

Registered number
01969550

Devon and Cornwall Newspapers Limited

Annual Report

31 March 2013

Devon and Cornwall Newspapers Limited
Report and accounts
Contents

	Page
Company information	1
Directors' report	2
Independent auditor's report	4
Profit and loss account	5
Balance sheet	6
Notes to the accounts	7

Devon and Cornwall Newspapers Limited
Company Information

Directors

Sir Ray Tindle CBE, DL, FCIS

W.D. Craig

B.G. Doel

S.R. Yates

Secretary

S.R. Yates

Auditor

David Pinder & Co Limited

23 Lockyer Street

Plymouth

Devon

PL1 2QZ

Bankers

Lloyds TSB Bank plc

147 High Street

Guildford

Surrey

GU1 3AG

Solicitors

TWM Solicitors LLP

65 Woodbridge Road

Guildford

Surrey

GU1 4RD

Registered office

The Old Court House

Union Road

Farnham

Surrey

GU9 7PT

Registered number

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Devon and Cornwall Newspapers Limited

Directors' Report

The directors present their report and accounts for the year ended 31 March 2013.

Principal activities

During the year to 31 March 2013 the company's principal activity has been the publication of newspapers.

Review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors.

Financial instrument risk

The company uses as its key performance indicators the revenue, operating profit and net profit
a m o u n t s .

The principal challenges facing the company arise from the vagaries of the economy in the United Kingdom leading to fluctuations in the advertising market. A full assessment of risk is disclosed in the accounts of the company's parent undertaking.

Directors

The following persons served as directors during the year:

Sir Ray Tindle CBE, DL, FCIS

W.D. Craig

B.G. Doel

S.R. Yates (Appointed 8 January 2013)

In accordance with the company's Articles of Association, Sir Ray Tindle CBE, DL, FCIS retires by rotation and, being eligible, offers to stand for re-election.

Directors' responsibilities

The directors are responsible for preparing the annual report in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts unless they are satisfied that they 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 accounts, 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 accounts 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 accounts 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.

Disclosure of information to auditors

Each person, who was a director at the time this report was approved, confirms that:

so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and

they have taken all the 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 auditor is aware of that information.

Auditor

David Pinder & Co Limited are deemed to be reappointed as auditors under section 487(2) of the Companies Act 2006.

This report was approved by the board on 11 December 2013 and signed on its behalf.

W.D. Craig
Director

Registered number:

01969550

Devon and Cornwall Newspapers Limited

Independent auditor's report

to the member of Devon and Cornwall Newspapers Limited

We have audited the financial statements of Devon and Cornwall Newspapers Limited for the year ended 31 March 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's member, 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 member those matters we are required to state to them in an auditors' 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'S) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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.

David Pinder

Senior Statutory Auditor
for and on behalf of
David Pinder & Co Limited
Statutory Auditor, Chartered Accountants

23 Lockyer Street
Plymouth
Devon
PL1 2QZ

Devon and Cornwall Newspapers Limited
Profit and Loss Account
for the year ended 31 March 2013

	Notes	2013 £	2012 £
Turnover	2	1,677,809	1,693,212
Cost of sales		(928,783)	(957,437)
Gross profit		<u>749,026</u>	<u>735,775</u>
Distribution costs		(43,421)	(44,489)
Administrative expenses		(364,337)	(368,099)
Other operating income		87,497	94,215
Operating profit	3	<u>428,765</u>	<u>417,402</u>
Interest receivable		-	-
Profit on ordinary activities before taxation		<u>428,765</u>	<u>417,402</u>
Tax on profit on ordinary activities	5	(102,967)	(108,382)
Profit for the financial year		<u>325,798</u>	<u>309,020</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.

Devon and Cornwall Newspapers Limited**Balance Sheet****as at 31 March 2013**

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	6	4,656	1,366
Current assets			
Debtors	7	544,048	547,923
Cash at bank and in hand		97,065	80,624
		<u>641,113</u>	<u>628,547</u>
Creditors: amounts falling due within one year	8	(266,969)	(276,911)
Net current assets		<u>374,144</u>	<u>351,636</u>
Net assets		<u>378,800</u>	<u>353,002</u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	378,798	353,000
Shareholder's funds	12	<u>378,800</u>	<u>353,002</u>

B.G. Doel

Director

Approved by the board on 11 December 2013

Devon and Cornwall Newspapers Limited

Notes to the Accounts

for the year ended 31 March 2013

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a wholly-owned subsidiary whose results are included in the publicly available consolidated accounts of the ultimate parent company.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is attributable to the company's main activity, the publication of weekly newspapers and is comprised mainly of advertising and circulation income. Advertising revenue is recognised upon publication and circulation revenue is recognised at the time of sale.

Tangible assets and depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Fixtures, fittings and equipment	over 5 years
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The charge to depreciation commences in the month following the month of acquisition. Where there is evidence of impairment, fixed assets are written down to the recoverable amount and fair value adjustments are made on acquisitions as required.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

Leasing and hire purchase commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

The company is also a member of the Farnham Castle Newspapers Limited Pension and Life Assurance Scheme, a defined benefit scheme operated by Tindle Newspapers Limited. The

company has continued to account for the defined benefit scheme as if it were a defined contribution scheme, as permitted under FRS 17, as the defined benefit scheme is a multi-employer scheme where the assets of the scheme relating to the company cannot be separately identified on a reasonable basis.

2 Analysis of turnover	2013	2012
	£	£
By activity:		
Newspaper publishing	<u>1,677,809</u>	<u>1,693,212</u>
By geographical market:		
UK	<u>1,677,809</u>	<u>1,693,212</u>
3 Operating profit	2013	2012
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	1,896	1,437
Operating lease rentals - other assets	4,822	5,219
Operating lease rentals - land and buildings	32,500	28,666
Auditor's remuneration for audit services	<u>4,000</u>	<u>4,000</u>
4 Staff costs	2013	2012
	£	£
Wages and salaries	472,897	517,582
Social security costs	37,092	41,418
Other pension costs (see below)	<u>10,186</u>	<u>12,043</u>
	<u>520,175</u>	<u>571,043</u>
Pension costs		
Payments to defined contribution scheme	2,386	2,852
Payments to defined benefit scheme	<u>7,800</u>	<u>9,191</u>
	<u>10,186</u>	<u>12,043</u>
Average number of employees during the year	Number	Number
Management and administration	8	7
Editorial and production	15	17
Sales and marketing	<u>10</u>	<u>12</u>
	<u>33</u>	<u>36</u>

Directors' remuneration is borne by another group undertaking.

5 Taxation	2013	2012
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	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	103,000	108,600
Adjustments in respect of previous periods	(33)	(218)
	<u>102,967</u>	<u>108,382</u>
Tax on profit on ordinary activities	<u>102,967</u>	<u>108,382</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2013	2012
	£	£
Profit on ordinary activities before tax	<u>428,765</u>	<u>417,402</u>
Standard rate of corporation tax in the UK	24%	26%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	102,904	108,525
Effects of:		
Expenses not deductible for tax purposes	84	223
Capital allowances for period in excess of depreciation	(140)	(181)
Provision based tax charge	152	33
Adjustments to tax charge in respect of previous periods	(33)	(218)
Current tax charge for period	<u>102,967</u>	<u>108,382</u>

Factors that may affect future tax charges

There are no known factors that would affect the future tax charges.

6 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 April 2012	75,539
Additions	5,188
Disposals	(528)
At 31 March 2013	<u>80,199</u>
Depreciation	
At 1 April 2012	74,173
Charge for the year	1,896
On disposals	(526)
At 31 March 2013	<u>75,543</u>

Net book value				
At 31 March 2013			4,656	
At 31 March 2012			<u>1,366</u>	
7 Debtors			2013	2012
			£	£
Trade debtors			312,050	273,203
Amounts owed by parent and fellow subsidiary undertakings			201,651	236,562
Prepayments and accrued income			30,347	38,158
			<u>544,048</u>	<u>547,923</u>
8 Creditors: amounts falling due within one year			2013	2012
			£	£
Trade creditors			49,825	57,077
Amounts owed to parent and fellow subsidiary undertakings			14,977	20,690
Corporation tax			103,000	108,600
Other taxes and social security costs			66,321	68,491
Accruals and deferred income			32,846	22,053
			<u>266,969</u>	<u>276,911</u>
9 Share capital	Nominal value	2013 Number	2013 £	2012 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	2	<u>2</u>	<u>2</u>
10 Profit and loss account			2013	
			£	
At 1 April 2012			353,000	
Profit for the financial year			325,798	
Dividends			(300,000)	
At 31 March 2013			<u>378,798</u>	
11 Dividends			2013	2012
			£	£
Dividends for which the company became liable during the year:				
Dividends paid			<u>300,000</u>	<u>300,000</u>
12 Reconciliation of movement in shareholder's funds			2013	2012
			£	£

At 1 April	353,002	343,982
Profit for the financial year	325,798	309,020
Dividends	(300,000)	(300,000)
At 31 March	<u>378,800</u>	<u>353,002</u>

13 Financial commitments

At the year end the company had commitments under non-cancellable operating leases as set out below:

	Land and buildings	Land and buildings	Other	Other
	2013	2012	2013	2012
	£	£	£	£
Operating leases which expire:				
within one year	-	27,083	405	2,204
within two to five years	-	-	3,080	540
	<u>-</u>	<u>27,083</u>	<u>3,485</u>	<u>2,744</u>

14 Related party transactions

2013	2012
£	£

Tindle Newspaper Group

The company has taken advantage of the exemption in Financial Reporting Standard No 8 from the requirement to disclose transactions with wholly owned group undertakings.

15 Ultimate controlling party

The ultimate parent company is Tindle Press Holdings Limited, a company registered in England and Wales. The ultimate controlling party of that company is Sir Ray Tindle by virtue of his 100% interest, direct and indirect, in the ordinary shares of that company.

The parent company is Tindle Newspapers Limited, a company registered in England and Wales.

Tindle Press Holdings Limited and Tindle Newspapers Limited prepare group financial statements, copies of which can be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.