

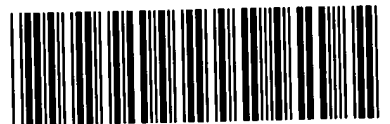
Registration number: 9771284

National Federation of Subpostmasters

Annual Report and Financial Statements
for the Year Ended 30 September 2020

Lucraft Hodgson & Dawes LLP
2/4 Ash Lane
Rustington
West Sussex
BN16 3BZ

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National Federation of Subpostmasters

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National Federation of Subpostmasters

Company Information

Chairman Mr Joseph David Timothy Boothman

Chief executive Mr Calum Brian Greenhow

Directors Ms Sue Jude

Mr Bharat Pranjivan Visani

Mr Samuel Houston

Mr David Sanghera

Mr Sajjad Hussain

Mrs Susan Edgar

Mr Paul S H McBain

Ms Christine Donnelly

Ms Deborah Proud

Mr Stewert Ambrose Waldron

Registered office Evelyn House
22 Windlesham Gardens
Shoreham-By-Sea
West Sussex
BN43 5AZ

Auditors Lucraft Hodgson & Dawes LLP
2/4 Ash Lane
Rustington
West Sussex
BN16 3BZ

National Federation of Subpostmasters

Directors' Report for the Year Ended 30 September 2020

The directors present their report and the financial statements for the year ended 30 September 2020.

Directors of the company

The directors who held office during the year were as follows:

Mr Kevin Hogarth (ceased 20 January 2020)

Ms Sue Jude

Mr Bharat Pranjivan Visani

Mr Samuel Houston

Mr David Sanghera

Mr Nileshchandra Joshi (ceased 18 January 2021)

Mr Sajjad Hussain

Mrs Susan Edgar

Mr Paul S H McBain

Mr Joseph David Timothy Boothman - Chairman

Ms Yvonne Fennell (ceased 16 January 2020)

Ms Christine Donnelly

Ms Catriona Chick (appointed 12 March 2020 and ceased 2 December 2020)

Ms Deborah Proud (appointed 18 January 2020)

Mr Stuart Rogers (ceased 9 February 2021)

Mr Calum Brian Greenhow - Chief executive

The following director was appointed after the year end:

Mr Stewart Ambrose Waldron (appointed 1 February 2021)

Principal activity

The principal activity of the company is that of a membership organisation.

Directors' liabilities

The company carries indemnity and fidelity insurance for all of its officers and directors.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Lucraft Hodgson & Dawes LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

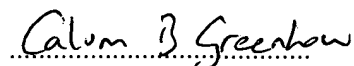
National Federation of Subpostmasters

Directors' Report for the Year Ended 30 September 2020

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 16 April 2021 and signed on its behalf by:



Mr Calum Brian Greenhow
Chief executive

National Federation of Subpostmasters

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

National Federation of Subpostmasters

Independent Auditor's Report to the Members of National Federation of Subpostmasters

Opinion

We have audited the financial statements of National Federation of Subpostmasters (the 'company') for the year ended 30 September 2020, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, 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 FRS 102 Section 1A '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 30 September 2020 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 UK, including the FRC'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

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.

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.

National Federation of Subpostmasters

Independent Auditor's Report to the Members of National Federation of Subpostmasters

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 4], 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

National Federation of Subpostmasters

Independent Auditor's Report to the Members of National Federation of Subpostmasters

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

National Federation of Subpostmasters

Independent Auditor's Report to the Members of National Federation of Subpostmasters

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.

.....
Guy Michael Butterworth (Senior Statutory Auditor)
For and on behalf of Lucraft Hodgson & Dawes LLP, Statutory Auditor

2/4 Ash Lane
Rustington
West Sussex
BN16 3BZ

19 April 2021

National Federation of Subpostmasters**Profit and Loss Account for the Year Ended 30 September 2020**

	Note	2020 £	2019 £
Turnover		2,284,900	2,883,893
Other operating income		51,681	102,809
Direct costs		(23,723)	(67,790)
Employee benefits expense		(1,276,607)	(1,601,267)
Depreciation and amortisation expense		(33,322)	(35,256)
Other expenses		(953,475)	(1,302,310)
Investment losses		(187,709)	(14,472)
Operating deficit		(138,255)	(34,393)
Other interest receivable and similar income		36,006	44,648
Interest payable and similar charges		(224)	(176)
(Deficit)/surplus before tax	5	(102,473)	10,079
Taxation		4,672	877
(Deficit)/surplus for the year		(97,801)	10,956

The above results were derived from continuing operations.

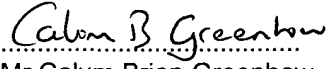
National Federation of Subpostmasters**(Registration number: 9771284)****Balance Sheet as at 30 September 2020**

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	6	4,511	23,825
Tangible assets	7	748,605	766,804
Investments		119,000	119,000
Other financial assets	9	1,013,695	1,201,404
		1,885,811	2,111,033
Current assets			
Debtors	10	957,889	1,265,900
Cash at bank and in hand		1,364,221	1,181,488
		2,322,110	2,447,388
Creditors: Amounts falling due within one year	11	(851,058)	(1,080,483)
Net current assets		1,471,052	1,366,905
Total assets less current liabilities		3,356,863	3,477,938
Provisions for liabilities		(29,268)	(52,541)
Net assets		3,327,595	3,425,397
Capital and reserves			
Revaluation reserve		-	122,182
Other reserves		3,006,370	3,067,601
Profit and loss account		321,225	235,614
Total equity		3,327,595	3,425,397

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 16 April 2021 and signed on its behalf by:


.....
Mr Joseph David Timothy Boothman
Chairman


.....
Mr Calum Brian Greenhow
Chief executive

The notes on pages 12 to 21 form an integral part of these financial statements.

National Federation of Subpostmasters

Statement of Changes in Equity for the Year Ended 30 September 2020

	Revaluation reserve £	Merger reserve £	Profit and loss account £	Total £
At 1 October 2019	122,182	3,067,601	235,614	3,425,397
Deficit for the year	-	-	(97,801)	(97,801)
Other comprehensive income	-	(47,909)	-	(47,909)
Total comprehensive income	-	(47,909)	(97,801)	(145,710)
Transfers	(122,182)	(13,322)	183,412	47,908
At 30 September 2020	-	3,006,370	321,225	3,327,595

	Revaluation reserve £	Merger reserve £	Profit and loss account £	Total £
At 1 October 2018	131,937	3,068,884	198,503	3,399,324
Surplus for the year	-	-	10,956	10,956
Other comprehensive income	-	15,117	-	15,117
Total comprehensive income	-	15,117	10,956	26,073
Transfers	(9,755)	(16,400)	26,155	-
At 30 September 2019	122,182	3,067,601	235,614	3,425,397

The notes on pages 12 to 21 form an integral part of these financial statements.

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2020

1 General information

The company is a company limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:

Evelyn House
22 Windlesham Gardens
Shoreham-By-Sea
West Sussex
BN43 5AZ
United Kingdom

These financial statements were authorised for issue by the Board on 16 April 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are presented in Sterling, which is also the company's functional currency. The financial statements are rounded to the nearest £1.

Group accounts not prepared

The financial statements present information about National Federation of Subpostmasters as an individual company and do not contain consolidated information about the group. Group accounts have not been prepared by the parent company as the group qualifies as small and as such it is not legally required to file group accounts.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2020

Other grants

Grants of a revenue nature are recognised in income statement over the period to which they relate.

Grants relating to specific projects are recognised in the income statement as the related costs are incurred.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	2% - Straight line
Computer equipment and software	33% - Straight line
Office equipment	25% - Reducing balance

Business combinations

The acquisition of the undertaking of the National Federation of Subpostmasters has been accounted for under the purchase method. The fair value of the assets acquired, less the actual consideration provided, has been treated as a capital contribution from the members.

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2020

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Computer software	33% - Straight line

Investments

Investments are included at fair value.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2020

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 26 (2019 - 34).

4 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	9,600	9,600
Other fees to auditors		
Taxation compliance services	2,400	2,400
All other non-audit services	11,150	10,680
	13,550	13,080

5 Loss/profit before tax

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	33,322	35,256

6 Intangible assets

	Internally generated software development costs £	Total £
Cost or valuation		
At 1 October 2019	80,317	80,317
Disposals	(27,644)	(27,644)
At 30 September 2020	52,673	52,673
Amortisation		
At 1 October 2019	56,492	56,492
Amortisation charge	15,123	15,123
Amortisation eliminated on disposals	(23,453)	(23,453)
At 30 September 2020	48,162	48,162

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2020

	Internally generated software development costs £	Total £
Carrying amount		
At 30 September 2020	4,511	4,511
At 30 September 2019	23,825	23,825

7 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 October 2019	820,000	12,863	832,863
At 30 September 2020	820,000	12,863	832,863
Depreciation			
At 1 October 2019	57,400	8,659	66,059
Charge for the year	16,400	1,799	18,199
At 30 September 2020	73,800	10,458	84,258
Carrying amount			
At 30 September 2020	746,200	2,405	748,605
At 30 September 2019	762,600	4,204	766,804

Included within the net book value of land and buildings above is £746,200 (2019 - £762,600) in respect of freehold land and buildings.

National Federation of Subpostmasters**Notes to the Financial Statements for the Year Ended 30 September 2020**

8 Investments

	2020 £	2019 £
Investments in subsidiaries	119,000	119,000
	119,000	119,000

Subsidiaries	£
Cost or valuation	
At 1 October 2019	119,000
Provision	
Carrying amount	
At 30 September 2020	119,000
At 30 September 2019	119,000

Subsidiaries	£
Fair value	
At 1 October 2019	119,000
At 30 September 2020	119,000

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company controls 20% or more of the voting rights or rights to capital on dissolution, are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights held	
			2020	2019
Subsidiary undertakings				
N.F.S.P Trading Limited	Evelyn House 22 Windlesham Gardens Shoreham-by-Sea West Sussex BN43 5AZ England	Sole member	100%	100%

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2020

Subsidiary undertakings

N.F.S.P Trading Limited

The principal activity of N.F.S.P Trading Limited is the provision of commercial trading services to the National Federation of Subpostmasters and its members..

Other investments

The market value of the listed investments at 30 September 2020 was £1,013,695 (2019 - £1,201,404).

9 Other financial assets (current and non-current)

	Financial assets at fair value through profit and loss £	Total £
Non-current financial assets		
Cost or valuation		
At 1 October 2019	1,201,404	1,201,404
Fair value adjustments	(187,709)	(187,709)
At 30 September 2020	1,013,695	1,013,695
Carrying amount		
At 30 September 2020	1,013,695	1,013,695

10 Debtors

	Note	2020 £	2019 £
Trade debtors		528,219	733,042
Amounts owed by group undertakings and undertakings in which the company has a participating interest	14	73,963	174,996
Prepayments		46,149	64,184
Other debtors		309,558	293,678
		957,889	1,265,900

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2020

11 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Trade creditors		30,059	24,643
Social security and other taxes		108,433	134,688
Outstanding defined contribution pension costs		9,073	14,353
Other payables		885	885
Accrued expenses		78,495	128,101
Income tax liability		11,407	313
Deferred income		612,706	777,500
		851,058	1,080,483

12 Reserves

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	Merger reserve £	Total £
Surplus/(deficit) on revaluation of other assets	(47,909)	(47,909)
	(47,909)	(47,909)

The changes to each component of equity resulting from items of other comprehensive income for the prior year were as follows:

	Merger reserve £	Total £
Surplus/(deficit) on revaluation of other assets	15,117	15,117

13 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £14,309 (2019 - £25,031).

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2020

14 Related party transactions

Transactions with directors

Directors' remuneration

During the year the number of directors who were receiving benefits was as follows:

	2020 No.	2019 No.
Accruing benefits under money purchase pension scheme	1	2

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2020

Summary of transactions with subsidiaries

N.F.S.P. Trading Limited a wholly owned subsidiary.

This company provided the related party with managerial and publishing services.

Income and receivables from related parties

2020	Subsidiary £
Receipt of services	30,000
	30,000

2019	Subsidiary £
Sale of goods	10,800
Receipt of services	37,195
	47,995

Loans to related parties

2020	Subsidiary £
At start of period	174,996
Repaid	(101,033)
At end of period	73,963

2019	Subsidiary £
At start of period	120,069
Advanced	54,927
At end of period	174,996

Terms of loans to related parties

The loan is interest free and repayable on demand.

National Federation of Subpostmasters

Detailed Profit and Loss Account for the Year Ended 30 September 2020

	2020 £	2019 £
Turnover (analysed below)	2,284,900	2,883,893
Other operating income (analysed below)	51,681	102,809
Direct costs (analysed below)	(23,723)	(67,790)
Employee benefits expense (analysed below)	(1,276,607)	(1,601,267)
Depreciation and amortisation expense (analysed below)	(33,322)	(35,256)
Other expenses (analysed below)	(953,475)	(1,302,310)
Other losses (analysed below)	(187,709)	(14,472)
Operating deficit	(138,255)	(34,393)
Other interest receivable and similar income (analysed below)	36,006	44,648
Interest payable and similar charges (analysed below)	(224)	(176)
(Deficit)/surplus before tax	(102,473)	10,079
Turnover		
Annual grant	1,433,032	1,448,799
Special grants	778,513	1,335,000
Other revenue	1,200	12,000
Membership fees	1,837	3,155
Note counter income	64,237	74,086
Interest received	3,817	4,643
Commissions receivable	219	210
Grants and subsidies	2,045	6,000
	2,284,900	2,883,893
Other operating income		
Advertising revenue	11,681	56,185
Management charges receivable	40,000	46,624
	51,681	102,809
Other direct costs		
Special grant expenses	23,723	67,790
Employee benefits expense		
Grant funded salaries (excluding directors)	538,927	770,827
Grant funded staff NIC (Employers)	53,615	84,730
Grant funded staff pensions (Defined contribution)	51,119	85,066
Administration staff salaries	294,959	281,031
Publicity staff salaries	510	7,149
Trading company staff salaries	28,362	27,732
Membership staff salaries	58,604	52,986
Finance staff salaries	36,792	35,327
Administration staff NIC (Employers)	31,088	26,619
Publicity staff NIC (Employers)	-	149
Trading company staff NIC (Employers)	2,713	2,650
Rep staff NIC (Employers)	5,686	4,666

This page does not form part of the statutory financial statements.

National Federation of Subpostmasters**Detailed Profit and Loss Account for the Year Ended 30 September 2020**

	2020 £	2019 £
Finance staff NIC (Employers)	3,875	3,699
Directors remuneration	95,458	137,359
Directors NIC (Employers)	11,961	13,727
Staff pensions (Defined contribution)	48,330	45,026
Directors pensions (Defined contribution)	14,608	22,524
	1,276,607	1,601,267
Depreciation and amortisation expense		
Depreciation of freehold property	16,400	16,400
Depreciation of software	15,123	17,344
Depreciation of office equipment (owned)	1,799	1,512
	33,322	35,256
Other expenses		
Executive meeting costs	78,185	95,342
Negotiating committee costs	25,649	52,397
Deputation costs	5,509	11,174
Annual conference costs	5,108	90,719
Other meetings and conferences	1,909	10,947
Visits to regions	11,814	23,087
Benefits for members	114,175	128,634
Maintaining regional network	64,906	159,695
Printing publications	337,609	332,523
Legal helpline and forum	42,071	42,530
Workshops	4,184	9,708
Rates	11,192	10,675
Water rates	3,489	3,421
Light, heat and power	3,790	4,207
Insurance	21,667	23,694
Repairs and maintenance	16,739	43,739
Equipment repairs and renewals	208	1,110
Telephone and fax	11,017	22,986
Computer software and maintenance costs	46,912	35,212
Printing, postage and stationery	12,905	35,584
Trade and professional journals	4,839	7,779
Hire of plant and machinery (Operating leases)	10,904	11,763
Sundry expenses	1,451	2,285
Advertising	21,179	82,646
Auditor's remuneration - The audit of the company's annual accounts	9,600	9,600
Auditor's remuneration - Tax services	2,400	2,400
Auditors' remuneration - non audit work	11,150	10,680
Solicitors fees	1,950	2,033
Consultancy fees	60,264	30,242
Management fees	372	982
Legal and professional fees	900	1,200
Bank charges	5,238	3,316

This page does not form part of the statutory financial statements.

National Federation of Subpostmasters**Detailed Profit and Loss Account for the Year Ended 30 September 2020**

	2020 £	2019 £
(Profit)/loss on disposal of tangible fixed assets - operating expense	4,190	-
	953,475	1,302,310
Other gains/(losses)		
Gain/(loss) on fair value adjustment to investments	(187,709)	(9,755)
(Gain)/loss on disposal of fixed asset Investments - held for sale	-	(4,717)
	(187,709)	(14,472)
Other interest receivable and similar income		
Dividends received	36,006	44,648
Interest payable and similar expenses		
Other loan interest	-	(392)
Foreign currency (gains)/losses	(224)	216
	(224)	(176)