

Registration number: 9771284

National Federation of Subpostmasters
Annual Report and Financial Statements
for the Year Ended 30 September 2018

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

National Federation of Subpostmasters

Contents

Company Information	1
Directors' Report	2 to 3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 7
Profit and Loss Account	8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 to 21
Detailed Profit and Loss Account	22 to 24

National Federation of Subpostmasters

Company Information

Chairman

Mr Nileshchandra Joshi

Chief executive

Mr Calum Brian Greenhow

Directors

Mr Kevin Hogarth

Ms Sue Jude

Mr Bharat Pranjivan Visani

Mr Samuel Houston

Mr David Sanghera

Mr Nileshchandra Joshi

Mr Sajjad Hussain

Mrs Susan Edgar

Mr Paul McBain

Mr Joseph David Timothy Boothman

Mr James Arthur Nott

Ms Yvonne Fennell

Mr George Ritchie Thomson

Mr Stuart Rogers

Mr Calum Brian Greenhow

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 2018

The directors present their report and the financial statements for the year ended 30 September 2018.

Directors of the company

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

Mr Kevin Hogarth (appointed 22 January 2018)

Ms Wendy Burke (resigned 17 October 2017)

Ms Sue Jude (appointed 17 September 2018)

Mr Peter Montgomery (resigned 8 June 2018)

Mr Ian Sanders (resigned 22 January 2018)

Mr Bharat Pranjivan Visani

Mr Samuel Houston (appointed 2 January 2018)

Mr David Sanghera

Mr Nileshchandra Joshi - Chairman

Mr Sajjad Hussain

Mrs Susan Edgar

Mr Paul McBain (appointed 16 May 2018)

Mr Joseph David Timothy Boothman

Mr James Arthur Nott

Ms Yvonne Fennell (appointed 22 January 2018)

Mr George Ritchie Thomson

Mr Stuart Rogers (appointed 20 March 2018)

Mr Ian Christopher Park - Director (resigned 22 January 2018)

Mr Calum Brian Greenhow - Chief executive

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 2018

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 14 March 2019 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 2018, 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 and of its profit 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.

National Federation of Subpostmasters

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other 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.

National Federation of Subpostmasters

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

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.

.....
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

15 March 2019

National Federation of Subpostmasters

Profit and Loss Account for the Year Ended 30 September 2018

	Note	2018 £	2017 £
Turnover		3,198,659	2,284,722
Other operating income		128,616	160,662
Direct costs		(59,501)	(38,725)
Employee benefits expense		(1,653,606)	(1,065,772)
Depreciation and amortisation expense		(40,732)	(27,888)
Other expenses		(1,394,391)	(1,118,543)
Other gains		32,492	9,527
Operating surplus		211,537	203,983
Other interest receivable and similar income		72	46
Interest payable and similar charges		-	244
Surplus before tax	5	211,609	204,273
Taxation		(46,630)	(23,226)
Surplus for the year		164,979	181,047

The above results were derived from continuing operations.

National Federation of Subpostmasters

Statement of Comprehensive Income for the Year Ended 30 September 2018

	Note	2018 £	2017 £
Surplus for the year		164,979	181,047
Surplus/(deficit) on revaluation of other assets		8,825	10,284
Total comprehensive income for the year		173,804	191,331

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

National Federation of Subpostmasters

(Registration number: 9771284)

Balance Sheet as at 30 September 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	6	36,830	40,347
Tangible assets	7	780,989	797,193
Investments		119,000	-
Other financial assets	9	1,211,069	1,180,993
		2,147,888	2,018,533
Current assets			
Debtors	10	1,386,427	977,896
Cash at bank and in hand		1,351,299	1,430,045
		2,737,726	2,407,941
Creditors: Amounts falling due within one year	11	(1,313,111)	(1,137,985)
Net current assets		1,424,615	1,269,956
Total assets less current liabilities		3,572,503	3,288,489
Provisions for liabilities		(68,534)	(77,324)
Net assets		3,503,969	3,211,165
Capital and reserves			
Revaluation reserve		131,937	142,702
Other reserves		3,068,884	2,960,167
Profit and loss account		303,148	108,296
Total equity		3,503,969	3,211,165

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 14 March 2019 and signed on its behalf by:

.....
Mr Nileshchandra Joshi
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 2018

	Revaluation reserve £	Merger reserve £	Profit and loss account £	Total £
At 1 October 2017	142,702	3,079,167	108,296	3,330,165
Surplus for the year	-	-	164,979	164,979
Other comprehensive income	-	8,825	-	8,825
Total comprehensive income	-	8,825	164,979	173,804
Transfers	(10,765)	(19,108)	29,873	-
At 30 September 2018	131,937	3,068,884	303,148	3,503,969

	Revaluation reserve £	Merger reserve £	Profit and loss account £	Total £
At 1 October 2016	92,353	2,949,883	(22,402)	3,019,834
Surplus for the year	-	-	181,047	181,047
Other comprehensive income	-	10,284	-	10,284
Total comprehensive income	-	10,284	181,047	191,331
Transfers	50,349	-	(50,349)	-
At 30 September 2017	142,702	2,960,167	108,296	3,211,165

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 2018

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 14 March 2019.

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 group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The group 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 group's activities.

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2018

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 group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated 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 statement of financial position 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 2018

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 group 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 group 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 group 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 2018

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 35 (2017 - 22).

4 Auditors' remuneration

	2018 £	2017 £
Audit of the financial statements	12,300	12,200
Other fees to auditors		
Taxation compliance services	2,500	4,612
All other non-audit services	6,739	10,315
	9,239	14,927

5 Profit before tax

Arrived at after charging/(crediting)

	2018 £	2017 £
Depreciation expense	39,067	27,888
Amortisation expense	1,665	-

6 Intangible assets

	Internally generated software development costs £	Total £
Cost or valuation		
At 1 October 2017	57,643	57,643
Additions internally developed	5,000	5,000
Additions acquired separately	15,000	15,000
At 30 September 2018	77,643	77,643

Amortisation

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2018

	Internally generated software development costs £	Total £
At 1 October 2017	17,296	17,296
Amortisation charge	23,517	23,517
At 30 September 2018	40,813	40,813
Carrying amount		
At 30 September 2018	36,830	36,830
At 30 September 2017	40,347	40,347

7 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 October 2017	820,000	8,636	828,636
Additions	-	1,011	1,011
Disposals	-	(511)	(511)
At 30 September 2018	820,000	9,136	829,136
Depreciation			
At 1 October 2017	24,600	6,843	31,443
Charge for the year	16,400	815	17,215
Eliminated on disposal	-	(511)	(511)
At 30 September 2018	41,000	7,147	48,147
Carrying amount			
At 30 September 2018	779,000	1,989	780,989
At 30 September 2017	795,400	1,793	797,193

Included within the net book value of land and buildings above is £779,000 (2017 - £795,400) in respect of freehold land and buildings.

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2018

8 Investments

	2018
	£
Investments in subsidiaries	119,000
	119,000

Subsidiaries	£
Cost or valuation	
At 1 October 2017	119,000
Provision	
Carrying amount	
At 30 September 2018	119,000

Subsidiaries	£
Fair value	
At 1 October 2017	119,000
At 30 September 2018	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	
			2018	2017
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%

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.

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2018

The profit for the financial period of N.F.S.P Trading Limited was £2,024 and the aggregate amount of capital and reserves at the end of the period was £105,658.

Other investments

The market value of the listed investments at 30 September 2018 was £1,211,068 (2017 - £1,180,993).

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 2017	1,180,993	1,180,993
Fair value adjustments	(10,765)	(10,765)
Additions	305,993	305,993
Disposals	(265,152)	(265,152)
At 30 September 2018	1,211,069	1,211,069
Carrying amount		
At 30 September 2018	1,211,069	1,211,069

10 Debtors

	Note	2018 £	2017 £
Trade debtors		793,655	676,664
Amounts owed by group undertakings and undertakings in which the company has a participating interest	13	60,852	-
Prepayments		56,334	41,560
Other debtors		475,586	259,672
		1,386,427	977,896

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2018

11 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Trade creditors		109,683	73,018
Social security and other taxes		95,428	158,513
Outstanding defined contribution pension costs		19,798	9,402
Other payables		685	585
Accrued expenses		188,422	68,722
Income tax liability		46,595	10,448
Deferred income		852,500	817,297
		1,313,111	1,137,985

12 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 £18,858 (2017 - £9,934).

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2018

13 Related party transactions

Transactions with directors

Directors' remuneration

The directors' remuneration for the year was as follows:

	2018	2017
	£	£
Remuneration	226,624	131,209
Contributions paid to money purchase schemes	37,003	21,330
	263,627	152,539

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

	2018	2017
	No.	No.
Accruing benefits under money purchase pension scheme	2	1

In respect of the highest paid director:

	2018	2017
	£	£
Remuneration	186,627	89,023
Benefits under long-term incentive schemes (excluding shares)	32,496	15,461

National Federation of Subpostmasters

Notes to the Financial Statements for the Year Ended 30 September 2018

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

2018	Subsidiary £
Sale of goods	13,500
Receipt of services	36,821
	50,321

2017	Subsidiary £
Sale of goods	10,800
Receipt of services	36,699
	47,499

Loans to related parties

2018	Subsidiary £
At start of period	63,916
Advanced	56,153
At end of period	120,069

2017	Subsidiary £
At start of period	29,735
Advanced	54,941
Repaid	(20,760)
At end of period	63,916

Terms of loans to related parties

The loan is interest free and repayable on demand.