

Registered Number 02584802

**Revisecatch Limited**

**Annual Report and Financial Statements**

**For the 52 weeks ended 25 March 2018**

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# Revisecatch Limited

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# Revisecatch Limited

## Strategic report

### 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 52 weeks ended 25 March 2018 was £1,515,000 (2016-17: £1,672,000 for 9 months ended 26 March 2017). Interim dividends of £1,000,000 and £2,500,000 were paid to parent company Royal Mail Courier Services Limited on 20 December 2017 and 19 March 2018 respectively (2016-17: £2,000,000). The Directors do not recommend a final dividend (2016-17: £nil).

### Review of the business and future developments

During the period the Company maintained a steady performance in the London urgent courier market. 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.

The company continues to develop its business in line with the market and new opportunities.

### 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 £16,886,000 (2016-17: £13,281,000 for the 9 month period) and profit before tax for the period was £1,860,000 (2016-17: £1,047,000 for the 9 month period). 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 are two principle risks faced by the Company both of which relate to the courier market.

Firstly, a question mark continues to exist 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. During the period the Company settled an Employment Tribunal claim in relation to the worker status of one former courier. A change in the law and/or a finding of worker status against the Company could have an impact on the cost base of the business, which we continue to monitor.

Secondly, new players in the same-day courier market continue to disrupt, placing upward pressure on courier earnings.

### Risk arising from UK exit from the European Union (EU)

While negotiations are ongoing and the future UK-EU relationship remains unclear, it is not possible to predict with any degree of accuracy what impact Brexit could have on the Company. The Company will continue to trade as now while new arrangements are negotiated and implemented, and continue to monitor and evaluate any risk that arises.

### 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.

By Order of the Board



# Revisecatch Limited

**Guy Howell**

Director

Revisecatch Limited

Registered Number: 02584802

Registered Office: 100 Victoria Embankment, London, EC4Y OHQ

17 September 2018

# Revisecatch Limited

## Directors' report

The Directors present the Annual Report and Financial Statements for Revisecatch Limited (the Company). These financial statements relate to the 52 weeks ended 25 March 2018 (2016-17: 9 months ended 26 March 2017).

## Directors and their interests

The following have served as Directors of the Company during the period ended 25 March 2018 and up to the date of approval of these financial statements:

Malcolm Fullick  
Guy Howell  
Simon Mott  
Ian Oliver

## Research and development

Research and development expenditure during the period amounted to £nil (2016-17: £nil).

## Political donations

No political donations were made in the period (2016-17: £nil).

## Audit information

The Directors confirm that, so far as they are aware, there is no relevant audit information of which the auditor is unaware and that each Director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the 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 £2,459,000 at 25 March 2018 (2016-17: £4,444,000). After analysis of all the factors, including those stated in the Strategic report, the Directors of the Company consider it appropriate to prepare the financial statements on a going concern basis.

## Auditor

KPMG LLP is deemed to be reappointed under section 487(2) of the Companies Act 2006.

## 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.

# Revisecatch Limited

## Directors' report (continued)

### 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.

### Statement of Directors' responsibilities in respect of the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 or loss 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By Order of the Board



**Guy Howell**

Director

Revisecatch Limited

Registered Number: 02584802

Registered Office: 100 Victoria Embankment, London, EC4Y OHQ

17 September 2018

# Independent Auditor's Report to the members of Revisecatch Limited

## Opinion

We have audited the financial statements of Revisecatch Limited ("the Company") for the 52 week period ended 25 March 2018 which comprise the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 25 March 2018 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

## Strategic report and Directors' report

The Directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic report and Directors' report;
- in our opinion the information given in those reports for the financial period is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

## Directors' responsibilities

As explained more fully in their statement 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).



## **Independent Auditor's Report to the members of Revisecatch Limited (continued)**

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Ian Griffiths (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL  
20 September 2018

# Revisecatch Limited

## Income statement

for the 52 weeks ended 25 March 2018 and 9 months ended 26 March 2017

	Notes	2018 £000	2017 £000
<b>Continuing operations</b>			
Revenue		16,886	13,281
People costs	2	(3,175)	(2,404)
Other operating costs	3	(11,826)	(9,851)
<b>Operating profit</b>		<b>1,885</b>	<b>1,026</b>
(Loss)/profit on disposal of property, plant and equipment		(21)	27
Finance expense	5	(7)	(9)
Income from investments	6	3	3
<b>Profit before tax</b>		<b>1,860</b>	<b>1,047</b>
Tax (charge)/credit	7	(345)	625
<b>Profit for the period</b>		<b>1,515</b>	<b>1,672</b>

## Statement of comprehensive income

for the 52 weeks ended 25 March 2018 and 9 months ended 26 March 2017

There is no comprehensive income for either period other than the profit attributable to the Company of £1,515,000 (2016-17: £1,672,000).

## Statement of changes in equity

for the 52 weeks ended 25 March 2018 and 9 months ended 26 March 2017

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 July 2016	-	4,772	4,772
Profit for the period	-	1,672	1,672
Dividend paid	-	(2,000)	(2,000)
<b>Balance at 26 March 2017</b>	<b>-</b>	<b>4,444</b>	<b>4,444</b>
<b>Profit for the period</b>	<b>-</b>	<b>1,515</b>	<b>1,515</b>
<b>Dividend paid</b>	<b>-</b>	<b>(3,500)</b>	<b>(3,500)</b>
<b>Balance at 25 March 2018</b>	<b>-</b>	<b>2,459</b>	<b>2,459</b>

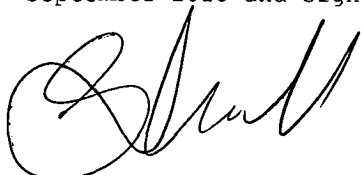
# Revisecatch Limited

## Balance sheet

at 25 March 2018 and 26 March 2017

	Notes	2018 £000	2017 £000
<b>Non-current assets</b>			
Property, plant and equipment	8	764	794
Intangible assets	9	162	77
Investments	10	105	105
Deferred tax assets	7	421	568
		<b>1,452</b>	<b>1,544</b>
<b>Current assets</b>			
Trade and other receivables	11	2,764	3,113
Inventory		10	10
Cash and cash equivalents		1,242	3,390
		<b>4,016</b>	<b>6,513</b>
<b>Total assets</b>		<b>5,468</b>	<b>8,057</b>
<b>Current liabilities</b>			
Trade and other payables	12	(2,890)	(3,231)
Income tax payable		(110)	(290)
Obligations under finance leases	13	(9)	(88)
		<b>(3,009)</b>	<b>(3,609)</b>
<b>Net current assets</b>		<b>1,007</b>	<b>2,904</b>
<b>Total assets less current liabilities</b>		<b>2,459</b>	<b>4,448</b>
<b>Non-current liabilities</b>			
Obligations under finance leases	13	-	(4)
<b>Net assets</b>		<b>2,459</b>	<b>4,444</b>
<b>Equity</b>			
Share capital	15	-	-
Retained earnings		2,459	4,444
<b>Total equity</b>		<b>2,459</b>	<b>4,444</b>

The financial statements on pages 7 to 16 were approved by the Board of Directors on 17 September 2018 and signed on its behalf by:



**Guy Howell**

Director

Revisecatch Limited

Registered Number: 02584802

Registered Office: 100 Victoria Embankment, London, EC4Y OHQ

17 September 2018

# Revisecatch Limited

## Notes to the financial statements

### 1. Accounting policies

The following accounting policies apply throughout the Company:

#### Accounting reference date

The financial period ends on the last Sunday in March and accordingly, these financial statements are made up to the 52 weeks ended 25 March 2018 (2016-17: 9 months ended 26 March 2017).

#### Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of the Company for the period ended 25 March 2018 were authorised for issue by the board of Directors on 17 September 2018. The Company is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The amendments to FRS 101 (2015/16 Cycle) issued in July 2016 and effective immediately have been applied.

#### Basis of preparation

The Company has applied FRS 101 for all periods presented. The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 25 March 2018.

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

- (a) the requirements of IFRS 7 *Financial Instruments: Disclosures*;<sup>1</sup>
- (b) the requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1 (reconciliation of shares outstanding);
  - (ii) paragraph 73(e) of IAS 16 *Property, Plant and Equipment* (reconciliation of the carrying amount at the beginning and end of the year);
  - (iii) paragraph 118(e) of IAS 38 *Intangible Assets* (reconciliation of the carrying amount at the beginning and end of the year);
- (c) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B-D, 40A-D, 111 and 134-136 of IAS 1 *Presentation of Financial Statements*;
- (d) the requirements of IAS 7 *Statement of Cash Flows*;
- (e) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- (f) the requirements of paragraph 17 and 18(a) of IAS 24 *Related Party Disclosures* (key management compensation and related party transaction amounts); and
- (g) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

<sup>1</sup> Exemption taken as equivalent disclosures are included in the consolidated financial statements of Royal Mail plc.

#### Accounting standards issued but not yet applied

No new UK Accounting Standards, which affect the presentation of these financial statements, have been issued.

#### Changes in accounting policy

The accounting policies are consistent with those of the previous financial period.

#### Key sources of estimation uncertainty and critical accounting judgements

Due to the relatively straightforward nature of the Company and its operations, there are not believed to be any significant estimates or accounting judgements applied in the preparation of these financial statements.

#### Revenue

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

# Revisecatch Limited

## 1. Accounting policies (continued)

### Property, plant and equipment

Property, plant and equipment is recognised at cost, including attributable costs in bringing the asset into working condition for its intended use. Depreciation of property, plant and equipment is provided by reference to net book value and to the remaining useful economic lives of assets and their estimated residual values. The useful lives and residual values are reviewed annually and adjustments, where applicable, are made on a prospective basis. The lives assigned to major categories of property, plant and equipment are:

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Leasehold property	4 years
Plant and machinery	3 years
Fixtures and fittings	4 years (reducing balance)
Motor vehicles	4 years

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### Common control transactions

Where assets and liabilities are acquired from an entity under common control the Company applies book value accounting whereby the assets and liabilities transferred are recognised at book value and the result of the transaction is recognised in equity as arising from a transaction with shareholders.

### Intangible assets

Intangible assets acquired separately or development costs that meet the criteria to be capitalised are initially recognised at cost and are assessed to have either a finite or indefinite useful life. Those with a finite life are amortised over their useful life and those with an indefinite useful life, such as goodwill, are reviewed for impairment annually or more frequently if events, or changes in circumstances, indicate that the carrying value may be impaired. An impairment loss is recognised in the income statement for the amount by which the carrying value of the asset exceeds its recoverable amount, which is the higher of an asset's net realisable value and its value in use.

Amortisation of intangible assets with finite lives is charged annually to the income statement on a straight-line basis as follows:

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Development costs	5 years
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### Income tax and deferred tax

The charge for current tax is based on the results for the reporting period as adjusted for items that are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets and liabilities are recognised for all taxable and deductible temporary differences and unused tax assets and losses except:

- Initial recognition of goodwill;
- The initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss; and
- Taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which they can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and increased or reduced to the extent that it is probable that sufficient taxable profit will be available to allow them to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the tax asset is realised or the liability is settled, based on tax rates (and tax laws) that have been substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Current and deferred tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity, otherwise it is recognised in the income statement.

## Revisecatch Limited

### **Investments in subsidiaries and associates**

Investments in subsidiaries and associates within the Company's financial statements are stated at cost less any accumulated impairment losses.

# Revisecatch Limited

## 1. Accounting policies (continued)

### 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.

### 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.

### Foreign currencies

The functional and presentational currency of the Company is Sterling (£).

Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. Currently hedge accounting is not claimed for any monetary assets and liabilities. All differences are therefore taken to the income statement.

### Leases

Finance leases, where substantially all the risks and rewards incidental to ownership of the leased item have passed to the Company, are capitalised at the inception of the lease with a corresponding liability recognised as the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and capital element of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases where substantially all the risks and rewards of ownership of the asset are retained by the lessor are classified as operating leases and rentals are charged to the income statement over the lease term. The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

## 2. People costs and numbers

The Company meets the full costs of employment for its members of staff.

	2018 £000	2017 £000
Wages and salaries	(2,874)	(2,176)
Social security costs	(284)	(214)
Pension costs	(17)	(14)
<b>Total</b>	<b>(3,175)</b>	<b>(2,404)</b>

Staff numbers, calculated on a headcount basis and including part-time employees were:

	Period end employees		Average employees	
	2018	2017	2018	2017
Total employees	119	121	120	133

## 3. Operating costs

Operating profit from continuing operations is stated after charging the following operating costs:

	2018 £000	2017 £000
Depreciation	(360)	(333)
Amortisation	(11)	(8)
Operating lease costs	(295)	(231)

Auditor's remuneration amounted to £15,000 (2016-17: £15,000) for the audit of the statutory financial statements. Auditor's remuneration relating to other services supplied to the Company was £nil (2016-17: £nil).

# Revisecatch Limited

## 4. Directors' remuneration

	2018 £000	2017 £000
Short-term employee benefits	(336)	(282)
Post-employment benefits	(1)	(1)
<b>Total</b>	<b>(337)</b>	<b>(283)</b>

There were three Directors in the Company's money purchase pension scheme (2016-17: three) during the period. The total remuneration payable to the highest paid Director was £134,000.

## 5. Finance expense

	2018 £000	2017 £000
Finance charges	(7)	(9)
<b>Total</b>	<b>(7)</b>	<b>(9)</b>

## 6. Income from investments

	2018 £000	2017 £000
Dividend received from investments	3	3

The dividend income relates to the £2,625 received from preference shares in D.A. Systems Limited (2016-17: £2,625).

## 7. Taxation

(a) Tax (charge)/credit recognised in the period	2018 £000	2017 £000
<b>Tax (charge)/credit in the income statement</b>		
<b>Current income tax:</b>		
Current UK income tax charge	(188)	(102)
Amounts (under)/overprovided in earlier years	(10)	151
<b>Total current income tax (charge)/credit</b>	<b>(198)</b>	<b>49</b>
Deferred income tax (charge)/credit	(166)	675
Amounts overprovided in earlier years	2	1
Effect of changes in tax rates	17	(100)
<b>Total deferred income tax (charge)/credit</b>	<b>(147)</b>	<b>576</b>
<b>Tax (charge)/credit in the income statement</b>	<b>(345)</b>	<b>625</b>



# Revisecatch Limited

## 7. Taxation (continued)

### (b) Reconciliation of the total tax (charge)/credit

The tax assessed for the period differs from the statutory rate of corporation tax in the UK of 19% (2016-17: 20%). An analysis of the charge is given below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	1,860	1,047
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2016-17: 20%)	(353)	(209)
Non-taxable income	-	3
Non-deductible expenditure	(1)	-
Recognition of deferred tax in respect of tax losses	-	779
Amounts (under)/overprovided in earlier years	(8)	152
Effect of change in tax rates	17	(100)
<b>Tax (charge)/credit in the income statement</b>	<b>(345)</b>	<b>625</b>

### (c) Factors that may affect future tax charges

The UK corporation tax rate reduced from 20 per cent to 19 per cent on 1 April 2017, and will reduce to 17 per cent on 1 April 2020. In the future, this will reduce the Company's current tax charge accordingly. In accordance with accounting standards, the effect of these rate reductions on deferred tax balances has been reflected in these financial statements, dependent upon when temporary differences are expected to reverse.

### (d) Deferred tax asset

	2018 £000	2017 £000
Advanced capital allowances	33	13
Short-term timing differences	1	8
Losses available for offset against future taxable income	387	547
<b>Total</b>	<b>421</b>	<b>568</b>

The movement on deferred tax is shown below:

	£000
Deferred tax asset at 27 March 2017	568
Total deferred income tax charge	(147)
<b>Deferred tax asset at 25 March 2018</b>	<b>421</b>

The deferred tax asset includes £387,000 (2016-17: £547,000) which relates to carried forward tax losses. Following a review of the recoverability of this asset, the Company has concluded that the deferred asset will be recovered using the estimated future taxable income based on the approved business plans and budgets.

At 25 March 2018, the Company had unrecognised deferred tax assets of £222,000 (2016-17: £222,000) in relation to £1,304,000 (2016-17: £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

## 8. Property, plant and equipment

	Leasehold property £000	Plant and machinery £000	Fixtures and fittings £000	Motor vehicles £000	Total £000
<b>Cost</b>					
At 27 March 2017	26	960	285	880	2,151
Additions	-	52	28	291	371
Disposals	-	-	(22)	(68)	(90)
<b>At 25 March 2018</b>	<b>26</b>	<b>1,012</b>	<b>291</b>	<b>1,103</b>	<b>2,432</b>
<b>Depreciation</b>					
At 27 March 2017	26	840	200	291	1,357
Depreciation	-	36	24	300	360
Disposals	-	-	(13)	(36)	(49)
<b>At 25 March 2018</b>	<b>26</b>	<b>876</b>	<b>211</b>	<b>555</b>	<b>1,668</b>
<b>At 25 March 2018</b>	<b>-</b>	<b>136</b>	<b>80</b>	<b>548</b>	<b>764</b>
At 26 March 2017	-	120	85	589	794

## 9. Intangible assets

	Goodwill £000	Development costs £000	Total £000
<b>Cost</b>			
At 27 March 2017	191	53	244
Additions	-	96	96
<b>At 25 March 2018</b>	<b>191</b>	<b>149</b>	<b>340</b>
<b>Amortisation</b>			
At 27 March 2017	141	26	167
Amortisation	-	11	11
<b>At 25 March 2018</b>	<b>141</b>	<b>37</b>	<b>178</b>
<b>At 25 March 2018</b>	<b>50</b>	<b>112</b>	<b>162</b>
At 26 March 2017	50	27	77

## 10. Investments

	Total £000
<b>Cost and net book value</b>	
At 27 March 2017 and 25 March 2018	105

The Company owns 64 per cent of the issued preference 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 5 The Courtyard, Furlong Road, Bourne End, Buckinghamshire, SL8 5AU.

# Revisecatch Limited

## 11. Trade and other receivables

	2018 £000	2017 £000
Trade receivables	2,589	2,859
Prepayments and accrued income	133	198
Other receivables	42	56
<b>Total</b>	<b>2,764</b>	<b>3,113</b>

## 12. Trade and other payables

	2018 £000	2017 £000
Trade payables	(283)	(488)
Amounts owed to parent company	(500)	(1,000)
Accruals and deferred income	(993)	(667)
Other taxes and social security	(494)	(484)
Other creditors	(620)	(592)
<b>Total</b>	<b>(2,890)</b>	<b>(3,231)</b>

## 13. Commitments

### Operating lease commitments

The Company is committed to the following minimum lease payments under non-cancellable operating leases:

	<b>Total</b>	
	2018 £000	2017 £000
Within one year	(244)	(264)
Between one and five years	(60)	(300)
Beyond five years	-	-
<b>Total</b>	<b>(304)</b>	<b>(564)</b>

Operating lease commitments relate primarily to a number of warehouse and office facilities. Existing leases for land and buildings have an average term of three years and lease renewals are agreed with the lessor as appropriate.

### Finance lease commitments

	At 25 March 2018		At 26 March 2017	
	Minimum lease payments £000	Present value of minimum lease payments £000	Minimum lease Payments £000	Present value of minimum lease payments £000
Within one year	(9)	(9)	(88)	(88)
Between one and five years	-	-	(4)	(4)
Beyond five years	-	-	-	-
Total minimum lease payments	(9)	(9)	(92)	(92)
Less future finance charges	-	-	-	-
<b>Total finance lease obligations</b>	<b>(9)</b>	<b>(9)</b>	<b>(92)</b>	<b>(92)</b>

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## 14. Dividends

Dividends on ordinary shares	2018 pence per share	2017 pence per share	2018 £000	2017 £000
Interim dividend paid 19 March 2018	1,168,224	-	(2,500)	-
Interim dividend paid 20 December 2017	467,290	-	(1,000)	-
Interim dividend paid 10 March 2017	-	934,579	-	(2,000)
<b>Total dividends paid</b>	<b>1,635,514</b>	<b>934,579</b>	<b>(3,500)</b>	<b>(2,000)</b>

## 15. Issued share capital

	2018 £	2017 £
<b>Allotted and fully paid</b>		
214 ordinary shares of £0.01 each	2	2
<b>Total</b>	<b>2</b>	<b>2</b>

## 16. Related party disclosures

The Company has taken advantage of two of the exemptions conferred by FRS 101.8, whereby certain details regarding transactions with 100 per cent owned subsidiaries within the same Group do not have to be disclosed where Group financial statements are publicly available and disclosures relating to key management personnel compensation are not required.

During the period, the Company entered into transactions with related parties which are not part of the Royal Mail Group. The sales to and purchases from related parties are made at normal market prices in the ordinary course of business. Balances outstanding at the period end are unsecured, interest free and settlement is made by cash. The transactions entered into and the balances outstanding at the period end were as shown below.

	Sales/recharges to related party		Purchases/recharges from related party		Amounts owed from related party including outstanding loans		Amounts owed to related party including outstanding loans	
	2018 £000	2017 £000	2018 £000	2017 £000	2018 £000	2017 £000	2018 £000	2017 £000
Milematic Limited	2	-	(51)	(29)	32	-	-	(12)
Larryvision Limited	1	-	(84)	(37)	-	10	(7)	-

Ian Oliver, a Director of the Company, has a controlling interest in Milematic Limited and Larryvision Limited.

During the period, rent and insurance payments of £129,000 (2016-17: £89,000) were paid to Ian Oliver, a Director of the Company.

During the period, rent and insurance payments of £83,000 (2016-17: £59,000) were paid to the Milematic Pension Scheme, of which Ian Oliver is a member.

## 17. Immediate and ultimate parent company

At 25 March 2018, 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, 100 Victoria Embankment, London, EC4Y 0HQ or at [www.royalmailgroup.com](http://www.royalmailgroup.com).