **Cautionary statement regarding forward-looking information**

Where this review contains forward-looking statements, these are made by the Directors in good faith based on the information available to them at the time of their approval of this report. These statements should be treated with caution due to the inherent risks and uncertainties underlying any such forward-looking information. A number of important factors, including those in this document, could cause actual results to differ materially from those contained in any forward-looking statement.

#### **Going concern**

The Company had net assets of £48,470,000 at 27 March 2022 (2021: £30,032,000). The Directors have considered the financial position and future prospects of the Company for twelve months from the date of signing the accounts and believe that the Company has access to sufficient resources to manage its business successfully. Accordingly, the financial statements are prepared under the going concern basis.

#### **Auditor**

The auditor, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.



## REVISECATCH LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 27 MARCH 2022

#### Employees

Our goal is to ensure that all employees are engaged and involved in the business and are aligned and equipped to meet business objectives. As part of our commitment to drive better service for customers we continue to focus on improving the quality of our leadership, professionalising key roles and achieving greater employee involvement in decision making. Underpinning all of this is a need for dignity at work, where everybody feels valued, is treated fairly and equally and with everyone playing a full part in helping the Company to achieve its goals.

#### Disabled employees

The Company gives full consideration to applications for employment from disabled persons where the candidates' particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

#### Strategic report

In accordance with s414c(ii) of the Companies Act, the Company has set out certain information in its Strategic report that is otherwise required to be disclosed in the Directors' report. This includes information regarding results and activities, dividends and a description of the principal risks and uncertainties facing the Company.

#### Streamlined Energy and Carbon Reporting (SECR)

Information regarding SECR can be found in the Royal Mail plc accounts on page 33.

This report was approved by the Board and signed on its behalf by:



**M Fullick**  
Director

Date: 16 September 2022



## **REVISECATCH LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 27 MARCH 2022**

The Directors are responsible for preparing the Annual 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 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 to 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.



## **REVISECATCH LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVISECATCH LIMITED**

#### **Opinion**

We have audited the financial statements of Revisecatch Limited (the 'Company') for the period ended 27 March 2022, which comprise the income statement, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 27 March 2022 and of its profit for the period 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **REVISECATCH LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVISECATCH LIMITED (CONTINUED)**

#### **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 strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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

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 strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

#### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement 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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



## REVISECATCH LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVISECATCH LIMITED (CONTINUED)

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focused on key laws and regulations the Company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included, but were not limited to, compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor on the engagement ensured that the engagement team collectively had the appropriate competence, capabilities, and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with management, and from our commercial knowledge of the industry;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias, in particular the Director's assessment of the IBR used in the lease calculations (note 2); and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.



## REVISECATCH LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVISECATCH LIMITED (CONTINUED)

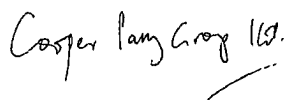
#### Auditor's responsibilities for the audit of the financial statements (continued)

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

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.



Neil Calder (Senior statutory auditor)

for and on behalf of

**Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA

Date: 21 September 2022



REVISECATCH LIMITED

INCOME STATEMENT  
FOR THE PERIOD ENDED 27 MARCH 2022

	Note	2022 £000	2021 £000
<b>Revenue</b>	3	104,701	92,012
People costs	5	(4,739)	(3,706)
Other operating costs		(64,908)	(51,980)
<b>Operating profit</b>	4	35,054	36,326
Income from investments		-	3
Profit on disposal of property, plant and equipment		22	5
Finance costs	7	(10)	(9)
<b>Profit before tax</b>		35,066	36,325
Tax on profit		(6,628)	(6,901)
<b>Profit for the financial period</b>		28,438	29,424

There was no other comprehensive income for 2022 (2021: £Nil).

All activities derive from the continuing operations of the Company.

The notes on pages 13 to 26 form part of these financial statements.



**REVISECATCH LIMITED**  
**REGISTERED NUMBER: 02584802**

**BALANCE SHEET**  
**AS AT 27 MARCH 2022**

	Note	27 March 2022 £000	28 March 2021 £000
<b>Non-current assets</b>			
Intangible assets	9	60	67
Property, plant and equipment	10	1,243	995
Investments	11	105	105
Deferred tax	16	-	85
		<u>1,408</u>	<u>1,252</u>
<b>Current assets</b>			
Inventories		32	10
Trade and other receivables	12	33,652	17,674
Bank and cash balances		23,872	21,129
		<u>57,556</u>	<u>38,813</u>
Trade and other payables: amounts falling due within one year	13	(10,309)	(9,787)
<b>Net current assets</b>		<u>47,247</u>	<u>29,026</u>
<b>Total assets less current liabilities</b>		<u>48,655</u>	<u>30,278</u>
Trade and other payables: amounts falling due after more than one year	14	(185)	(246)
<b>Net assets</b>		<u><u>48,470</u></u>	<u><u>30,032</u></u>
<b>Capital and reserves</b>			
Called up share capital	17	-	-
Retained Earnings	18	48,470	30,032
		<u>48,470</u>	<u>30,032</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



**M Fullick**  
Director

16 September 2022

The notes on pages 13 to 26 form part of these financial statements.



**REVISECATCH LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 27 MARCH 2022**

	Share capital £000	Retained earnings £000	Total equity £000
At 29 March 2021	-	30,032	30,032
Profit for the period	-	28,438	28,438
Dividends: Equity capital	-	(10,000)	(10,000)
<b>At 27 March 2022</b>	<b>-</b>	<b>48,470</b>	<b>48,470</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 28 MARCH 2021**

	Share capital £000	Retained earnings £000	Total equity £000
At 30 March 2020	-	1,946	1,946
Profit for the period	-	29,424	29,424
Dividends: Equity capital	-	(1,338)	(1,338)
<b>At 28 March 2021</b>	<b>-</b>	<b>30,032</b>	<b>30,032</b>

The notes on pages 13 to 26 form part of these financial statements.



## REVISECATCH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

#### 1. Accounting policies

Revisecatch Limited (the Company) is a limited liability Company incorporated and domiciled in England and Wales. The address of its registered office is disclosed on the Company information page.

The financial statements are prepared in Sterling (£), which is the functional currency of the Company. The financial statements are for a period of 52 weeks ended 27 March 2022 (2021: 52 weeks ended 28 March 2021).

##### 1.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK ("Adopted IFRSs"), but make amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Royal Mail plc includes the Company in its consolidated financial statements. The consolidated financial statements of Royal Mail plc are available to the public and may be obtained from the Company Secretary, 185 Farringdon Road, London, EC1A 1AA or at [www.royalmailgroup.com](http://www.royalmailgroup.com).

The following principal accounting policies have been applied:

##### 1.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IAS 7 Statement of Cash Flows
- certain disclosures regarding the Company's capital;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the effect of future accounting standards not yet adopted; and
- the disclosure of remuneration of key management personnel.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Royal Mail plc. The financial statements of Royal Mail plc can be obtained as described in note 1.1.

These financial statements do not include certain disclosures of:

- Financial instruments (other than certain disclosures required as a result of recording financial instruments at fair value).
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value).

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

##### 1.3 Adoption of new and revised standards

No new standards have been adopted in the period which have a material impact on the entity.



## REVISECATCH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

#### 1. Accounting policies (continued)

##### 1.4 Revenue

Revenue is derived from specific contracts and is recognised at the time of delivery.

##### 1.5 Going concern

The Company had net assets of £48,470,000 at 27 March 2022 (2021: £30,032,000). The Directors have considered the financial position and future prospects of the Company for twelve months from the date of signing the accounts and believe that the Company has access to sufficient resources to manage its business successfully. Accordingly, the financial statements are prepared under the going concern basis.

##### 1.6 Leases

The Company leases various properties and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets cannot be used as security for borrowing purposes.

A lease is recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received; and
- Restoration costs.

Payments associated with short-term leases and leases of low value assets are recognised on a straight line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise IT equipment and small items of office furniture.



## REVISECATCH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

#### 1. Accounting policies (continued)

##### 1.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### 1.8 Finance costs

Finance costs are charged to the income statement over the lease period and relate to the unwinding of discounting on leases.

##### 1.9 Current and deferred tax

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of the deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### 1.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The estimated useful lives range as follows:

Development expenditure	-	5	years
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## REVISECATCH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

#### 1. Accounting policies (continued)

##### 1.11 Property, plant and equipment

Property, plant and equipment under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the income statement during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property	-	25% straight line
Plant and machinery	-	33% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	25% reducing balance
Right-of-use assets	-	Over the shorter of the assets useful life and the lease term on a straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

At each balance sheet date, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that any items of property, plant and equipment have suffered an impairment loss. If such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The impairment loss is recognised immediately in the income statement.

##### 1.12 Trade receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any non-collectable amounts. This allowance is calculated by first creating an allowance for identified trade receivables where collection of the full amount is no longer probable and then applying lifetime expected credit loss (ECL) rates to the unprovided balance. Bad debts are written off when identified.

##### 1.13 Trade payables

Trade payables are recorded initially at fair value and subsequently measured at amortised cost. Generally this results in their recognition at their nominal value.



## REVISECATCH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

#### 1. Accounting policies (continued)

##### 1.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

##### 1.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 1.16 Contingent liabilities

Contingent liabilities are possible obligations whose existence depends on the outcome of uncertain future events or present obligations where the outflows of resources are uncertain or cannot be measured reliably. Contingent liabilities are not recognised in the financial statements but are disclosed unless an outflow of resources is considered remote.

#### 2. Judgements in applying accounting policies and key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. Management are also required to exercise judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

In preparing these financial statements, the Directors have made the following judgements:

##### Leases

Under IFRS 16, lease liabilities are initially recognised at the commencement date at the present value of future lease payments discounted at the rate inherent in the lease or, where this is not readily determinable, an appropriate IBR. In practice, the rate inherent in the lease is not always readily determinable so an IBR is used.

The IBR is the rate of interest that a lessee would have to pay to borrow, over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The methodology used to obtain these rates is therefore considered an area of judgement.

Judgement is also required in terms of considering the likelihood of certain options being taken up such as break clauses. Refer to note 1.6 for additional disclosures related to leases.



# REVISECATCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

### 3. Revenue

The total revenue of the Company for the period has been derived from its principal activity being the supply of service wholly undertaken in the United Kingdom.

### 4. Operating profit

The operating profit is stated after charging:

	2022 £000	2021 £000
Depreciation of right-of-use assets	109	87
Depreciation of tangible fixed assets	340	354
Amortisation	7	6
	<u>7</u>	<u>6</u>

Auditor's remuneration amounted to £17,500 (2021: £17,000) for the audit of the statutory financial statements and was met by Royal Mail Group Limited. The auditor did not provide any non-audit services for the 52 weeks ended 27 March 2022 and 52 weeks ended 28 March 2021.

### 5. Employees

Staff costs, including Directors' remuneration, were as follows:

	2022 £000	2021 £000
Wages and salaries	4,234	3,315
Social security costs	440	340
Pension costs	65	51
	<u>4,739</u>	<u>3,706</u>

The average monthly number of employees, including the Directors, during the period was as follows:

	2022 No.	2021 No.
Administration	113	92
	<u>113</u>	<u>92</u>



# REVISECATCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

### 6. Directors' remuneration

	2022 £000	2021 £000
Directors' emoluments	242	212
Company contributions to defined contribution pension schemes	1	1
	<u>243</u>	<u>213</u>

During the period retirement benefits were accruing to one Director (2021: one) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £156,931 (2021: £123,071).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £Nil (2021: £Nil).

### 7. Finance costs

	2022 £000	2021 £000
Interest on lease liability	10	9
	<u>10</u>	<u>9</u>



# REVISECATCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

### 8. Tax

	2022 £000	2021 £000
<b>Corporation tax</b>		
Current tax on profits for the period	6,528	6,648
Tax over-provided in the previous period	(3)	-
	<u>6,525</u>	<u>6,648</u>
<b>Total current tax</b>	<u>6,525</u>	<u>6,648</u>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	98	251
Effect of change in rate of tax	4	-
Tax under-provided in the previous period	1	2
	<u>103</u>	<u>253</u>
<b>Total deferred tax</b>	<u>103</u>	<u>253</u>
<b>Taxation on profit</b>	<u>6,628</u>	<u>6,901</u>

#### Factors affecting tax charge for the period

The tax assessed for the period is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £000	2021 £000
Profit before tax	<u>35,066</u>	<u>36,325</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	6,663	6,902
<b>Effects of:</b>		
Non-deductible expenditure	-	(3)
Effect of change in rate of tax	4	-
Super-deduction enhanced capital allowances	(37)	-
Tax (over)/under-provided in earlier years	(2)	2
	<u>6,628</u>	<u>6,901</u>
<b>Total tax charge for the period</b>	<u>6,628</u>	<u>6,901</u>

#### Factors that may affect future tax charges

The UK corporation tax rate is 19%. The UK Government has announced that the corporation tax rate will rise to 25% from April 2023. In accordance with accounting standards, the deferred tax balances in these Financial Statements have been adjusted to effect this change.



REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 27 MARCH 2022

9. Intangible assets

	Goodwill £000	Development expenditure £000	Total £000
<b>Cost</b>			
At 29 March 2021	50	32	82
At 27 March 2022	50	32	82
<b>Amortisation</b>			
At 29 March 2021	-	15	15
Charge for the period	-	7	7
At 27 March 2022	-	22	22
<b>Net book value</b>			
At 27 March 2022	50	10	60
At 28 March 2021	50	17	67



REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 27 MARCH 2022

10. Property, plant and equipment

	Short-term leasehold property £000	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000	Right-of- use assets £000	Total £000
<b>Cost or valuation</b>						
At 29 March 2021	82	230	1,584	51	529	2,476
Additions	-	42	611	2	44	699
Disposals	-	(4)	(170)	-	-	(174)
At 27 March 2022	82	268	2,025	53	573	3,001
<b>Depreciation</b>						
At 29 March 2021	37	181	1,018	35	210	1,481
Charge for the period on owned assets	20	26	290	4	-	340
Charge for the period on right- of-use assets	-	-	-	-	109	109
Disposals	-	(2)	(170)	-	-	(172)
At 27 March 2022	57	205	1,138	39	319	1,758
<b>Net book value</b>						
At 27 March 2022	25	63	887	14	254	1,243
At 28 March 2021	45	49	566	16	319	995

The net book value of owned and leased assets included as property, plant and equipment in the balance sheet is as follows:

	27 March 2022 £000	28 March 2021 £000
Tangible fixed assets owned	989	676
Right-of-use tangible fixed assets	254	319
	1,243	995



# REVISECATCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

### 10. Property, plant and equipment (continued)

Information about right-of-use assets is summarised below:

#### Net book value

	27 March 2022 £000	28 March 2021 £000
Property	232	306
Motor vehicles	22	13
	<u>254</u>	<u>319</u>

#### Depreciation charge for the period ended

	27 March 2022 £000	28 March 2021 £000
Property	74	74
Motor vehicles	15	13
	<u>109</u>	<u>87</u>

### 11. Investments

#### Investments in subsidiary companies £000

#### Cost and net book value

At 29 March 2021 and 27 March 2022

105

The Company owns 64% of the issued share capital of D.A. Systems Limited, a Company registered in England. The principal activity of D.A. Systems Limited is software development and consultancy. The Company's registered address is Oakingham House Frederick Place, London Road, High Wycombe, Buckinghamshire, England, HP11 1JU.



REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 27 MARCH 2022

12. Trade and other receivables

	27 March 2022 £000	28 March 2021 £000
<b>Due after more than one year</b>		
Deferred tax (note 16)	-	85
	<u>-</u>	<u>85</u>
	27 March 2022 £000	28 March 2021 £000
<b>Due within one year</b>		
Trade receivables	2,203	2,485
Amounts owed by group undertakings	25,687	10,337
Other receivables	9	9
Prepayments and accrued income	5,753	4,843
	<u>33,652</u>	<u>17,674</u>

13. Trade and other payables: Amounts falling due within one year

	27 March 2022 £000	28 March 2021 £000
Trade payables	2,150	2,851
Amounts owed to parent company	254	183
Income tax payable	45	52
Other tax and social security	5,062	3,901
Lease liabilities	93	79
Other creditors	815	900
Accruals and deferred income	1,890	1,821
	<u>10,309</u>	<u>9,787</u>

14. Trade and other payables: Amounts falling due after more than one year

	27 March 2022 £000	28 March 2021 £000
Lease liabilities	167	246
Deferred tax	18	-
	<u>185</u>	<u>246</u>



REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 27 MARCH 2022

15. Leases

	27 March 2022 £000	28 March 2021 £000
Less than one year	93	79
In the second to fifth years inclusive	167	233
Over five years	-	13
	<u>260</u>	<u>325</u>

16. Deferred tax

	2022 £000	2021 £000
At beginning of period	85	338
Charged to the income statement	(103)	(253)
<b>At end of period</b>	<u>(18)</u>	<u>85</u>

The deferred taxation balance is made up as follows:

	27 March 2022 £000	28 March 2021 £000
Accelerated capital allowances	(23)	82
Short-term timing differences	5	3
	<u>(18)</u>	<u>85</u>

At 27 March 2022, the Company had unrecognised deferred tax assets of £326,000 (2021: £248,000) in relation to £1,304,000 (2021: £1,304,000) of UK capital losses carried forward. The Company has not recognised these deferred tax assets on the basis that it is not sufficiently certain of its capacity to utilise them in the future.



# REVISECATCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 27 MARCH 2022

### 17. Share capital

	27 March 2022 £000	28 March 2021 £000
<b>Allotted, called up and fully paid</b>		
214 (2021: 214) Ordinary shares of 1p each	-	-

### 18. Reserves

#### Share Capital

Represents the nominal value of shares that have been issued.

#### Retained earnings

Represents accumulated profit and loss for the period and prior periods less dividends paid.

### 19. Related party transactions

The Company has taken advantage of the exemption under FRS 101 not to disclose transactions or balances with wholly owned entities of Royal Mail plc, the ultimate controlling parent company.

The sales to and purchases from related parties are made at normal market prices. Balances outstanding at the period end are unsecured, interest free and settlement is made by cash.

### 20. Contingent liabilities

As discussed in the Strategic report on page 1, there is still some uncertainty surrounding the employment status of the Company's couriers. The Government is reviewing the definition of worker status and there has been an increase in worker status claims being presented to Employment Tribunals over the last five years. The Company is in the process of settling 16 Employment Tribunal claims for worker status. The majority of claims are from ex-couriers who are no longer with the business. However, in order to mitigate the risk, worker status is being offered out to the wider fleet – appetite from the couriers has been low to date, it is however currently not possible for the amount of any possible future obligation to be reliably measured.

### 21. Controlling party

At 27 March 2022, Royal Mail Courier Services Limited is the immediate parent company and Royal Mail plc is the ultimate parent company. The results of the Company are included in the Royal Mail plc Annual Report and Financial Statements, which are available from the Company Secretary, 185 Farringdon Road, London, EC1A 1AA or at [www.royalmailgroup.com](http://www.royalmailgroup.com).