

Company Registration No. 02683269 (England and Wales)

NATIONWIDE FRANKING SENSE LIMITED
ANNUAL REPORT
AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018
PAGES FOR FILING WITH REGISTRAR



NATIONWIDE FRANKING SENSE LIMITED

BALANCE SHEET

AS AT 30 APRIL 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	4		345,680		297,869
Current assets					
Stocks		145,342		104,500	
Debtors	5	1,851,020		1,864,454	
Cash at bank and in hand		959,932		831,298	
		<u>2,956,294</u>		<u>2,800,252</u>	
Creditors: amounts falling due within one year	6	<u>(2,191,532)</u>		<u>(2,177,175)</u>	
Net current assets			<u>764,762</u>		<u>623,077</u>
Total assets less current liabilities			<u>1,110,442</u>		<u>920,946</u>
Creditors: amounts falling due after more than one year	7		<u>(93,524)</u>		<u>(144,670)</u>
Net assets			<u><u>1,016,918</u></u>		<u><u>776,276</u></u>
Capital and reserves					
Called up share capital	9	10,000		10,000	
Profit and loss reserves		<u>1,006,918</u>		<u>766,276</u>	
Total equity			<u><u>1,016,918</u></u>		<u><u>776,276</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 April 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

NATIONWIDE FRANKING SENSE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2018

The financial statements were approved by the board of directors and authorised for issue on 17 August 2018 and are signed on its behalf by:

Mr J P Gilbert
Director

A handwritten signature in black ink, appearing to be 'JPG', written over a large, stylized circular flourish.

Company Registration No. 02683269

NATIONWIDE FRANKING SENSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

Company information

Nationwide Franking Sense Limited is a private company limited by shares incorporated in England and Wales. The registered office is Nationwide House, Moss Bank Way, Bolton.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is [XXXX].

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the life of the lease
Plant and machinery	20% Straight line
Fixtures, fittings & equipment	15% Straight line
Motor vehicles	15% - 20% Straight line

NATIONWIDE FRANKING SENSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the 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 an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NATIONWIDE FRANKING SENSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

The deferred tax balance has not been discounted.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

NATIONWIDE FRANKING SENSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

(Continued)

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 48 (2017 - 44).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 May 2017 and 30 April 2018	8,300
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Amortisation and impairment	
At 1 May 2017 and 30 April 2018	8,300
	<hr/>
Carrying amount	
At 30 April 2018	-
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At 30 April 2017	-
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NATIONWIDE FRANKING SENSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 May 2017	4,828	592,458	597,286
Additions	-	207,829	207,829
Disposals	-	(160,648)	(160,648)
At 30 April 2018	4,828	639,639	644,467
Depreciation and impairment			
At 1 May 2017	4,828	294,589	299,417
Depreciation charged in the year	-	104,505	104,505
Eliminated in respect of disposals	-	(105,135)	(105,135)
At 30 April 2018	4,828	293,959	298,787
Carrying amount			
At 30 April 2018	-	345,680	345,680
At 30 April 2017	-	297,869	297,869

5 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	611,514	595,823
Amounts owed by group undertakings	1,216,779	1,248,551
Other debtors	15,447	600
	1,843,740	1,844,974
Deferred tax asset	7,280	19,480
	1,851,020	1,864,454

NATIONWIDE FRANKING SENSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

6 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	113,825	116,666
Trade creditors	595,476	875,693
Amounts due to group undertakings	170,984	68,869
Corporation tax	92,441	96,846
Other taxation and social security	252,988	247,085
Other creditors	965,818	772,016
	<u>2,191,532</u>	<u>2,177,175</u>

7 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	5,684	116,667
Other creditors	87,840	28,003
	<u>93,524</u>	<u>144,670</u>

8 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2018 £	Assets 2017 £
Balances:		
Accelerated capital allowances	<u>7,280</u>	<u>19,480</u>
Movements in the year:		2018 £
Liability/(Asset) at 1 May 2017		(19,480)
Charge to profit or loss		12,200
Liability/(Asset) at 30 April 2018		<u>(7,280)</u>

NATIONWIDE FRANKING SENSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

9 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
10,000 Ordinary shares of £1 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

The company has one class of ordinary shares which carry no right to fixed income.

10 Financial commitments, guarantees and contingent liabilities

The company was party to an unlimited guarantee dated 2 June 2008 given to its bankers in respect of loans provided to Nationwide Capital Finance Limited. The maximum involved under these guarantees in the prior year was £0.4m. This guarantee ended during the current year once the loan was fully repaid by Nationwide Capital Finance Limited.

11 Operating lease commitments

Lessee

The company leases the building under an operating lease. The lease does not include a break period and runs to 30 April 2024.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
	218,250	245,250
	<u>218,250</u>	<u>245,250</u>

12 Related party transactions

Nationwide Mailroom Holdings Self Administered Pension Fund

During the year, the company paid rent of £22,500 to Nationwide Mailroom Holdings Self Administered Pension Fund, a pension scheme set up for the benefit of the directors of Nationwide Mailroom Holdings Limited. There was no outstanding balance at the year end.

13 Parent company

The ultimate parent company is Nationwide Mailroom Holdings Limited, a company incorporated in Great Britain and under the control of Mr J P Gilbert, director.