



# FT INDUSTRIES LIMITED T/A PRIMORDIAL RADIO

FINANCIAL REPORT  
YEAR ENDED 28 FEBRUARY 2019

## Profit & Loss

### REVENUE

Revenue for the year was £134,391 (2018 : £70,244) generating a Gross Profit of £62,690 (2018 : £30,279)

### EVENTS

Event	Revenue	Cost	Gross Profit
AGM	£29,024	£20,430	£8,594
Big Bang	£2,314	£918	£1,396
Burns Supper	£1,134	£1,148	£(14)
Pub Quizzes	£1,184	£349	£835
Total 2019	£33,656	£22,845	£10,811
Total 2018	£4,404	£1,002	£3,402

MERCHANDISE	2019	2018
Revenue	£53,698	£58,144
Purchases	£41,389	£33,874
Postage & Packing	£6,118	£5,089
Total Costs	£47,507	£38,963
Gross Profit	£6,191 11.5%	£19,181 33.0%
Provision for Old Stock	£550	
Write off of DIL 2018 stock	£800	
	£1,350	-
	£4,841	£19,181
	9.0%	33.0%

ACCOUNTING POLICY CHANGE – For the year ended 28 February 2019, revenue and costs for Merchandise ordered and paid for before year end, but dispatched after year end is classed as Deferred Income, with the associated costs recognized in the following year. If this policy had been in place for 28 February 2018, then the relative Gross Profits would have been 2019: £10,841 (18%) & 2018 : £13,181 (25%) as below.

The drop in GP% is very much to do with the mix of items sold. Primordial design T-shirts carry a higher GP% than other goods and we have sold proportionally more of other goods this year.

MERCHANDISE RESTATED		2019	2018
Revenue		£59,698	£52,144
Purchases	£41,389		£33,874
Postage & Packing	£6,118		£5,089
Total Costs		£47,507	£38,963
Gross Profit		£12,191 20.4%	£13,181 25.3%
Provision for Old Stock	£550		
Write off of DIL 2018 stock	£800		
		£1,350	-
		£10,841	£13,181
		18.2%	25.3%

## SUBSCRIPTIONS

Revenue from Annual Subscriptions was £18,525 and from Monthly Subscriptions was £26,784. Due to the shareholder offer of a free year (or technically two years for the price of one), income from subscriptions accelerated in September & October and only in the year ended 29 February 2020, will a full year's revenue be recognized from shareholder members. Subscription Revenue in 2018 was £7,697.

Other revenue for the year was £1,728 relating to the affiliates program and record label promotions.

## EXPENSES

Comments on items of note

**BANK CHARGES** – these have more than trebled from £856 to £3,094 despite revenue only doubling. This is due to us now having three collection agencies and there being a minimum fee and so, as an example, the collection of monthly subs at £5.99 per transaction costs 20p (3.33%) where as the annual subscription at £60 per transaction is 60p (1%). The volume of transactions has significant increased but at lower average values.

**EQUIPMENT** – there have been no purchases this year (2018 : £2,915)

**FUNDRAISING CHARGES** – The costs in 2018 of £11,393 relate to the share issue costs

**LTRB EXPENSES** – a bigger and more organised LRTB2 including a van, hotels and more heads (£1,526 of costs included in the 2018 Travel Expenses).

**LICENSES/SOFTWARE** – Year on Year, the total of both these categories is the same so posting to different headings causes the variance.

**TRAVELLING EXPENSES** – much of the 2018 costs were part of the start-up of the company and now there is less travel required or has been allocated to specific events (Burns Supper for example). 2018 also includes £1,526 for LRTB as above.

**ALL OTHER EXPENSES** – 2019 is a full year of trading and 2018 was not

## Balance Sheet

**CASH** – the reduction of £57,874 is set out in the cash flow statement

**OTHER DEBTORS** - £500 (2018 : £255) is the deposit on the van for LRTB

**PREPAYMENTS** - £492 (2018: £0) is amounts paid in year that relate to next year.

**STOCK** – £7,100 (2018: £0) Merchandise in the store at year end, valued at cost (less a provision for old stock). Full list available.

**ACCRUALS** – £3,586 (2018: £305) these are costs relating to the year where either no invoice has not yet been received or was paid post year end, mainly with respect to Merchandise purchases and Bank Charges.

**DEFERRED INCOME** - £32,502 (2018: £9,115) this relates to cash received in year, but relates to subscriptions, events (AGM) & merchandise sales (LRTB only) that will be delivered next year. The significant increase is due to early AGM ticket sales and the annual subs received in the latter part of the year.

## Cash Flows

The movement in the cash balance from £88,501 at the start of the year to £30,626 can be shown by the loss for year together with movement in the balance sheet.

A loss of £76,706 has been helped in the main by the AGM ticket sales and annual subscription cash inflows that relate to next year. The benefit this year is £23,387.

The main movement the other way is purchase of stock which remains unsold at year end and this is £7,100.

	2019	2018
Loss for Year	£(76,706)	£(70,543)
Benefit of Deferred Income	£23,387	£9,115
Cost of Increase in Stock	£(7,100)	-
Other movements	£2,544	£51
Operational Cash Outflow	£(57,875)	£(61,377)
Share Issue proceeds	-	£149,878
Cash (Outflow)/Inflow for the Year	£(57,875)	£88,501