

COMPANY REGISTRATION NUMBER 2554323

**THE PRESS STANDARDS BOARD OF FINANCE
LIMITED**

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2010

TUESDAY



A31 *A9XYTL91* 385
29/06/2010
COMPANIES HOUSE

NELSON GILMOUR SMITH
Chartered Accountants & Statutory Auditor
Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

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**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Guy Black - Chairman Clive Milner Robin Burgess David Newell Nicholas Coleridge James Raeburn John Fry Paul Vickers Barry McIlheney Paul Dacre
Company secretary	James Raeburn
Registered office	St Andrew's House 18-20 St Andrew Street London EC4A 3AY
Auditor	Nelson Gilmour Smith Chartered Accountants & Statutory Auditor Mercantile Chambers 53 Bothwell Street Glasgow G2 6TB
Bankers	Bank of Scotland Gordon Street Glasgow G1 3RS

THE PRESS STANDARDS BOARD OF FINANCE LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2010

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2010

Principal activities

PRESSBOF is an independent body set up by the main organisations representing newspaper and magazine publishers. The organisations represented on the Board of Directors are

The Newspaper Publishers Association

The Newspaper Society

Periodical Publishers' Association

Scottish Newspaper Society

The principal activity of PRESSBOF is to collect funds for the purpose of financing the self-regulatory arrangements for newspapers and magazines in the UK centred on the Press Complaints Commission

Review of activities and future developments

Registration fees collected so far for the calendar year 2009 amounted to 95% of the target set by the Directors. Efforts continue to extend the number of contributing publishers

The rate of registration fees for 2010 was unchanged from 2009

Directors

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

Guy Black

Clive Milner

Robin Burgess

David Newell

Nicholas Colendge

James Raeburn

Paul Dacre

John Fry

(Appointed 27 October 2009)

Paul Vickers

(Appointed 27 October 2009)

Barry McIlheney

(Appointed 24 February 2010)

Tim Bowdler

(Resigned 9 September 2009)

Simon Fairclough

(Resigned 31 August 2009)

Jonathan Shephard

(Resigned 14 September 2009)

John Fry, Paul Vickers and Barry McIlheney fall to retire at the Annual General Meeting in accordance with Article 59 of the Company's Articles of Association. Paul Dacre and David Newell fall to retire by rotation. All are recommended for re-election

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2010

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 profit or loss 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

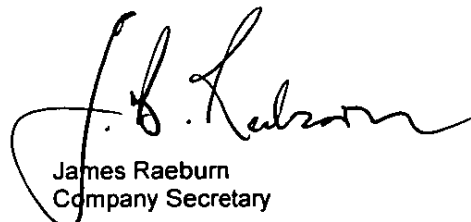
The Auditors, Nelson Gilmour Smith, have signified their willingness to continue in office and a resolution re-appointing them as Auditors and authorising the Directors to fix their remuneration will be proposed at the Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

21 Lansdowne Crescent
Edinburgh
EH12 5EH

Signed by order of the directors



James Raeburn
Company Secretary

Approved by the directors on 23/6/10.

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PRESS STANDARDS BOARD
OF FINANCE LIMITED**

YEAR ENDED 31 MARCH 2010

We have audited the financial statements of The Press Standards Board of Finance Limited for the year ended 31 March 2010. 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 members, as a body, in accordance with Sections 495 and 496 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 auditor's 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 page 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 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, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 9 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

Opinion on 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 2010 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.

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PRESS STANDARDS BOARD
OF FINANCE LIMITED (continued)**

YEAR ENDED 31 MARCH 2010

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



ANDREW WILSON CA (Senior
Statutory Auditor)
For and on behalf of
NELSON GILMOUR SMITH
Chartered Accountants
& Statutory Auditor

Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

25/6/2010

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2010

		2010	2009
	Note	£	£
Turnover	2	2,110,000	1,935,764
Charges		1,967,000	1,760,000
Gross profit		143,000	175,764
Administrative expenses		142,997	202,420
Operating profit/(loss)	4	3	(26,656)
Interest receivable		3,397	25,946
Profit/(loss) on ordinary activities before taxation		3,400	(710)
Tax on profit/(loss) on ordinary activities	6	714	421
Profit/(loss) for the financial year		2,686	(1,131)

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 9 to 12 form part of these financial statements

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

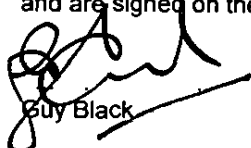
BALANCE SHEET

31 MARCH 2010

	Note	2010 £	£	2009 £
Current assets				
Debtors	7	—		46
Cash at bank		<u>27,477</u>		<u>23,601</u>
		<u>27,477</u>		<u>23,647</u>
Creditors: Amounts falling due within one year	8	<u>3,515</u>		<u>2,371</u>
Net current assets			<u>23,962</u>	<u>21,276</u>
Total assets less current liabilities			<u>23,962</u>	<u>21,276</u>
Reserves	11			
Profit and loss account	12		<u>23,962</u>	<u>21,276</u>
Members' funds			<u>23,962</u>	<u>21,276</u>

These financial statements were approved by the directors and authorised for issue on
and are signed on their behalf by

23/6/10


Guy Black

Company Registration Number 2554323

The notes on pages 9 to 12 form part of these financial statements

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2010

	Note	2010 £	2009 £
Net cash inflow/(outflow) from operating activities	13	900	(26,667)
Returns on investments and Servicing of finance Interest received		3,397	25,946
Net cash inflow from returns on investments and servicing of finance		3,397	25,946
Taxation		(421)	(329)
Increase/(decrease) in cash	13	3,876	(1,050)

The notes on pages 9 to 12 form part of these financial statements

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

Turnover

Registration fee income is credited to the Profit and Loss Account in the period in which it is received

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Value added tax

The company is not registered for Value Added Tax. As such expenditure is shown inclusive of irrecoverable VAT

2. Turnover

Turnover is attributable to one continuing activity within the United Kingdom and represents the registration fees collected from newspaper and magazine publishers during the year

3. Charges

Charges represent payments to the Press Complaints Commission for the self-regulatory arrangements for newspapers and magazines in the United Kingdom

4. Operating profit/(loss)

Operating profit/(loss) is stated after charging

	2010	2009
	£	£
Directors' remuneration	25,000	25,000
Auditor's remuneration		
- as auditor	<u>1,950</u>	<u>1,950</u>

5 Directors' emoluments

The average number of persons employed by the company during the financial year, including the directors, amounted to 1 (2009 - 1)

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	25,000	25,000
Social security costs	<u>2,354</u>	<u>2,504</u>
	<u>27,354</u>	<u>27,504</u>

No other directors received any emoluments (2009 - Nil)

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

6. Taxation on ordinary activities

(a) Analysis of charge in the year

	2010	2009
	£	£
Current tax		
UK Corporation tax based on the results for the year	714	421
Total current tax	714	421

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 21% (2009 - 21%)

	2010	2009
	£	£
Profit/(loss) on ordinary activities before taxation	3,400	(710)
Profit/(loss) on ordinary activities by rate of tax	714	(149)
Expenses not deductible for tax purposes	-	570
Total current tax (note 6(a))	714	421

7. Debtors

	2010	2009
	£	£
Other debtors	-	46

8 Creditors Amounts falling due within one year

	2010	2009
	£	£
Other creditors including taxation and social security		
Corporation tax	714	421
PAYE and social security	59	-
	773	421
Accruals and deferred income	2,742	1,950
	3,515	2,371

9 APB ethical standards

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

10 Related party transactions

Secretarial and accounting services, with the exception of secretarial services relating to the Code Committee, are provided by James Raeburn, a Director of PRESSBOF. Fees amounting to £66,934 plus Vat (2009 £65,185) were paid to James Raeburn.

11. Company limited by guarantee

The company is limited by guarantee and does not have a share capital. In the event of a winding up the liability of each member is limited to £1. At 31 March 2010 there were 10 members (2009 - 10).

12. Profit and loss account

	2010 £	2009 £
Balance brought forward	21,276	22,407
Profit/(loss) for the financial year	2,686	(1,131)
Balance carried forward	<u>23,962</u>	<u>21,276</u>

13. Notes to the cash flow statement

Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities

	2010 £	2009 £
Operating profit/(loss)	3	(26,656)
Decrease/(increase) in debtors	46	(46)
Increase in creditors	851	35
Net cash inflow/(outflow) from operating activities	<u>900</u>	<u>(26,667)</u>

Reconciliation of net cash flow to movement in net funds

	2010 £	2009 £
Increase/(Decrease) in cash in the period	3,876	(1,050)
Movement in net funds in the period	<u>3,876</u>	<u>(1,050)</u>
Net funds at 1 April 2009	23,601	24,651
Net funds at 31 March 2010	<u>27,477</u>	<u>23,601</u>

Analysis of changes in net funds

	At 1 Apr 2009 £	Cash flows £	At 31 Mar 2010 £
Net cash			
Cash in hand and at bank	23,601	3,876	27,477
Net funds	<u>23,601</u>	<u>3,876</u>	<u>27,477</u>

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

13 Notes to the cash flow statement (*continued*)

14 Control

The Company is controlled by the Members/Directors who represent the trade associations listed in the Directors' Report

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

MANAGEMENT INFORMATION

YEAR ENDED 31 MARCH 2010

**The following page does not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 4 to 5**

**THE PRESS STANDARDS BOARD OF FINANCE LIMITED
COMPANY LIMITED BY GUARANTEE**

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2010

	2010	2009
	£	£
Turnover		
Registration fees	2,110,000	1,935,764
Press Complaints Commission	1,967,000	1,760,000
Gross profit	<u>143,000</u>	<u>175,764</u>
Overheads		
Directors emoluments	25,000	25,000
Directors national insurance contributions	2,354	2,504
Travel	4,470	6,533
Telephone and postage	1,394	1,112
Printing and stationery	1,001	1,424
Editors' Codebook	(760)	5,423
General expenses	1,825	3,472
Code Website	425	130
Secretarial and accounting services	99,495	96,420
PCC Chair recruitment	—	58,217
Other professional fees - Type 2	5,612	—
Auditors remuneration	1,950	1,950
Bank charges	231	235
	<u>142,997</u>	<u>202,420</u>
Operating profit/(loss)	3	(26,656)
Bank interest receivable	3,397	25,946
Profit/(loss) on ordinary activities	<u>3,400</u>	<u>(710)</u>