

02554323

THE PRESS STANDARDS BOARD  
OF FINANCE LIMITED

Report and Financial  
Statements for the  
Year ended 31st March 1997

PRESSBOP



A Company Limited by Guarantee

Registered in England & Wales No 2554323

THE PRESS STANDARDS BOARD OF FINANCE LIMITED  
(A Company Limited by Guarantee)

DIRECTORS' REPORT

The Directors submit their report and financial statements for the year ended 31st March 1997.

Principal activity

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

The Newspaper Publishers Association  
 The Newspaper Society  
 Periodical Publishers' Association  
 The Scottish Daily Newspaper Society  
 Scottish Newspaper Publishers' Association

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

Financial results

The results for the year and the state of affairs at 31st March, 1997 are set out in the attached financial statements.

PRESSBOF is precluded by its Memorandum from making any distribution to its members.

Review of activities and future developments

Registrations fees collected so far for the calendar year 1996 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 1997 has been increased by 10% of the 1996 scale.

Directors

The Directors who served throughout the year were -

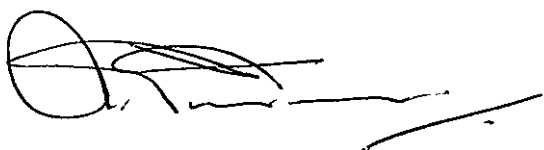
H. J. Roche (Chairman)  
 Sir Frank Rogers  
 David R. J. Pollock  
 Sir Ray Tindle  
 James Evans  
 Dugal Nisbet-Smith (resigned 6th March 1997)  
 David Newell (appointed 6th March 1997)  
 Clifford D. Jakes (resigned 15th May 1996)  
 Robin Miller (appointed 15th May 1996)  
 Ian R. Locks  
 A. Grahame Thomson  
 James B. Raeburn

Sir Frank Rogers, David Newell, Robin Miller and James Raeburn fall to retire by rotation at the Annual General Meeting and are recommended for re-election.

Auditors

The Auditors, McEwen & Company, have signified their willingness to continue in office and a resolution reappointing them as Auditors and authorising the Directors to fix their remuneration will be proposed at the Annual General meeting.

By order of the Board

A handwritten signature in dark ink, consisting of a large, stylized initial 'S' followed by a series of horizontal strokes and a long, sweeping underline.

Secretary

21st May 1997

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 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 judgments and estimates that are reasonable and prudent;
- \* state whether applicable accounting standards have been followed;
- \* 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.



## AUDITORS' REPORT TO THE MEMBERS OF THE PRESS STANDARDS BOARD OF FINANCE LIMITED

4.

We have audited the financial statements on pages 5 to 9, which have been prepared under the historical cost convention and the accounting policies set out on page 8.

### Respective Responsibilities of Directors and Auditors

As described on page 3, 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 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 mis-statement, 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 as at March 31, 1997, and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

CHARTERED ACCOUNTANTS  
REGISTERED AUDITORS  
KIRKINTILLOCH

May 22, 1997

THE PRESS STANDARDS BOARD OF FINANCE LIMITED  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		£	£
Turnover	2	1,128,655	1,145,804
Charges	3	1,053,500	1,100,000
		<hr/>	<hr/>
		75,155	45,804
Other Operating Charges	5	90,208	70,951
		<hr/>	<hr/>
Operating Deficiency		(15,053)	(25,147)
Interest receivable		15,977	27,078
		<hr/>	<hr/>
Surplus on ordinary activities before taxation		924	1,931
Taxation on ordinary activities	6	222	483
		<hr/>	<hr/>
Surplus on ordinary activities after taxation		702	1,448
Accumulated surplus brought forward		9,864	8,416
		<hr/>	<hr/>
Accumulated surplus carried forward		10,566	9,864
		<hr/>	<hr/>

There were no gains or losses for the year other than those already dealt with in the Profit and Loss Account.



THE PRESS STANDARDS BOARD OF FINANCE LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 1997

	<u>1997</u>	<u>1996</u>
	£	£
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(15,349)	(24,874)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	15,977	27,078
TAXATION		
Corporation tax paid	(483)	(441)
INCREASE IN CASH	<u>145</u> =====	<u>1,763</u> =====

**Reconciliation of operating deficiency to net  
cash outflow from operating activities**

Operating Deficiency	(15,053)	(25,147)
Increase/(Decrease) in creditors	(296)	273
Net cash outflow from operating activities	<u>(15,349)</u> =====	<u>(24,874)</u> =====

**Reconciliation of net cash flow to movement in cash**

Bank balances at 1/4/96	16,252	14,489
Bank balances at 31/3/97	16,397	16,252
Increase in cash	<u>145</u> =====	<u>1,763</u> =====



THE PRESS STANDARDS BOARD OF FINANCE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 1997

1. Accounting Policies

- (a) The accounts have been prepared under the historical cost convention.
- (b) Registration fee income is credited to the Profit and Loss Account in the period in which it is received.

2. Turnover

Turnover is attributable to one continuing activity 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. Directors' Emoluments

The emoluments of the Chairman were £17,500 (1996 - £15,000). Social security contributions amounted £1,785 (1996 - £1,530). No other directors received any emoluments. (1996 - Nil).

5. Other Operating Charges

	<u>1997</u>	<u>1996</u>
	£	£
Other Operating Charges comprise:-		
Directors' emoluments	19,285	16,530
Secretarial and accounting services	60,219	44,403
Travelling	4,968	4,445
Printing and Stationery	2,329	2,368
Telephone and postage	1,341	1,288
General Expenses	656	566
Auditors' Remuneration	1,410	1,351
	<hr/>	<hr/>
	90,208	70,951
	=====	=====

THE PRESS STANDARDS BOARD OF FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31ST MARCH 1997 (cont'd)

6. Tax Arising on Ordinary Activities

Corporation Tax payable at 24% £ 222 (1996 25% - £ 483)

7. Creditors

Amounts falling due within one year	<u>1997</u>	<u>1996</u>
	£	£
Corporation tax	222	483
P.A.Y.E. & Social Security	2,196	1,882
Accrued Charges	3,413	4,023
	<u>5,831</u>	<u>6,388</u>
	=====	=====

8. Transactions with Directors

Secretarial and accounting services (Note 5) are provided by Grahame Thomson & Company, Chartered Accountants, of which Mr A. Grahame Thomson, a Director of PRESSBOF, is the proprietor.