

COMPANY NUMBER 89611

REGISTRAR OF COMPANIES

**THE NEWSPAPER PUBLISHERS
ASSOCIATION LIMITED**
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
31ST DECEMBER 1994

Kidsons Impey
Chartered Accountants
Spectrum House
20-26 Cursitor Street
London EC4A 1HY



THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED

(A company limited by guarantee and not having a share capital)

DIRECTORS:

Sir Frank Rogers (Chairman)
D.R.J. Pollock

DIRECTORS' REPORT

31st December 1994

The directors present their annual report and the audited financial statements of the company for the year ended 31st December 1994.

Principal activity and review of business developments

The principal activity of the company is and will continue to be co-ordinating, promoting and advancing the interests of newspaper publishers including the provision of agency facilities for its members and others.

Results and dividends

The loss for the year after taxation amounted to £13,109. No dividend is recommended and £13,109 is deducted from retained profits brought forward to leave retained profits carried forward of £110,362.

Directors

The directors at the date of this report, both of whom held office throughout the year, are listed above.

Fixed assets

The movements in fixed assets during the year are set out in the notes to the financial statements.

Directors' responsibilities

We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether Accounting Standards have been followed, and give details of any departures; and
- prepare the financial statements on a going concern basis unless in our view the company will be unable to continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets; and
- taking reasonable steps for the prevention and detection of fraud.

THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED
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DIRECTORS' REPORT

31st December 1994
(continued)

Auditors

A resolution for the reappointment of Kidsons Impey as auditors to the company will be proposed at the forthcoming annual general meeting.

By order of the board



D.R.J. Pollock

Secretary

Registered Office:

34 Southwark Bridge Road
London SE1 9EU

6th July 1995

THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED
(A company limited by guarantee and not having a share capital)

AUDITORS' REPORT

Auditors' report to the members of The Newspaper Publishers Association Limited

We have audited the financial statements on pages 4 to 11 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

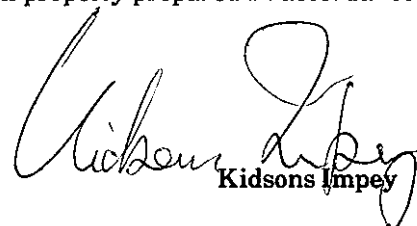
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31st December 1994 and of its loss for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.


Nickson Lipsey

Registered Auditors

Chartered Accountants

London

6th July 1995

THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED

(A company limited by guarantee and not having a share capital)

PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1994

	Note	1994 £	1993 £
Turnover	2	2,546,630	2,729,708
Cost of sales	3	(1,436,030)	(1,644,604)
Administrative expenses	4	<u>(1,165,451)</u>	<u>(1,158,105)</u>
Operating loss	5	(54,851)	(73,001)
Other income	8	<u>22,046</u>	<u>39,461</u>
Loss on ordinary activities before taxation		(32,805)	(33,540)
Taxation	9	<u>19,696</u>	<u>2,150</u>
Loss for the year		<u>(13,109)</u>	<u>(31,390)</u>

STATEMENT OF RETAINED PROFITS

Balance at 1st January 1994	123,471	154,861
Loss for the year	<u>(13,109)</u>	<u>(31,390)</u>
Balance at 31st December 1994	<u>110,362</u>	<u>123,471</u>

Continuing operations

None of the company's activities were acquired or discontinued during the two years ended 31st December 1994.

Total recognised gains and losses

The company's only recognised gains and losses for the two years ended 31st December 1994 are the results shown above.

The notes on pages 6 to 11 form part of these financial statements.

THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED
(A company limited by guarantee and not having a share capital)

BALANCE SHEET

at 31st December 1994

	Note	1994 £	1993 £
Fixed assets			
Tangible assets	10	176,554	201,267
Investments	11	<u>-</u>	<u>7,860</u>
		<u>176,554</u>	<u>209,127</u>
Current assets			
Debtors	12	29,469	81,044
Cash at bank and in hand		<u>296,354</u>	<u>196,521</u>
		325,823	277,565
Creditors: amounts falling due within one year	13	<u>(341,015)</u>	<u>(293,171)</u>
Net current liabilities		<u>(15,192)</u>	<u>(15,606)</u>
Total assets less current liabilities		161,362	193,521
Provisions for liabilities and charges			
Deferred taxation	14	<u>(51,000)</u>	<u>(70,050)</u>
Net assets		<u>110,362</u>	<u>123,471</u>
Reserves			
Profit and loss account		<u>110,362</u>	<u>123,471</u>
Members' funds	15	<u>110,362</u>	<u>123,471</u>

The financial statements on pages 4 to 11 were approved by the board of directors on 6th July 1995

Sir Frank Rogers)

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D.R.J. Pollock)

Directors

[Handwritten signature: Frank Rogers] 6/7/95.
[Handwritten signature: D.R.J. Pollock]

The notes on pages 6 to 11 form part of these financial statements.

THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED
(A company limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

31st December 1994

1 Principal accounting policies

(a) Accounting convention

The financial statements have been prepared under the historical cost accounting convention and in accordance with applicable Accounting Standards.

(b) Depreciation of tangible fixed assets

The provision for depreciation is calculated on the cost of tangible fixed assets in order to write off such cost over their estimated useful lives by equal annual instalments as follows:

Office furniture and fittings	10%
Motor vehicles	25%
Sundry equipment	20%

Short leasehold improvements are amortised over a period not exceeding the remaining term of the lease.

Depreciation is pro-rated in the years of acquisition and disposal of assets.

(c) Deferred taxation

Deferred taxation is calculated using the liability method. Provision is made where timing differences are expected to reverse in the foreseeable future.

(d) Fixed asset investments

Fixed asset investments are shown at the lower of cost and market value.

(e) Leased assets

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the company are capitalised. The capital element of the related rental obligations is included in creditors. The interest element of the rental obligations is charged to the profit and loss account so as to produce a constant periodic rate of charge. Rentals in respect of all other leases are charged to the profit and loss account as incurred.

(f) Pensions

With effect from 31st December 1990 the company's pension scheme was converted from a defined benefits scheme to a money purchase scheme. The scheme accordingly no longer provides defined benefits and the company therefore has no liability to cover any unfunded liabilities.

2 Turnover

	1994 £	1993 £
Amounts contributed for specific agency activities	1,436,030	1,633,503
Subscription income	<u>1,110,600</u>	<u>1,096,205</u>
	<u>2,546,630</u>	<u>2,729,708</u>

THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

31st December 1994
(continued)

3 Cost of sales

The following amounts were accounted for during the year by the Association as agent for members and other publishers.

	1994 £	1993 £
National Readership Survey	643,336	592,062
Press Complaints Commission	573,984	460,448
National Newspaper Campaign Advertising Awards	-	80,630
Advertising and Promotion Campaign	129,823	311,127
British Picture Editors Awards	-	173
Hands Off Reading (VAT) Campaign	44,700	124,755
Plant Emissions/Envex study	20,000	-
Terrorism Insurance study	14,300	-
National Press Card	1,917	5,782
TV Listings	-	55,662
Joint Agency Recognition Scheme	-	6,175
NPA members' media costs	7,970	5,178
NPA Committee Lunches	-	2,612
	<u>1,436,030</u>	<u>1,644,604</u>

In addition to the above, the National Newspaper Campaign Advertising Awards, administered by the company's staff and involving a sum of £296,402, broke even during the year and required no contribution from the company. The British Picture Editor Awards were administered by the company on behalf of the Guild of Picture Editors, involving a total of £54,162, also requiring no contribution from the company.

4 Administrative expenses

The administrative expenses incurred by the Association enable the agency activities to be provided to members and other publishers as well as providing for general services to members including:

European monitoring and lobbying activities
Advertisement executive and ongoing agency recognition support
Administration of all joint accreditation activities (royal rotas, sports photographic arrangements etc.)
General administration and support
Initialisation of promotional activities

5 Operating loss

	1994 £	1993 £
The operating loss is stated after charging:		
Auditors' remuneration	6,500	8,400
Hire of equipment and vehicles	22,025	13,504
Depreciation of tangible fixed assets	34,326	38,583
Directors' emoluments (see note 6)	105,230	101,462
Rent payable	141,000	141,000
Redundancy payments	-	30,000
	<u>-</u>	<u>30,000</u>

The operating loss for the year has arisen largely because of expenditure sanctioned during the year after subscription levels had been set.

THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

31st December 1994
(continued)

6 Directors' emoluments	1994 £	1993 £
Fees	30,000	30,000
Other emoluments (including pension contributions)	<u>75,230</u>	<u>71,462</u>
	<u>105,230</u>	<u>101,462</u>
Emoluments, excluding pension contributions, are analysed as follows:		
Chairman	<u>30,000</u>	<u>30,000</u>
Highest paid director	<u>66,558</u>	<u>63,015</u>
 7 Staff costs		
The average number of persons employed by the company during the year including directors was 19 (1993: 19)		
	1994 £	1993 £
Employee costs:		
Wages and salaries	411,746	396,221
Social security	36,378	33,972
Other pension costs	<u>44,901</u>	<u>46,668</u>
	<u>493,025</u>	<u>476,861</u>
 8 Other income		
Income from fixed asset investments - listed investments	739	739
Interest receivable	19,849	38,472
Other income	1,105	250
Profit on redemption of fixed asset investment	<u>353</u>	<u>-</u>
	<u>22,046</u>	<u>39,461</u>
 9 Taxation		
(Over) under provision for corporation tax in previous years	(646)	2,000
Transfer from deferred taxation	<u>(19,050)</u>	<u>(4,150)</u>
	<u>(19,696)</u>	<u>(2,150)</u>

THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

31st December 1994
(continued)

10 Tangible fixed assets	Short leasehold improvements £	Furniture and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
1st January 1994	248,852	95,825	15,649	42,485	402,811
Additions	<u>7,605</u>	<u>705</u>	<u>-</u>	<u>1,303</u>	<u>9,613</u>
31st December 1994	<u>256,457</u>	<u>96,530</u>	<u>15,649</u>	<u>43,788</u>	<u>412,424</u>
Depreciation					
1st January 1994	84,930	64,574	11,736	40,304	201,544
Charge for the year	<u>18,319</u>	<u>9,653</u>	<u>3,912</u>	<u>2,442</u>	<u>34,326</u>
31st December 1994	<u>103,249</u>	<u>74,227</u>	<u>15,648</u>	<u>42,746</u>	<u>235,870</u>
Net book amount					
31st December 1994	<u>153,208</u>	<u>22,303</u>	<u>1</u>	<u>1,042</u>	<u>176,554</u>
31st December 1993	<u>163,922</u>	<u>31,251</u>	<u>3,913</u>	<u>2,181</u>	<u>201,267</u>

11 Fixed asset investments

£

Investments listed in the United Kingdom

Cost

1st January 1994	7,860
Redeemed in the year	<u>(7,860)</u>
31st December 1994	<u>-</u>

The market value of the listed investments at 31st December 1993 was £8,493.

12 Debtors

	1994 £	1993 £
Taxation	185	185
Other debtors	13,039	44,005
Prepayments and accrued income	<u>16,245</u>	<u>36,854</u>
	<u>29,469</u>	<u>81,044</u>

THE NEWSPAPER PUBLISHERS ASSOCIATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

31st December 1994
(continued)

13 Creditors: amounts falling due within one year	1994 £	1993 £
Corporation tax	-	2,000
Other taxes and social security	47,777	19,727
Other creditors	228,230	207,320
Accruals and deferred income	<u>65,008</u>	<u>64,124</u>
	<u>341,015</u>	<u>293,171</u>

Other creditors represent amounts advanced by members and other publishers not yet disbursed by the Association in connection with agency activities, of which £18,494 (1993: £32,103) represents accumulated funds derived from agency activities.

14 Deferred taxation	Total £	Held over capital gains £	Capital allowances in advance of depreciation £	Short term timing differences £	Available tax losses £
1st January 1994	70,050	68,000	14,350	(1,500)	(10,800)
Profit and loss account	<u>(19,050)</u>	<u>(17,000)</u>	<u>(1,850)</u>	<u>(1,300)</u>	<u>1,100</u>
31st December 1994	<u>51,000</u>	<u>51,000</u>	<u>12,500</u>	<u>(2,800)</u>	<u>(9,700)</u>

The provision is made at current rates of corporation tax. The provision in respect of held over capital gains falls due for payment on 1st October 1999.

15 Reconciliation of members' funds	1994 £	1993 £
Members' funds at 1st January 1994	123,471	154,861
Loss for the year	<u>(13,109)</u>	<u>(31,390)</u>
Members' funds at 31st December 1994	<u>110,362</u>	<u>123,471</u>

16 Leasing commitments	Land and buildings 1994 £	1993 £	Other operating leases 1994 £	1993 £
Rentals payable under operating leases in the year ending 31st December 1995 are as follows:				
Leases expiring:				
Year ending 31st December 1995	-	-	-	1,572
1st January 1996 to 31st December 1999	-	-	15,351	12,088
On or after 1st January 2000	<u>141,000</u>	<u>141,000</u>	<u>-</u>	<u>2,460</u>
	<u>141,000</u>	<u>141,000</u>	<u>15,351</u>	<u>16,120</u>

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NOTES TO THE FINANCIAL STATEMENTS

31st December 1994
(continued)

17 Small company exemptions

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that the company is a small company as defined in Section 246 of the Companies Act 1985 and has restricted certain other disclosures on similar grounds.