

Registered number: 06257540

COMPANIES HOUSE

RETAIL MERCHANT GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

MONDAY



A10 *A7BASBII* #10
30/07/2018
COMPANIES HOUSE

RETAIL MERCHANT GROUP LIMITED

COMPANY INFORMATION

Directors

Mr P McOmish
Mr K P O'Keefe (appointed 28 September 2017)
Mr G Poppleton (resigned 28 September 2017)
Mr I G Pennick (resigned 13 February 2017)
Mr I S Robson (resigned 13 February 2017)
Mr N Watson (resigned 31 December 2017)
Mr S Stewart (resigned 8 September 2017)

Company secretary

Mr P McOmish

Registered number

06257540

Registered office

Matrix House
North Fourth Street
MILTON KEYNES
MK9 1NJ

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
2 Broadfield Court
SHEFFIELD
S8 0XF

Bankers

Natwest Bank PLC
Victoria Street
GRIMSBY
DN31 1UX

RETAIL MERCHANT GROUP LIMITED

CONTENTS

	Page
Strategic Report	1 - 2
Directors' Report	3 - 4
Independent Auditor's Report	5 - 7
Statement of Income and Retained Earnings	8
Statement of Financial Position	9
Notes to the Financial Statements	10 - 16

RETAIL MERCHANT GROUP LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

Introduction

The directors present their Strategic Report for the year ended 31 December 2017.

Principal activities and business review

The principal activity of the company during the year was that of a holding company.

The Company wholly owns Retail Merchant Services Limited and Retail Merchant Finance Limited. The group was purchased by Technology Crossover Ventures (TCV) in February 2017, who have put a large amount of structural investment into the business in order to assist with growth, which has resulted in lower margins in 2017.

Annual turnover decreased to £24,000 (2016: £133,000). The directors are satisfied with the annual results.

We continue to develop and invest in new technologies and services to drive the growth and efficiency of the business and create additional opportunities with both new and existing customers.

Principal risks and uncertainties

The principal risks to the business arise from competition, recruitment and retention of key people, technological changes and regulatory changes.

Competition

We are at risk from competitors who offer the same service. To mitigate this risk we ensure that we recruit experienced staff and offer a competitive package to our customers.

We continue to grow the business through Customer referrals, direct marketing, social media and PR activities to spread the message about the unique offering and benefits package and to expand our head count with new offices and a growing sales force.

Recruitment and retention of key people

With the company expanding, the board of directors are responsible for creating and appointing critical new business positions to build and supplement departments with the critical experience, key skills and industry knowledge needed to keep ahead of the competition.

Technological changes

The market the company operates in is relatively mature but new payment technologies are being developed continually. The risk to the company is that we do not understand and anticipate changes occurring and are caught out by not having "state of the art" devices for our customers. To mitigate this risk we have a dedicated team who work with the industry to identify potential changes and continually keep the board informed of the risks and options available to us.

RETAIL MERCHANT GROUP LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Regulatory changes

The industry is significantly regulated although our business is not. We continue to monitor the direction of travel of regulations and anticipate where changes might occur. We continue to improve our process order systems to ensure readiness should any regulatory change occur.

Liquidity risk

The company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through inter-company accounts and bank borrowings.

Key performance indicators

Financial key performance indicators

The directors manage the ongoing performance of the business by reviewing key financial performance indicators for Retail Merchant Services Limited and Retail Merchant Finance Limited. There are no such financial key performance indicators for Retail Merchant Group Limited, as the principal activity is purely that of a holding company.

Other key performance indicators

The directors also measure the importance of staff and customer retention.

Future outlook

The group will continue to develop and invest in new technologies and services to drive the growth and efficiency of the business and create additional opportunities with both new and existing customers.

This report was approved by the board on 19 July 2018 and signed on its behalf.



Mr P McOmish
Director

RETAIL MERCHANT GROUP LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The directors present their report and the financial statements for the year ended 31 December 2017.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements 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.

Directors

The directors who served during the year were:

Mr P McOmish
Mr K P O'Keefe (appointed 28 September 2017)
Mr G Poppleton (resigned 28 September 2017)
Mr I G Pennick (resigned 13 February 2017)
Mr I S Robson (resigned 13 February 2017)
Mr N Watson (resigned 31 December 2017)
Mr S Stewart (resigned 8 September 2017)

RETAIL MERCHANT GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

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.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 19 July 2018 and signed on its behalf.



Mr P McOmish
Director

RETAIL MERCHANT GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RETAIL MERCHANT GROUP LIMITED

Opinion

We have audited the financial statements of Retail Merchant Group Limited (the 'Company') for the year ended 31 December 2017, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position the Statement of Income and Retained Earnings, the Statement of Financial Position 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Who we are reporting to

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

RETAIL MERCHANT GROUP LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RETAIL MERCHANT GROUP LIMITED
(CONTINUED)**

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 year 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 under the Companies Act 2006

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

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

RETAIL MERCHANT GROUP LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RETAIL MERCHANT GROUP LIMITED
(CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 3, 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.

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.

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. This description forms part of our Auditor's Report.

Michael Redfern

Michael Redfern (Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
SHEFFIELD

19 July 2018

RETAIL MERCHANT GROUP LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover		24,103	132,727
Gross profit		<u>24,103</u>	<u>132,727</u>
Administrative expenses		(267,759)	(314,424)
Operating loss		<u>(243,656)</u>	<u>(181,697)</u>
Interest payable and expenses		-	(175,243)
Loss before tax		<u>(243,656)</u>	<u>(356,940)</u>
Loss after tax		<u><u>(243,656)</u></u>	<u><u>(356,940)</u></u>
Retained earnings at the beginning of the year		(3,570,863)	(3,213,923)
Loss for the year		(243,656)	(356,940)
Retained earnings at the end of the year		<u><u>(3,814,519)</u></u>	<u><u>(3,570,863)</u></u>
The notes on pages 10 to 16 form part of these financial statements.			

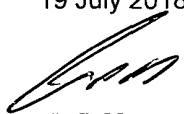
RETAIL MERCHANT GROUP LIMITED
REGISTERED NUMBER: 06257540

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	7	200	200
Current assets			
Debtors: amounts falling due within one year	8	2,441,223	117,626
Cash at bank and in hand	9	18,782	29,529
		<u>2,460,005</u>	<u>147,155</u>
Creditors: amounts falling due within one year	10	<u>(3,474,724)</u>	<u>(918,218)</u>
Net current liabilities		(1,014,719)	(771,063)
Total assets less current liabilities		<u>(1,014,519)</u>	<u>(770,863)</u>
Capital and reserves			
Called up share capital		2,800,000	2,800,000
Profit and loss account		<u>(3,814,519)</u>	<u>(3,570,863)</u>
		<u>(1,014,519)</u>	<u>(770,863)</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 July 2018.



Mr P McOmish
Director

The notes on pages 10 to 16 form part of these financial statements.

RETAIL MERCHANT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. General information

Retail Merchant Group Limited is a limited liability company incorporated in England and Wales. Its registered head office is located at Matrix House, 2 North Fourth Street, Milton Keynes, MK9 1NJ.

The principal activities of the Company during the year were providing credit and debit card processing services and membership to retailers.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£).

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

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of RMS Holdco Limited as at 31 December 2017 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2.3 Going concern

The company uses working capital balances that arise directly from its operations and manages its financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. Liquidity is monitored by reference to forecasts covering the period to 2019 and available facilities. Having reviewed forecasts, the directors do not believe there are any uncertainties which cast doubt on the ability of the Company to continue as a going concern.

RETAIL MERCHANT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.4 Revenue

The Company provides membership to its customers, who are invoiced on a quarterly basis in advance. Upon raising the invoice, the income is recognised on the system and as part of the monthly management accounts process, is then deferred in accordance with the stage of completion of the contract. In summary, membership income is recognised equally over the period of membership.

A transaction fee is incurred each time a credit or debit card terminal is used by one of the Company's customers (primarily independent retailers). This is recorded by a third party, who receive the fees from the bank for each transaction and then pay a commission to the Company.

This commission revenue from a contract to provide services is recognised in the period in which the services are provided and is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Commission revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

RETAIL MERCHANT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Creditors

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

2.10 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

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

Preparation of the financial statements requires management to make significant judgements and estimates. Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance.

The items in the financial statements where these judgements or estimates have been made include:

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 7 for the net carrying amount of the debtors and associated provision.

RETAIL MERCHANT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

4. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	7,400	6,200
Fees payable to the Company's auditor and its associates for other services	2,700	4,060
	<u>10,100</u>	<u>10,260</u>

5. Employees

Company staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	144,801	189,004
Social security costs	2,449	3,196
	<u>147,250</u>	<u>192,200</u>

The average monthly number of employees for the Company, including the directors, during the year was 1 (2016 - 6).

6. Directors' remuneration

The Company wholly owns Retail Merchant Services Limited and Retail Merchant Finance Limited. Directors' remuneration paid across the three companies is detailed below:

	2017 £	2016 £
Directors' emoluments	859,573	379,439
Company contributions to defined contribution pension schemes	7,063	4,513
	<u>866,636</u>	<u>383,952</u>

During the year retirement benefits were accruing to 3 directors (2016 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £334,034 (2016 - £113,000).

The value of the contributions paid to a defined contribution scheme in respect of the highest paid director amounted to £nil (2016 - £nil).

RETAIL MERCHANT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2017 and at 31 December 2017	200
Net book value	
At 31 December 2017	200
At 31 December 2016	200

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Retail Merchant Services Limited	United Kingdom	Ordinary	100 %	Provide membership to retailers Provide credit and debit card processing services to retailers
Retail Merchant Finance Limited	United Kingdom	Ordinary	100 %	

8. Debtors

	2017 £	2016 £
Trade debtors	-	31,585
Amounts owed by group undertakings	2,419,870	-
Other debtors	21,353	86,041
	2,441,223	117,626

An impairment charge of £nil (2016: £nil) was recognised against trade debtors.

Trade debtors are stated after provisions for impairment of £nil (2016: £nil).

RETAIL MERCHANT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	18,782	29,529
	18,782	29,529

10. Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	3,469,530	904,530
Taxation and social security	-	8,188
Accruals and deferred income	5,194	5,500
	3,474,724	918,218

The amounts owed to group undertakings are repayable on demand.

11. Financial instruments

	2017 £	2016 £
Financial assets measured at amortised cost		
Trade debtors	-	31,385
Amounts owed by group undertakings	2,419,870	-
Other debtors	21,353	86,041
	2,441,223	117,426
Financial liabilities measured at amortised cost		
Amounts owed to group undertakings	(3,469,530)	(904,530)
Accruals	(5,194)	(5,500)
	(3,474,724)	(910,030)

RETAIL MERCHANT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

12. Related party transactions

As a qualifying entity, the Company has taken advantage of the disclosure exemptions of FRS 102 section 1.

During the period, the company paid consultancy fees of £74,001 (2016 - £88,000) to G Poppleton, a director of the company.

The Company wholly owns Retail Merchant Services Limited and Retail Merchant Finance Limited. Total key management personnel compensation paid across the three companies during the year was £1,204,688 (2017: £405,797).

13. Controlling party

The ultimate parent undertaking of this company is RMS Holdco Limited, a company incorporated in the United Kingdom, by virtue of its 100% ownership of the company's share capital.

At 31 December 2017, its controlling related party was TCV IX, L.P., an exempted limited partnership incorporated in the Cayman Islands.