

COMPANY REGISTRATION NUMBER 06982128

**RELATIONAL RESEARCH LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**UNAUDITED FINANCIAL STATEMENTS**  
**31 AUGUST 2018**

THURSDAY



A13 \*A88I96N6\* #277  
27/06/2019  
COMPANIES HOUSE

**ENSORS ACCOUNTANTS LLP**

Chartered Accountants  
2nd. Floor, The Platinum Building  
St. John's Innovation Park  
Cowley Road  
Cambridge  
CB4 0DS

**RELATIONAL RESEARCH LIMITED  
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2018**

<b>CONTENTS</b>	<b>PAGE</b>
Officers and professional advisers	<b>1</b>
Directors' report	<b>2</b>
Income and expenditure account	<b>4</b>
Balance sheet	<b>5</b>
Notes to the financial statements	<b>6</b>
<b>The following pages do not form part of the financial statements</b>	
Chartered accountants' report to the board of directors	<b>12</b>
Detailed income and expenditure account	<b>13</b>
Notes to the detailed income and expenditure account	<b>14</b>

**RELATIONAL RESEARCH LIMITED  
COMPANY LIMITED BY GUARANTEE  
OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

T Young  
C Hammond  
M Schluter  
P Mills (appointed 26 September 2018)

**Registered office**

Future Business Centre  
Kings Hedges Road  
Cambridge  
CB4 2HY

**Accountants**

Ensors Accountants LLP  
Chartered Accountants  
2nd. Floor, The Platinum Building  
St. John's Innovation Park  
Cowley Road  
Cambridge  
CB4 0DS

**Bankers**

National Westminster Bank Plc  
56 St. Andrew's Street  
Cambridge, CB2 3DA

**Company registration number:      06982128**

**RELATIONAL RESEARCH LIMITED  
COMPANY LIMITED BY GUARANTEE**

**DIRECTORS' REPORT**

**YEAR ENDED 31 AUGUST 2018**

The directors present their report and the unaudited financial statements of the company for the year ended 31 August 2018.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the period was the promotion of constructive and effective relationships within and between groups of people for the furtherance of human well-being in the UK and other countries and in the context of both public and private life on a not for profit basis. An important additional activity in the last year has been support for Relational Peacebuilding Initiatives in its plan to develop a peacebuilding process between North and South Korea.

**DIRECTORS**

The directors who served the company during the year were as follows:

T Young

C Hammond

M Schluter

P Mills (appointed 26 September 2018)

The company's Chief Executive is Dr. Michael Schluter CBE.

# **RELATIONAL RESEARCH LIMITED COMPANY LIMITED BY GUARANTEE**

## **DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 AUGUST 2018**

### **DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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 those financial statements, the directors are required to:

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

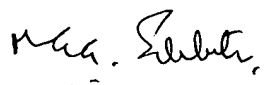
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:  
Future Business Centre  
Kings Hedges Road  
Cambridge  
CB4 2HY

Signed on behalf of the directors



M. Schluter

Director

Approved by the directors on: 24 May 2019

**RELATIONAL RESEARCH LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INCOME AND EXPENDITURE ACCOUNT**

**YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
<b>INCOME</b>		<b>103,968</b>	200,420
Administrative expenses		131,273	208,455
		<hr/>	<hr/>
<b>DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(27,305)</b>	(8,035)
Tax on deficit on ordinary activities	4	–	–
		<hr/>	<hr/>
<b>DEFICIT FOR THE FINANCIAL YEAR</b>		<b>(27,305)</b>	(8,035)
Deficit brought forward		(35,560)	(27,525)
Deficit carried forward		<u>(62,865)</u>	<u>(35,560)</u>

The notes on pages 6 to 10 form part of these financial statements.

# RELATIONAL RESEARCH LIMITED COMPANY LIMITED BY GUARANTEE

## BALANCE SHEET

31 AUGUST 2018

	Note	2018 £	As restated 2017 £
<b>FIXED ASSETS</b>			
Tangible assets	5	250	333
Investments	6	8,230	8,230
		<u>8,480</u>	<u>8,563</u>
<b>CURRENT ASSETS</b>			
Debtors	7	41,669	34,124
Cash at bank		11,515	43,363
		<u>53,184</u>	<u>77,487</u>
<b>CREDITORS: Amounts falling due within one year</b>	8	124,529	121,610
<b>NET CURRENT LIABILITIES</b>		<u>(71,345)</u>	<u>(44,123)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(62,865)</u>	<u>(35,560)</u>
<b>RESERVES</b>			
Unrestricted reserves		<u>(62,865)</u>	<u>(35,560)</u>
<b>TOTAL DEFICIT</b>		<u>(62,865)</u>	<u>(35,560)</u>

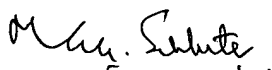
For the financial year ended 31 August 2018 the company was entitled to the exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved by the directors and authorised for issue on 24 May 2019, and are signed on their behalf by:



M. Schluter  
Director

Company Registration Number: 06982128

The notes on pages 6 to 10 form part of these financial statements.

# **RELATIONAL RESEARCH LIMITED COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2018**

### **1. ACCOUNTING POLICIES**

#### **1 Company information**

Relational Research Limited is a private company limited by guarantee incorporated in England & Wales. The registered office is Future Business Centre, Kings Hedges Road, Cambridge, CB4 2HY.

#### **2 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 are set out below.

#### **3 Income**

The income shown in the Income and Expenditure account represents donations, grants and other sundry income received during the period. Voluntary income is included in the Income & Expenditure account when the company is legally entitled to the income and it can be quantified with reasonable certainty. Grant income is included when the conditions to the grant are met. Donations are included when received. All other income is included when receivable.

#### **4 Fixed assets**

All fixed assets are initially recorded at cost, less depreciation.

#### **5 Fixed asset investments**

Interests in subsidiaries and associates are initially measured at cost and are subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals are recognised in the profit or loss. A subsidiary is an entity controlled by the company. Control being the power to govern the financial and operating policies of the entity so as to benefit from its activities.

#### **6 Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 25% per annum on the written down value



**RELATIONAL RESEARCH LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2018**

**7 Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

**8 Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the income and expenditure account.

**9 Going concern**

The company has a total deficit of £62,865 (2017 – deficit of £36,560). This created uncertainty over the use of the going concern basis in the preparation of the financial statements. However, despite the net current liabilities of £71,345 (2017 - £44,123), the directors have displayed willingness to introduce sufficient working capital to continue with the business' activities for the foreseeable future. Consequently, the directors consider that it is appropriate to prepare the company's financial statements on a going concern basis.

**10 Taxation**

There are losses of £61,039 to be carried forward in relation to future corporation tax charges.

**2. OPERATING (DEFICIT)**

Operating (deficit) is stated after charging:

	<b>2018</b>	2017
	<b>£</b>	£
Directors' remuneration	–	–
Depreciation of owned fixed assets	<b>83</b>	111
	<u>          </u>	<u>          </u>

**3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

	<b>2018</b>	2017
	<b>No</b>	No
Number of staff	<b>2</b>	2
	<u>          </u>	<u>          </u>

**RELATIONAL RESEARCH LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2018**

**3. PARTICULARS OF EMPLOYEES (continued)**

The aggregate payroll costs of the above were:

	<b>2018</b>	2017
	<b>£</b>	<b>£</b>
Wages and salaries	<b>34,279</b>	67,722
Social security costs	–	5,290
Other pension costs	<b>731</b>	4,506
Life insurance	<b>2,513</b>	2,575
	<u><b>37,523</b></u>	<u>80,093</u>

**4. TAXATION**

**Domestic current year tax**

	<b>2018</b>	2017
	<b>£</b>	<b>£</b>
U.K. corporation tax	–	–
Total current tax	<u>–</u>	<u>–</u>

**5. TANGIBLE FIXED ASSETS**

	<b>Equipment</b>
	<b>£</b>
<b>COST</b>	
At 1 September 2017	1,179
Additions	–
<b>At 31 August 2018</b>	<u>1,179</u>
<b>DEPRECIATION</b>	
At 1 September 2017	846
Charge for the year	83
<b>At 31 August 2018</b>	<u>929</u>
<b>NET BOOK VALUE</b>	
<b>At 31 August 2018</b>	<u>250</u>
At 31 August 2017	<u>333</u>

**RELATIONAL RESEARCH LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2018**

**6. INVESTMENTS**

	<b>2018</b>	As restated 2017
	£	£
Investment in subsidiaries	<b>8,230</b>	8,230
	<u><b>8,230</b></u>	<u>8,230</u>

Details of the company's subsidiaries as at 31 August 2018 are as follows:

<b>Name</b>	<b>Registered</b>	<b>Nature of business</b>	<b>Class of shares</b>	<b>% Held</b>
Relational Analytics Limited	England & Wales	Scientific activities	Ordinary shares	87

**7. DEBTORS**

	<b>2018</b>	As restated 2017
	£	£
Trade debtors	-	2,555
Other debtors	<b>41,669</b>	31,569
Prepayments and accrued income	-	-
	<u><b>41,669</b></u>	<u>34,124</u>

All debtors are repayable within one year of the balance sheet date. The balance of £25,627 owed by Relational Peacebuilding Initiatives has now been settled.

**8. CREDITORS: Amounts falling due within one year**

	<b>2018</b>	2017
	£	£
Trade creditors	<b>3,980</b>	7,524
Other creditors including taxation and social security:		
Director's Subordinated Loan	<b>107,318</b>	107,318
Taxation and social security	<b>963</b>	209
Other creditors	<b>10,168</b>	4,819
Accruals and deferred income	<b>2,100</b>	1,740
	<u><b>120,549</b></u>	<u>114,086</u>
	<u><b>124,529</b></u>	<u>121,610</u>

**RELATIONAL RESEARCH LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2018**

**9. COMPANY LIMITED BY GUARANTEE**

The company does not have share capital and is limited by guarantee. Each member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst a member or within 12 months of ceasing to be a member. Throughout the year to 31 August 2018, there were 3 members of the company (2017: 3).

**10. RELATED PARTY TRANSACTIONS**

The company had arms length transactions with the following related entities by nature of the common directors/trustees/shareholders;

At 31st August 2018, there were balances of £515 (2017 - £3,082) owing to Jubilee Centre, £957 (2017 - £1,737) owing to Jubilee House due to recharges.

There were also balances of £nil (2017 – £22,143) owing from Relational Thinking Network and a balance of £7,638 (2017 - £6,429) owing from Relational Analytics.

Since August 2018, Relational Thinking Network has been closed and the residual amount outstanding of £22,143 has been written off in these accounts.

There was also a balance of £8,696 (2017 - £nil) owed to Relational Peacebuilding Initiatives, and a balance of £25,627 (2017 - £nil) owed by Relational Peacebuilding Initiatives.

At the balance sheet date the company owed the director, M Schluter £107,318 (2017 – £107,318) in respect of a loan. This loan is interest free and has no fixed date of repayment. During the year M Schluter made a gift of £10,816 to the company.