

THOMSON REGIONAL NEWSPAPERS LIMITED
(Registered Number: 06393144)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
for the year ended 31 December 2016

THURSDAY



A6FXRASB

A32

28/09/2017

#372

COMPANIES HOUSE

THOMSON REGIONAL NEWSPAPERS LIMITED

DIRECTORS' REPORT

for the year ended 31 December 2016

The Directors present their report and the financial statements of Thomson Regional Newspapers Limited ('the Company') for the year ended 31 December 2016.

The financial statements are prepared on a going concern basis as the Directors are satisfied that the Company has the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered information relating to present and future conditions, including the fact that the Company has completely transferred its defined benefit pension liability to a third party. Further information relevant to the assessment is provided below.

Principal activities

The Company's primary activity is to act as the sponsor of Thomson Regional Newspapers Pension Fund ("the Scheme"). The Company was acquired by Citigroup Financial Products Inc., a company incorporated in the state of Delaware, United States of America on 8 October 2007. Through the acquisition, Citigroup Inc. assumed the risk and reward that the pension fund incurred.

The Scheme purchased an asset, in the form of bulk insurance policies, from third party insurance providers in 2008 and 2009. The purpose of these policies was to convert the Scheme's liability into individual annuities in each individual member's name, thereby fully insuring the Scheme's liabilities.

From 2010 to 2013 the Company undertook a Scheme data review exercise to properly dimension all scheme liabilities, prior to their transfer to the third party providers.

As at August 2013, the third party insurance provider confirmed that it had completed the issuance of individual annuities thereby discharging all liabilities of the Scheme after which the Scheme could be wound up.

The Scheme was wound up in May 2015 and the Scheme's trustee company, Thomson Regional Newspaper Pension Trust Limited (TRNPT), was placed into liquidation in September 2015 and dissolved on 4 April 2017.

Directors are uncertain, at this time, if the Company will be liquidated within 12 months of the signing date of these financial statements and as such have prepared them on a going concern basis. The Company's parent company is assessing whether the Company is necessary for the parent's ongoing operations and may decide that liquidation is appropriate at some point in the future.

Business review

Profit and loss

The Company made a loss after taxation for the year of £14,000 compared to the loss after tax of £125,000 in the previous year.

The loss in the prior year was mainly related to intercompany charges incurred for ongoing services provided to the Company by other Citigroup entities.

Balance sheet

Total net assets as at 31 December 2016 of the Company amounted to £2,604,000 (2015: £2,618,000).

Due to the completion of the transfer of scheme liabilities to a third party during 2013, the Company's Defined Benefit pension plan no longer has any asset or liability with respect to its legacy defined benefit pension investments or obligations. The Scheme was wound up in May 2015.

The Scheme's trustee company, Thomson Regional Newspaper Pension Trust Limited (TRNPT), was placed into liquidation in September 2015 and dissolved on 4 April 2017. The amounts owed to group undertakings were fully repaid.

THOMSON REGIONAL NEWSPAPERS LIMITED

DIRECTORS' REPORT

for the year ended 31 December 2016

Key financial and non-financial performance indicators

The Company's senior management considers that the financial results indicated above are the key financial performance indicators for the operations of the Company.

Citigroup Inc. manages its operations on a divisional basis and the Company's results are included in the markets and banking results of Citigroup Inc. For that reason, the Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business.

Dividends

No dividend was paid during the year and the Directors do not recommend the payment of a final dividend in respect of the year (2015: £nil).

Directors

The Directors who held office during the year ended 31 December 2016 were:

D S J Minarik

M M Ruhdorfer (appointed 30 September 2016)

S A Katkar (resigned 30 September 2016)

Directors' indemnity

The Directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

Strategic Report

The Financial Reporting Council (FRC) Bulletin 2014/4 (April 2014) highlights that a company is entitled to the small companies exemption in relation to the strategic report for a financial year if it would be so entitled but for being or having been a member of an ineligible group. As such, the Company has elected to exercise this exemption in relation to the preparation of a Strategic Report for this financial year.

THOMSON REGIONAL NEWSPAPERS LIMITED

DIRECTORS' REPORT

for the year ended 31 December 2016

Statement of Directors' responsibilities in respect of the Directors' report and the Financial Statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Political and charitable contributions

There were no charitable donations or any contributions for political purpose made by the Company during the year (2015: £nil).

Principal risks and uncertainties

Following the Scheme liability transfer during 2013 the Company is no longer exposed to any principal risks or uncertainties.

Provision of information to the auditor

In accordance with section 418, Companies Act 2006 and subject to all the provisions of section 418, it is stated by the Directors who held office at the date of approval of this Directors' Report that:

- so far as each is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that he / she ought to have taken as a Director to make himself / herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

THOMSON REGIONAL NEWSPAPERS LIMITED

DIRECTORS' REPORT

for the year ended 31 December 2016

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.



M M Ruhdorfer
Director

22 September 2017

Incorporated in England and Wales

Registered Office: Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB

Registered Number: 06393144

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF THOMSON REGIONAL NEWSPAPERS LIMITED

We have audited the financial statements of Thomson Regional Newspapers Limited ("the Company") for the year ended 31 December 2016, set out on pages 6 to 11. 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 101 *Reduced Disclosure Framework*.

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 auditor 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 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, and express our 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 web-site at www.frc.org.uk/auditscopeukprivate.cfm.

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 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

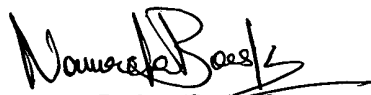
Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' Report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

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.



Namrata Basker (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
London
E14 5GL
22 September 2017

THOMSON REGIONAL NEWSPAPERS LIMITED

INCOME STATEMENT

for the year ended 31 December 2016

	Note	2016 £'000	2015 £'000
Interest expense and similar charges		-	(19)
Net interest expense		-	(19)
Operating expenses	2	(14)	(109)
Foreign exchange gains		-	3
Loss on ordinary activities before taxation		(14)	(125)
Income tax	3	-	-
Loss for the financial year		(14)	(125)

There was no other comprehensive income or losses for 2016 or 2015 other than those included in the Profit and Loss Account.

The accompanying notes on pages 9 to 11 form an integral part of these financial statements.

All the Company's activities relate to continuing operations.

THOMSON REGIONAL NEWSPAPERS LIMITED

BALANCE SHEET

as at 31 December 2016

	Note	2016 £'000	2015 £'000
Current assets			
Cash at bank and in hand		2,723	2,740
		<u>2,723</u>	<u>2,740</u>
Creditors: amount falling due within one year	5	(119)	(122)
		<u>(119)</u>	<u>(122)</u>
Net assets		<u>2,604</u>	<u>2,618</u>
Equity shareholder funds			
Share capital	7	10,000	10,000
Profit and loss account		(7,396)	(7,382)
		<u>(7,396)</u>	<u>(7,382)</u>
Total equity shareholder funds		<u>2,604</u>	<u>2,618</u>

The accompanying notes on pages 9 to 11 form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 September 2017.



M M Ruhdorfer
Director

Registered Number: 06393144

THOMSON REGIONAL NEWSPAPERS LIMITED

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2016

	Share capital	Profit and loss account	Total
	£'000	£'000	£'000
As at 1 January 2015	10,000	(7,257)	2,743
Loss for the year	-	(125)	(125)
As at 1 January 2016	10,000	(7,382)	2,618
Loss for the year	-	(14)	(14)
As at 31 December 2016	10,000	(7,396)	2,604

The accompanying notes on pages 9 to 11 form an integral part of these financial statements.

THOMSON REGIONAL NEWSPAPERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Principal accounting policies

a) Basis of presentation

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The principal accounting policies have been applied consistently throughout the current and preceding year.

The financial statements have been prepared in Pounds Sterling ("£"), which is the presentational and functional currency of the Company.

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) from the beginning of the prior accounting period. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (Adopted IFRSs), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company has taken exemption available under FRS 101 not to disclose all transactions with other group companies and investees of the group qualifying as related parties. It has also taken the exemption available under FRS 101 not to prepare a cash flow statement and the effects of new but not yet effective IFRSs.

The Company's results are included in the consolidated financial statements of Citigroup Inc., the Company's ultimate parent company. Citigroup Inc. makes its financial statements available to the public on an annual basis.

b) Taxation

Corporation tax is provided on taxable profits/losses at the current tax rate.

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their treatment for tax purposes on an undiscounted basis. Deferred tax assets are recognised to the extent that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

c) Pensions

The Company accounts for pension costs in accordance with IAS 19 Employee Benefits.

During 2013 the Company completed the conversion of its scheme liabilities to insurance policies that exactly match the amount and timing of the benefits payable under the scheme. As insurance assets have been purchased to match the total obligation and the funded status of the defined benefits scheme, as at year ended 31 December 2013, the Company no longer has any liability with respect to its legacy defined benefit pension investments or obligations. The Scheme was wound up in May 2015.

THOMSON REGIONAL NEWSPAPERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

2. Operating expenses

Operating expenses is comprised of the following:

	2016 £'000	2015 £'000
Other operating expenses	-	93
	<u>-</u>	<u>93</u>
Fees payable for the audit of the Company's annual accounts	14	16
	<u>14</u>	<u>109</u>

3. Taxation

Factors affecting tax credit for the year:

	2016 £'000	2015* £'000
Current tax:		
Loss before tax	(14)	(125)
	<u>(14)</u>	<u>(125)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 20.25%	(3)	(25)
Effects of:		
Expenses not deductible for tax purposes	-	18
Losses surrendered for nil consideration	3	7
	<u>-</u>	<u>-</u>

The standard rate of Corporation Tax in the UK remained at 20% in 2016 and did not change on 1 April 2016. Finance Act 2016 provides that the corporation tax rate will reduce to 19% from 1 April 2017 and further to 17% from 1 April 2020.

The deferred tax at 31 December 2016 has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

The company has not recognised a deferred tax asset of £169,171 (2015: £179,122) in relation to losses carried forward where the recoverability of potential benefits is not considered likely.

THOMSON REGIONAL NEWSPAPERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

4. Directors' emoluments

None of the Directors received any emoluments for their services to the Company during the current and preceding year. The Directors benefit from qualifying third party indemnity provisions in place during the year and at the date of this report.

5. Creditors

	2016 £'000	2015 £'000
Amounts falling due within one year		
Amounts owed to group undertakings	119	122

6. Pensions

In 2013 the Company completed the conversion of its Scheme liabilities to insurance policies that exactly match the amount and timing of the benefits payable. As insurance assets have been purchased to match the total obligation and the funded status of the defined benefits scheme, as at year ended 31 December 2013 onwards, the Company no longer had any liability with respect to its legacy defined benefit pension investments or obligations. The Scheme was wound up in May 2015.

7. Share capital

	2016 £	2015 £
Authorised, Allotted, called up and fully paid		
1 Golden share of £1	1	1
10,000,001 Ordinary shares of £1 each	10,000,001	10,000,001
	10,000,002	10,000,002

8. Group structure

The Company's immediate parent undertaking is Citigroup Financial Products Inc., registered at 388 Greenwich Street, New York, New York, NY, 10013, United States. The Company's ultimate parent company and ultimate controlling party is Citigroup Inc., registered at 1209 Orange Street, Wilmington, New Castle, DE, 19810, United States of America.

The audited financial statements of the parent are made available to the public annually in accordance with Companies House regulations and may be obtained from its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.

The audited consolidated financial statements of Citigroup Inc. are made available to the public annually in accordance with Securities and Exchange Commission regulations and may be obtained from www.citigroup.com/citi/corporategovernance/ar.htm.