

Registered number: 02584802

REVISECATCH LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 26 MARCH 2023



REVISECATCH LIMITED

COMPANY INFORMATION

Directors	M Fullick G Howell A Harvey A McPhie (appointed 13 February 2023)
Company secretary	D Heilig
Registered number	02584802
Registered office	185 Farringdon Road London England EC1A 1AA
Independent auditor	Cooper Parry Group Limited Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

REVISECATCH LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Directors' responsibilities statement	5
Independent auditor's report	6 - 9
Income statement	10
Balance sheet	11
Statement of changes in equity	12
Notes to the financial statements	13 - 27

REVISECATCH LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 26 MARCH 2023

Principal activities

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

Results and dividends

The profit after tax for the period ended 26 March 2023 is £6,918,000 (2021-22: £28,438,000). No dividends have been paid to the parent company in the period (2021-22: £10,000,000). A dividend of £20,000,000 has been declared and paid post period end (2021-22: £Nil).

Review of the business and future developments

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

Post period end the Company has been given notice that the government COVID-19 Test kit program finishes at the end of September 2023 and we therefore look to moving back to pre COVID-19 commercial activities for the foreseeable future.

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

Key Performance Indicators (KPIs)

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

- Revenue, and
- Profit Before Tax

Revenue for the period was £35,913,000 (2021-22: £104,701,000) and profit before tax for the period was £8,474,000 (2021-22: £35,066,000). The Directors are satisfied that the Company has met its expectations with respect to the KPIs in this reporting period.

Principal risks and uncertainties

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

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

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

As the COVID-19 test kit program is coming to an end in September 2023 we will consider the period ended 28 March 2021, the period ended 27 March 2022 and the period end 26 March 2023 to be exceptional years.

REVISECATCH LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 26 MARCH 2023

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, International Distributions Services plc (the Group), publishes details of its activities in its Annual Report and Financial Statements.

Section 172 (1) Statement

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

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

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

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

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

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

As the Company forms part of the wider Group, stakeholder engagement also took place at Group level. You can read more about how the International Distributions Services plc Group Board engaged with stakeholders during the reporting period in its Annual Report and Accounts for the period ended 26 March 2023, which can be found at www.internationaldistributionsservices.com.

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



M Fullick
Director

Date: 27 September 2023

REVISECATCH LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 26 MARCH 2023

The Directors present their report and the financial statements for the 52 weeks ended 26 March 2023 (2021-22: 52 weeks ended 27 March 2022).

Directors

The Directors who served during the period were:

M Fullick
G Howell
A Harvey
A McPhie (appointed 13 February 2023)

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

Research and development

Research and development expenditure during the period amounted to £Nil (2021-22: £Nil).

Political donations

No political donations were made in the period (2021-22: £Nil).

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Indemnity of Directors

To the extent permitted by the Companies Act 2006, the Company may indemnify any Director or former Director of the Company or any associated company against any liability. The ultimate parent undertaking, International Distributions Services 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 £55,388,000 at 26 March 2023 (27 March 2022: £48,470,000). The Directors have considered the financial position and future prospects of the Company for twelve months from the date of signing the accounts and believe that the Company has access to sufficient resources to manage its business successfully. Accordingly, the financial statements are prepared under the going concern basis.

Auditor

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

REVISECATCH LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 26 MARCH 2023

Employees

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

Disabled employees

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

Strategic report

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

Streamlined Energy and Carbon Reporting (SECR)

Information regarding SECR can be found in the Strategic Report section of the International Distributions Services plc Group Annual Report and Financial Statements which are available as noted in note 23.

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



M Fullick
Director

Date: 27 September 2023

REVISECATCH LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 26 MARCH 2023

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit of the Company for that period.

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

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

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

|

REVISECATCH LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVISECATCH LIMITED

Opinion

We have audited the financial statements of Revisecatch Limited (the 'Company') for the period ended 26 March 2023, which comprise the income statement, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 26 March 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

REVISECATCH LIMITED

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

REVISECATCH LIMITED

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework, including a review of legal and professional nominal codes and board minutes in the year and post year end;
- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions and walkthroughs;
- designing our audit procedures to respond to our risk assessment;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, including reviewing accounting estimates for bias.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquires of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

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

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

REVISECATCH LIMITED

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

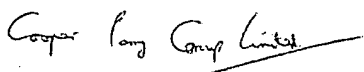
Auditor's responsibilities for the audit of the financial statements (continued)

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

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Calder (Senior statutory auditor)

for and on behalf of
Cooper Parry Group Limited

Statutory Auditor

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

Date: 27 September 2023

REVISECATCH LIMITED

**INCOME STATEMENT
FOR THE PERIOD ENDED 26 MARCH 2023**

	Note	26 March 2023 £000	27 March 2022 £000
Revenue	3	35,913	104,701
People costs	5	(5,596)	(4,739)
Other operating costs		(21,858)	(64,908)
Operating profit	4	8,459	35,054
Income from investments		5	-
Profit on disposal of property, plant and equipment		15	22
Finance costs	7	(5)	(10)
Profit before tax		8,474	35,066
Tax on profit	8	(1,556)	(6,628)
Profit for the financial period		6,918	28,438

There was no other comprehensive income for 2022-23 (2021-22: £Nil).

All activities derive from the continuing operations of the Company.

The notes on pages 13 to 27 form part of these financial statements.

REVISECATCH LIMITED
REGISTERED NUMBER: 02584802

BALANCE SHEET
AS AT 26 MARCH 2023

	Note	26 March 2023 £000	27 March 2022 £000
Non-current assets			
Intangible assets	10	66	60
Property, plant and equipment	11	1,295	1,243
Investments	12	105	105
		<u>1,466</u>	<u>1,408</u>
Current assets			
Inventories		33	32
Trade and other receivables	13	4,863	33,652
Cash and bank and in hand		55,630	23,872
		<u>60,526</u>	<u>57,556</u>
Trade and other payables: amounts falling due within one year	14	(4,993)	(10,309)
Net current assets		<u>55,533</u>	<u>47,247</u>
Total assets less current liabilities		<u>56,999</u>	<u>48,655</u>
Trade and other payables: amounts falling due after more than one year	15	(182)	(185)
Provisions for liabilities			
Provisions		(1,429)	-
Net assets		<u><u>55,388</u></u>	<u><u>48,470</u></u>
Capital and reserves			
Called up share capital	19	-	-
Retained earnings		55,388	48,470
Total equity		<u><u>55,388</u></u>	<u><u>48,470</u></u>

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



M Fullick
Director

The notes on pages 13 to 27 form part of these financial statements.

REVISECATCH LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 26 MARCH 2023**

	Share capital £000	Retained earnings £000	Total equity £000
At 28 March 2022	-	48,470	48,470
Profit for the period	-	6,918	6,918
At 26 March 2023	-	55,388	55,388

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

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

The notes on pages 13 to 27 form part of these financial statements.

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

1. Accounting policies

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

The financial statements are prepared in Sterling (£), which is the functional currency of the Company. The financial statements are for a period of 52 weeks ended 26 March 2023 (2021-22: 52 weeks ended 27 March 2022).

1.1 Basis of preparation of financial statements

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

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

The Company's ultimate parent undertaking, International Distributions Services plc includes the Company in its consolidated financial statements. The consolidated financial statements of International Distributions Services plc are available to the public and may be obtained from the Company Secretary, 185 Farringdon Road, London, EC1A 1AA or at www.internationaldistributionsservices.com.

The following principal accounting policies have been applied:

1.2 Financial Reporting Standard 101 - reduced disclosure exemptions

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

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

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

These financial statements do not include certain disclosures of:

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

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

1.3 Adoption of new and revised standards

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

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

1. Accounting policies (continued)

1.4 Revenue

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

1.5 Going concern

The Company had net assets of £55,388,000 at 26 March 2023 (27 March 2022: £48,470,000). The Directors have considered the financial position and future prospects of the Company for twelve months from the date of signing the accounts and believe that the Company has access to sufficient resources to manage its business successfully. Accordingly, the financial statements are prepared under the going concern basis.

1.6 Leases

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

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

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

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.
- the lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate.

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

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

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

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

1. Accounting policies (continued)

1.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the income statement on a straight-line basis over the lease term.

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

1.8 Finance costs

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

1.9 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the income statement in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

1.10 Current and deferred tax

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

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

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

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

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

1. Accounting policies (continued)

1.11 Intangible assets

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

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

The estimated useful lives range as follows:

Development expenditure	-	5	years
-------------------------	---	---	-------

No amortisation is charged on goodwill.

1.12 Property, plant and equipment

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

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

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

Depreciation is provided on the following basis:

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

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

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

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

1. Accounting policies (continued)

1.12 Property, plant and equipment (continued)

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

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

1.13 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 rates to the unprovided balance. Bad debts are written off when identified.

1.14 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.

1.15 Dividends

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

1.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.17 Contingent liabilities

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

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

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

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

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

Provisions

A provision is recognised with the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

3. Revenue

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

4. Operating profit

The operating profit is stated after charging:

	26 March 2023 £000	27 March 2022 £000
Depreciation of right-of-use assets	88	109
Depreciation of non-current assets	474	340
Amortisation	6	7

Auditor's remuneration amounted to £19,250 (2021-22: £17,000) for the audit of the statutory financial statements and was met by Royal Mail Group Limited. The auditor did not provide any non-audit services for the 52 weeks ended 26 March 2023 (2021-22: 52 weeks ended 27 March 2022).

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

5. Employees

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

	26 March 2023 £000	27 March 2022 £000
Wages and salaries	4,954	4,234
Social security costs	532	440
Pension costs	110	65
	<u>5,596</u>	<u>4,739</u>

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

	26 March 2023 No.	27 March 2022 No.
Administration	<u>136</u>	<u>113</u>

6. Directors' remuneration

	26 March 2023 £000	27 March 2022 £000
Directors' emoluments	275	242
Company contributions to defined contribution pension schemes	1	1
	<u>276</u>	<u>243</u>

During the period retirement benefits were accruing to one Director (2021-22: one) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £158,042 (2021-22: £156,931).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £Nil (2021-22: £Nil).

7. Finance costs

	26 March 2023 £000	27 March 2022 £000
Interest on lease liability	<u>5</u>	<u>10</u>

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

8. Taxation

	26 March 2023 £000	27 March 2022 £000
Corporation tax		
Current tax on profits for the year	1,524	6,528
Adjustments in respect of previous periods	(40)	(3)
	<u>1,484</u>	<u>6,525</u>
Total current tax	<u>1,484</u>	<u>6,525</u>
Deferred tax		
Origination and reversal of temporary differences	55	98
Effect of change in rate of tax	17	4
Tax under-provided in the previous period	-	1
Total deferred tax	<u>72</u>	<u>103</u>
Tax on profit	<u>1,556</u>	<u>6,628</u>

Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than (2021-22: lower than) the standard rate of corporation tax in the UK of 19% (2021-22: 19%). The differences are explained below:

	26 March 2023 £000	27 March 2022 £000
Profit on ordinary activities before tax	<u>8,474</u>	<u>35,066</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021-22: 19%)	1,610	6,663
Effects of:		
Effect of change in rate of tax	17	4
Super-deduction enhanced capital allowances and other	(31)	(37)
Tax (over)/under-provided in earlier years	(40)	(2)
Total tax charge for the period/year	<u>1,556</u>	<u>6,628</u>

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 MARCH 2023

9. Dividends

	26 March 2023 £000	27 March 2022 £000
Dividends on ordinary shares	-	10,000

10. Intangible assets

	Goodwill £000	Development expenditure £000	Total £000
Cost			
At 28 March 2022	50	32	82
Additions	-	12	12
At 26 March 2023	50	44	94
Amortisation			
At 28 March 2022	-	22	22
Charge for the period	-	6	6
At 26 March 2023	-	28	28
Net book value			
At 26 March 2023	50	16	66
At 27 March 2022	50	10	60

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 MARCH 2023

11. Property, plant and equipment

	Short-term leasehold property £000	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000	Right-of-use assets £000	Total £000
Cost or valuation						
At 28 March 2022	82	268	2,025	53	573	3,001
Additions	2	62	571	3	-	638
Disposals	-	-	(378)	-	-	(378)
At 26 March 2023	84	330	2,218	56	573	3,261
Depreciation						
At 28 March 2022	57	205	1,138	39	319	1,758
Charge for the period on owned assets	20	30	420	4	-	474
Charge for the period on right- of-use assets	-	-	-	-	88	88
Disposals	-	-	(354)	-	-	(354)
At 26 March 2023	77	235	1,204	43	407	1,966
Net book value						
At 26 March 2023	7	95	1,014	13	166	1,295
At 27 March 2022	25	63	887	14	254	1,243

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

	26 March 2023 £000	27 March 2022 £000
Tangible non-current assets owned	1,129	989
Right-of-use tangible non-current assets	166	254
	1,295	1,243

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

11. Property, plant and equipment (continued)

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

Net book value

	26 March 2023 £000	27 March 2022 £000
Property	158	232
Motor vehicles	8	22
	<u>166</u>	<u>254</u>

Depreciation charge for the period ended

	26 March 2023 £000	27 March 2022 £000
Property	74	94
Motor vehicles	14	15
	<u>88</u>	<u>109</u>

12. Investments

Investments in subsidiary companies £000

Cost and net book value

At 28 March 2022 and 26 March 2023	<u>105</u>
------------------------------------	------------

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Class of shares	Holding
D.A. Systems Limited	Preference	100%

The principal activity of D.A. Systems Limited is software development and consultancy.

The Company's registered address is Oakingham House Frederick Place, London Road, High Wycombe, Buckinghamshire, England, HP11 1JU.

REVISECATCH LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 26 MARCH 2023**

13. Trade and other receivables

	26 March 2023 £000	27 March 2022 £000
Trade receivables	2,192	2,203
Amounts owed by group undertakings	1,341	25,687
Other receivables	27	9
Prepayments and accrued income	1,303	5,753
	<u>4,863</u>	<u>33,652</u>

14. Trade and other payables: amounts falling due within one year

	26 March 2023 £000	27 March 2022 £000
Trade payables	644	2,150
Amounts owed to parent company	189	254
Income tax payable	1,324	45
Other tax and social security	634	5,062
Lease liabilities	81	93
Other creditors	716	815
Accruals and deferred income	1,405	1,890
	<u>4,993</u>	<u>10,309</u>

15. Trade and other payables: amounts falling due after more than one year

	26 March 2023 £000	27 March 2022 £000
Lease liabilities	92	167
Deferred tax	90	18
	<u>182</u>	<u>185</u>

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

16. Leases

	26 March 2023 £000	27 March 2022 £000
Less than one year	81	93
In the second to fifth years inclusive	92	167
Over five years	-	-
	<u>173</u>	<u>260</u>

17. Deferred tax

	26 March 2023 £000	27 March 2022 £000
At beginning of period	(18)	85
Charged to the income statement	(72)	(103)
At end of period	<u>(90)</u>	<u>(18)</u>

The provision for deferred taxation is made up as follows:

	26 March 2023 £000	27 March 2022 £000
Accelerated capital allowances	(98)	(23)
Short-term timing differences	8	5
	<u>(90)</u>	<u>(18)</u>

At 26 March 2023, the Company had unrecognised deferred tax assets of £326,000 (2021-22: £326,000) in relation to £1,304,000 (2021-22: £1,304,000) of UK capital losses carried forward. The Company has not recognised these deferred tax assets on the basis that it is not sufficiently certain of its capacity to utilise them in the future.

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

18. Provisions

	£000
At 28 March 2022	-
Charged to the income statement	1,429
At 26 March 2023	1,429

The provision relates to variable consideration on sales contracts.

19. Share capital

	26 March 2023 £000	27 March 2022 £000
Allotted, called up and fully paid		
214 (2021-22: 214) Ordinary shares of 1p each	-	-

20. Reserves

Share Capital

Represents the nominal value of shares that have been issued.

Retained earnings

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

21. Related party transactions

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

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

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 MARCH 2023

22. Contingent liabilities

As discussed in the Strategic report on page 1, there is still some uncertainty surrounding the employment status of the Company's couriers. The Government is reviewing the definition of worker status and there has been an increase in worker status claims being presented to Employment Tribunals over the last five years. The Company is in the process of settling 11 Employment Tribunal claims for worker status. The majority of claims are from ex-couriers who are no longer with the business. However, in order to mitigate the risk, worker status is being offered out to the wider fleet – appetite from the couriers has been low to date, it is however currently not possible for the amount of any possible future obligation to be reliably measured.

23. Controlling party

At 26 March 2023, Royal Mail Courier Services Limited is the immediate parent company and International Distributions Services plc is the ultimate parent company. The results of the Company are included in the International Distributions Services plc Annual Report and Financial Statements, which are available from the Company Secretary, 185 Farringdon Road, London, EC1A 1AA or at www.internationaldistributionsservices.com.