

Registered number  
02538908

*Independent Press Standards Organisation C.I.C.*

Report and Financial Statements

31 December 2016

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20/06/2017

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COMPANIES HOUSE

**Independent Press Standards Organisation C.I.C.  
Report and Financial Statements  
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**Independent Press Standards Organisation C.I.C.  
Company Information**

**Directors**

The Rt Hon Sir Alan Moses  
Anne Lapping  
Richard Hill  
Trevor Kavanagh  
Sir Martyn Lewis  
Charles McGhee  
Keith Perch  
Charles Wilson  
Mehmuda Mian  
Ruth Sawtell  
Michael Soutar  
Claire Singers

**Secretary**

Matt Tee

**Auditor**

Grant Thornton UK LLP  
Melton Street  
Euston Square  
London  
NW1 2EP

**Bankers**

The Royal Bank of Scotland plc  
London Drummonds Branch  
49 Charing Cross Road  
London  
SW1A 2DX

**Solicitors**

Sheridans  
Whittington House  
Alfred Place  
London  
WC1E 7EA

**Registered office**

1st Floor Gate House  
1 Farringdon Road  
London  
EC4M 7LG

**Registered number**

02538908

**Independent Press Standards Organisation C.I.C.**

**Registered number:** 02538908

**Directors' Report**

The directors present their report and financial statements for the year ended 31 December 2016.

**Principal activities**

The Independent Press Standards Organisation (IPSO) is a Community Interest Company (CIC) and is the independent regulator for the newspaper and magazine industry in the UK

IPSO upholds the highest standards of journalism by monitoring and maintaining the standards set out in the Editors' Code of Practice, and provides support and redress for individuals seeking to complain about breaches of the Code. IPSO is committed to working with the newspaper and magazine industry to maintain and enhance the freedom and authority of the press through effective, independent regulation.

**Results for the year**

The results for the year are set out on page 5.

**Directors**

The following persons served as directors during the year:

The Rt Hon Sir Alan Moses	
Anne Lapping	
Richard Hill	
Trevor Kavanagh	
Sir Martyn Lewis	
Charles McGhee	
Keith Perch	
Richard Reed	(Resigned 7 September 2016)
Charles Wilson	
Kevin Hand	(Deceased 7 April 2016)
Mehmuda Mian	
Ruth Sawtell	
Michael Soutar	(Appointed 1 December 2016)
Claire Singers	(Appointed 1 December 2016)

**Political donations**

*There were no political donations during the year.*

**Directors' responsibilities statement**

The directors are responsible for preparing the report and 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 profit or loss of the company for that period. In preparing these 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; and

**Independent Press Standards Organisation C.I.C.**

**Registered number: 02538908**

**Directors' Report**

- 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.

**Disclosure of information to auditors**

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

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Small company provisions**

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 14 June 2017 and signed on its behalf.



Sir Alan Moses  
Director

**Independent auditor's report  
to the members of Independent Press Standards Organisation C.I.C.**

We have audited the financial statements of Independent Press Standards Organisation C.I.C. for the year ended 31 December 2016 which comprise the Income statement, the statement of financial position, the statement of changes in equity 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 and 3, 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 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 Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**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 December 2016 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, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements,
- the Directors' Report has been prepared in accordance with applicable legal requirements.

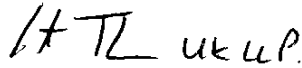
**Matters on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Director's Report.

**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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report

  
Sergio Cardoso  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

Date: 14 June 2017

**Independent Press Standards Organisation C.I.C.  
Income Statement  
for the year ended 31 December 2016**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	2,388,000	2,388,000
Administrative expenses	(2,382,288)	(2,420,307)
Other operating income	-	(1,588)
<b>Operating profit/(loss)</b>	5,712	(33,895)
Interest receivable	1,678	2,207
<b>Profit/(loss) on ordinary activities before taxation</b>	7,390	(31,688)
Tax on profit/(loss) on ordinary activities	(3,107)	(2,318)
<b>Profit/(loss) for the financial year</b>	<u>4,283</u>	<u>(34,006)</u>

The notes on pages 8 to 13 form part of these financial statements.

**Independent Press Standards Organisation C.I.C.**  
**Registered number:** 02538908  
**Statement of Financial Position**  
**as at 31 December 2016**

	Notes	2016 £	2015 £
<b>Fixed assets</b>			
Intangible assets	4	26,568	49,697
Tangible assets	5	175,629	209,117
		202,197	258,814
<b>Current assets</b>			
Debtors	6	198,397	216,015
Cash at bank and in hand		266,062	333,474
		464,459	549,489
<b>Creditors: amounts falling due within one year</b>	7	(271,630)	(350,238)
<b>Net current assets</b>		192,829	199,251
<b>Total assets less current liabilities</b>		395,026	458,065
<b>Creditors: amounts falling due after more than one year</b>	8	(333,000)	(400,000)
<b>Provisions for liabilities</b>	10	(24,784)	(25,106)
<b>Net assets</b>		<u>37,242</u>	<u>32,959</u>
<b>Capital and reserves</b>			
Profit and loss account		37,242	32,959
<b>Total equity</b>		<u>37,242</u>	<u>32,959</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies within part 15 of the Companies Act 2006.

The financial statements were approved by the board and were signed on its behalf on 14 June 2017.

  
Sir Alan Moses  
Director

The notes on pages 8 to 13 form part of these financial statements.



**Independent Press Standards Organisation C.I.C.  
Statement of Changes in Equity  
for the year ended 31 December 2016**

	<b>Profit and loss account £</b>	<b>Total £</b>
<b>At 1 January 2015</b>	66,965	66,965
Loss for the financial year	(34,006)	(34,006)
<b>At 31 December 2015</b>	<u>32,959</u>	<u>32,959</u>
<b>At 1 January 2016</b>	32,959	32,959
Profit for the financial year	4,283	4,283
<b>At 31 December 2016</b>	<u>37,242</u>	<u>37,242</u>

**Independent Press Standards Organisation C.I.C.  
Notes to the Financial Statements  
for the year ended 31 December 2016**

**1 Accounting policies**

***Company Information***

Independent Press Standards Organisation C.I.C. is a private company limited by guarantee and incorporated in England and Wales. Its registered office is 1st Floor Gate House, 1 Farringdon Road, London, EC4M 7LG.

***Basis of preparation***

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland Section 1A Small Entities.

The financial statements are presented in Sterling (£)

***Going Concern***

IPSO CIC is funded by the Regulatory Funding Company (RFC). The RFC has indicated its intention to fund IPSO for at least the duration of the six year contracts that publishers have signed to be regulated by IPSO. On this basis the directors consider it appropriate to prepare these financial statements on a "going concern" basis. The financial statements do not include any adjustments that would result from a withdrawal of continued funding by the RFC

***Public benefit entity***

IPSO is a public benefit entity.

***Turnover***

Income represents contributions from RFC. Turnover is measured at the fair value of the contributions received or receivable. Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured.

***Intangible fixed assets***

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method.

Website costs

Over 3 years

**Independent Press Standards Organisation C.I.C.  
Notes to the Financial Statements  
for the year ended 31 December 2016**

***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses.

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

Leasehold improvements	over the lease term
Plant, machinery and equipment	over 3 - 5 years

***Debtors***

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment. *Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment*

***Creditors***

Short term trade creditors are measured at transaction price (which is usually the invoice price). Other financial liabilities excluding concessionary loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost determined using the effective interest method.

***Concessionary loans***

Concessionary loans are initially measured at the amount received or paid and adjusted to reflect any accrued interest payable or receivable.

***Taxation***

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Current and deferred tax assets and liabilities are not discounted.

**Independent Press Standards Organisation C.I.C.  
Notes to the Financial Statements  
for the year ended 31 December 2016**

***Provisions***

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

***Leased assets***

Lease are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the lease term

*The aggregate benefit of lease incentives are recognised as a reduction to the expense over the lease term on a straight line basis*

***Pensions***

Contributions to defined contribution plans are expensed in the period to which they relate.

**2 Auditor's remuneration**

Fees payable to the company's auditor for the audit of the company's annual financial statements were £10,300 (2015: £10,000). Fees payable to the company's auditor and its associates for other services included fees payable for tax compliance services of £2,050 (£2015: £2,000).

**3 Employees**

	<b>2016 Number</b>	<b>2015 Number</b>
Average number of persons employed by the company	<u>33</u>	<u>30</u>

**Independent Press Standards Organisation C.I.C.  
Notes to the Financial Statements  
for the year ended 31 December 2016**

<b>4 Intangible fixed assets</b>	<b>£</b>
Website costs	
<b>Cost</b>	
At 1 January 2016	74,174
Additions	2,765
At 31 December 2016	<u>76,939</u>
<b>Amortisation</b>	
At 1 January 2016	24,477
Provided during the year	25,894
At 31 December 2016	<u>50,371</u>
<b>Net book value</b>	
At 31 December 2016	<u>26,568</u>
At 31 December 2015	<u>49,697</u>

<b>5 Tangible fixed assets</b>			
	<b>Land and buildings £</b>	<b>Plant and machinery etc £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2016	111,247	176,037	287,284
Additions	-	5,770	5,770
At 31 December 2016	<u>111,247</u>	<u>181,807</u>	<u>293,054</u>
<b>Depreciation</b>			
At 1 January 2016	10,198	67,969	78,167
Charge for the year	11,125	28,133	39,258
At 31 December 2016	<u>21,323</u>	<u>96,102</u>	<u>117,425</u>
<b>Net book value</b>			
At 31 December 2016	<u>89,924</u>	<u>85,705</u>	<u>175,629</u>
At 31 December 2015	<u>101,049</u>	<u>108,068</u>	<u>209,117</u>

**Independent Press Standards Organisation C.I.C.**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2016**

<b>6 Debtors</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Corporation Tax	-	25,898
Prepayments and accrued income	73,788	66,569
Other debtors	124,609	123,548
	<u>198,397</u>	<u>216,015</u>
Amounts due after more than one year included above	<u>118,272</u>	<u>118,272</u>
 <b>7 Creditors: amounts falling due within one year</b>	 <b>2016</b>	 <b>2015</b>
	<b>£</b>	<b>£</b>
Concessionary loan - RFC	67,000	100,000
Trade creditors	11,968	20,078
Corporation tax	5,904	-
Other taxes and social security costs	37,904	41,167
Accruals and deferred income	135,948	178,043
Other creditors	12,906	10,950
	<u>271,630</u>	<u>350,238</u>
 <b>8 Creditors: amounts falling due after one year</b>	 <b>2016</b>	 <b>2015</b>
	<b>£</b>	<b>£</b>
Concessionary loan - RFC	<u>333,000</u>	<u>400,000</u>
 <b>9 Loans</b>	 <b>2016</b>	 <b>2015</b>
	<b>£</b>	<b>£</b>
Loans not wholly repayable within five years:		
Loan from RFC	<u>400,000</u>	<u>500,000</u>
Analysis of maturity of debt:		
Within one year	67,000	100,000
After five years	<u>333,000</u>	<u>400,000</u>
	<u>400,000</u>	<u>500,000</u>

The concessionary loan from the RFC is only repayable at a time agreed by both the RFC and IPSO, is unsecured and no interest is payable. Both parties have agreed that a repayment of £67,000 will be made before 31 December 2017.

**Independent Press Standards Organisation C.I.C.**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2016**

**10 Provisions**

	<b>Deferred tax</b>	<b>Dilapidation</b>
	<b>£</b>	<b>£</b>
At 1 January 2016	(25,106)	-
Additions	-	(2,475)
Origination and reversal of timing differences	1,402	-
Changes in tax rate	1,395	-
At 31 December 2016	<u>(22,309)</u>	<u>(2,475)</u>

The dilapidation provision relates to leasehold reinstatement costs.

**11 Other financial commitments**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Total future minimum payments under non-cancellable operating leases	<u>1,445,420</u>	<u>1,648,984</u>

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# CIC 34

## Community Interest Company Report

For official use  
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*Please  
complete in  
typescript, or  
in bold black  
capitals.*

Company Name in  
full

**Independent Press Standards Organisation**

Company Number

**02538908**

Year Ending

**31 December 2016**



This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

**(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)**

**PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT**

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

**The Independent Press Standards Organisation was formed in September 2014 and has provided a comprehensive complaints-handling service, free of charge, to citizens of the United Kingdom, the Channel Islands and the Isle of Man. It has also provided guidance and advice to the regulated entities (newspapers, magazines and on-line news providers), all of which has helped to promote and uphold the highest professional standards of journalism, based upon the Editors' Code of Practice. IPSO also has a Standards and Compliance function and a Whistleblowing Hotline for journalists.**

*(If applicable, please just state "A social audit report covering these points is attached").*

*(Please continue on separate continuation sheet if necessary.)*

**PART 2 – CONSULTATION WITH STAKEHOLDERS** – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

IPSO deals with the general public and groups within civil society, such as charities and representative bodies. IPSO has engaged in a process of continuous consultation with all interested parties. In addition, the Editors' code committee (which operates independently of IPSO and drafts the Code) has been consulting publicly on possible changes to the Code.

*(If applicable, please just state "A social audit report covering these points is attached").*

**PART 3 – DIRECTORS' REMUNERATION** – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

**The Chairman, the Rt Hon. Sir Alan Moses - £150,000 per annum**

**Board Directors, all at £500 per month:**

**Kevin Hand (until April 2016)**

**Richard Hill**

**Anne Lapping**

**Martyn Lewis**

**Charles McGhee**

**Mehmuda Mian**

**Richard Reed (until September 2016)**

**Charles Wilson**

**Keith Perch**

**Ruth Sawtell**

**Trevor Kavanagh**

**Claire Singers (from December 2016)**

**Mike Soutar (from December 2016)**

**PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION** – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

N/A

*(Please continue on separate continuation sheet if necessary.)*

## PART 5 – SIGNATORY

**The original report must be signed by a director or secretary of the company**

Signed

Matt Ser.

Date

14/06/17

Office held (delete as appropriate) ~~Director~~/Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

IPSO, Gate House	
1 Farringdon Road	
London	
	Tel 0300 123 2220
DX Number	DX Exchange

**When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:**

*For companies registered in England and Wales:* Companies House, Crown Way, Cardiff, CF14 3UZ  
DX 33050 Cardiff

*For companies registered in Scotland:* Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139  
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

*For companies registered in Northern Ireland:* Companies House, 2nd Floor, The Linenhall, 32-38  
Linenhall Street, Belfast, BT2 8BG

The accounts and CIC34 **cannot** be filed online

**(N.B. Please enclose a cheque for £15 payable to Companies House)**