

COMPANIES HOUSE COPY

Claverley Holdings Limited

Report and Financial Statements

Period Ended

27 December 2014

Company Number 08114933

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COMPANIES HOUSE

Claverley Holdings Limited

Report and financial statements for the period ended 27 December 2014

Contents

Page:

1	Strategic report
3	Report of the directors
6	Independent auditor's report
8	Consolidated profit and loss account
9	Consolidated statement of total recognised gains and losses
10	Consolidated balance sheet
12	Company balance sheet
13	Consolidated cash flow statement
14	Notes forming part of the financial statements

Directors

E Alan Graham
P S Meier
G W Evers
P B Woodman
C D Brims
R M Cross
J C Averty
P A Inman
T W Graham
E Alexander Graham

Secretary and registered office

R M Cross, 51-53 Queen Street, Wolverhampton, WV1 1ES

Company number

08114933

Auditors

BDO LLP, 125 Colmore Row, Birmingham, B3 3SD

Claverley Holdings Limited

Strategic report for the period ended 27 December 2014

The directors present their strategic report together with the audited financial statements for the period ended 27 December 2014.

Business review and future developments

The publishing businesses have continued to develop print and digital portfolios to remain the leading local media businesses for readers and advertisers across the West Midlands and Shropshire in the UK and Jersey and Guernsey in the Channel Islands.

The commercial printing business, Precision Colour Printing Limited, has continued to build on its reputation for quality, reliability and service whilst continuing to grow its contractual revenue base.

The computer systems and services business, Press Computer Systems Limited, has continued to develop its portfolio of publishing systems and grow its recurring revenues through major contract wins with leading publishers.

Despite some small signs of improvement in the economic climate, revenue growth is still difficult to achieve with publishing facing the same issues as all regional newspapers, in terms of a decline in circulation and in advertising spend.

With trading conditions forecast to remain challenging, a focus on reducing the unit cost through efficiencies and cost control continues to be of the utmost importance to management to offset the decline in revenues.

Principal risks and uncertainties

The principle risks faced by the group are driven by the economy; both the national economy and the local economy. Changes in public sector spending, the level of unemployment, consumer spending, inflation and interest rates can all have significant impact on the group.

The group manages these risks through a combination of measures. It continually monitors costs and reduces exposure to price fluctuations for key consumables such as paper, newsprint and energy by establishing supply contracts. The group reduces its exposure to interest rate increases by hedging between 50% and 60% of its debt. However, the group primarily reduces risk by providing unrivalled, cost effective services to its customers and continually seeking to enhance its products and services.

Environmental matters

The group takes its environmental responsibilities seriously and recognises that business activities inevitably have an impact on the natural environment. It is committed to minimising this impact and uses recycled newsprint, its largest consumable, wherever possible.

Claverley Holdings Limited

Strategic report for the period ended 27 December 2014 (*continued*)

Key performance indicators

At group level the performance of subsidiaries is monitored on a monthly basis. The key performance indicators include revenue, operating profits and capital expenditure.

	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
Revenue from continuing operations	96,755	97,439
Operating profit before depreciation, amortisation and exceptional items	9,246	8,852
Capital expenditure	1,603	4,193
	<hr/>	<hr/>

On behalf of the board



23/04/15

R M Cross
Director

Claverley Holdings Limited

Report of the directors for the period ended 27 December 2014

The directors present their report together with the audited financial statements for the period ended 27 December 2014.

Strategic report

The review of the business, key performance indicators, future developments and the principal risks and uncertainties are not shown in the directors report as they are shown in the strategic report in accordance with S414C(11) of the Companies Act 2006.

Results and dividends

The profit and loss account is set out on page 8 and shows the loss for the period.

The group turnover for the period declined from £104m in 2013 to £97m in 2014.

Operating profit for the group before exceptional items (£1.2m), depreciation (£6.2m) and amortisation (£1.1m) was £9,246,000 (2013 - £8,852,000).

The loss for the period after taxation and minority interests amounted to £93,000 (2013 - £5,290,000). No dividends have been paid (2013 - £Nil).

The directors do not recommend the payment of a final dividend.

Financial instruments

The group and company is financed by a combination of loans from other group companies and the group's bankers.

The UK operations and the Channel Islands operations are party to separate group banking facilities. These facilities are made available to subsidiaries to meet their day to day working capital requirements.

The UK operations are financed by facilities provided by Lloyds Bank including an overdraft facility of £1.5m (2013 - £1.5m) due for renewal in July 2015. The group also has a term loan facility of £5.6m (2013 - £6.9m) until September 2017.

The UK group also has a 2 year plant & machinery loan agreement which will be fully repaid by June 2015 and a receivables finance agreement with Lloyds Bank Commercial Finance to provide additional working capital facilities of up to £6m, which is due for renewal in July 2015.

To manage interest risk, approximately 50% of the fixed term loan is subject to a fixed to floating LIBOR interest swap taken out with Lloyds Bank in July 2012. The fair value of the interest rate swap at 27 December 2014 was £19k (2013 - £Nil).

Claverley Holdings Limited

Report of the directors for the period ended 27 December 2014 (*continued*)

Financial instruments (*continued*)

The Channel Island operations are financed by facilities provided by HSBC including an overdraft facility of £0.5m (2013 - £0.5m) due for renewal in July 2015. The group also has a term loan facility of £6.4m (2013 - £7.7m) until June 2019.

To manage interest risk, the Channel Island group has a fixed to floating Base Rate interest swap on 60% of its fixed term loan. The fair value of the interest rate swap at 27 December 2014 was £41k (2013 - £19k).

The current economic conditions create uncertainty particularly with regard to the level of demand for products and services and the cost of raw materials. However, the group's forecasts and projections, taking account of changes in trading performance, show that the group should be able to operate within the level of its current facilities.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Research and development

The group continues to invest in research and development. This has resulted in improvements in the products of the IT software solutions business which will benefit the group in the medium to long term. Costs in respect of the new products that meet the criteria have been capitalised in the balance sheet.

Employment of disabled persons

The group supports the principle of employing disabled people wherever possible, through recruitment, by retention of those who become disabled during their employment and generally through training, career development and promotion.

Employee participation

The directors recognise the importance of good communications and relations with members of staff. Group newspapers are produced quarterly and methods of consultation are under constant review. The group is proud of its employment policies and of the guidance it gives to those approaching retirement. The group has a defined contribution pension scheme in place for all its employees.

Mr M.G.D Graham

It was with deep regret that the Board recorded the death on 21st March 2015, at the age of 85, of our Group Chairman, Mr. Malcolm Gray Douglas Graham.

Mr. Graham who took a keen interest in company affairs last attended a meeting of this Board on 12th February 2015.

Directors

The directors of the company during the period were:

M G D Graham (deceased 21 March 2015)
E Alan Graham
P S Meier
G W Evers
P B Woodman
C D Brims
R M Cross
J C Averty
P A Inman
T W Graham
E Alexander Graham

Claverley Holdings Limited

Report of the directors for the period ended 27 December 2014 (*continued*)

Directors' responsibilities

The directors are responsible for preparing the strategic report, 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 group and company 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 group and company and of the profit or loss of the group 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

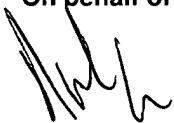
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the board



23/04/15

R M Cross
Director

Claverley Holdings Limited

Independent auditor's report

To the members of Claverley Holdings Limited

We have audited the financial statements of Claverley Holdings Limited for the 52 week period ended 27 December 2014 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement, the consolidated statement of total recognised gains and losses 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 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 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 auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 27 December 2014 and of the group's loss for the period 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 strategic report and directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Claverley Holdings Limited

Independent auditor's report (*continued*)

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



*Stephen Hale (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham
United Kingdom*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



Claverley Holdings Limited

Consolidated profit and loss account for the period ended 27 December 2014

		52 week period ended 27 December 2014 £'000	52 week period ended 27 December 2014 £'000	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000	52 week period ended 28 December 2013 £'000	52 week period ended 28 December 2013 £'000
	Note	Before exceptional items, depreciation, amortisation and impairment	Exceptional items, depreciation, amortisation and impairment	Total	Before exceptional items, depreciation, amortisation and impairment	Exceptional items, depreciation, amortisation and impairment	Total
Turnover							
Continuing operations		96,755		96,755	97,439		97,439
Discontinued operations		-		-	6,346		6,346
Net operating expenses	2	96,755		96,755	103,785		103,785
Other operating income	3	87,602 (93)	8,504 -	96,106 (93)	94,933 -	8,534 -	103,467 -
Group operating profit/(loss)	4	9,246	(8,504)	742	8,852	(8,534)	318
Continuing operations				742			485
Discontinued operations				-			(167)
Profit on disposal of operation		-	-	-	29	-	29
Profit/(loss) on ordinary activities before interest and other income		9,246	(8,504)	742	8,881	(8,534)	347
Interest receivable and similar income	7			974			216
Interest payable and similar charges	8			(852)			(1,868)
Other finance charges	9			(1,490)			(2,310)
Loss on ordinary activities before taxation				(626)			(3,615)
Taxation on loss on ordinary activities	10			509			(1,695)
Loss on ordinary activities after taxation				(117)			(5,310)
Minority interest				24			20
Loss for the financial period	22			(93)			(5,290)

The notes on pages 14 to 41 form part of these financial statements.

Claverley Holdings Limited

Consolidated statement of total recognised gains and losses for the period ended 27 December 2014

		52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
	Note		
Consolidated statement of total recognised gains and losses			
Loss for the financial period		(93)	(5,290)
Actuarial profit/(loss) on pension scheme	20	2,890	(6,171)
Taxation in respect of profit/(loss) on pension scheme		(920)	397
		<hr/>	<hr/>
Total recognised gains and losses for the financial period		1,877	(11,064)
		<hr/>	<hr/>

The notes on pages 14 to 41 form part of these financial statements.

Claverley Holdings Limited

Consolidated balance sheet at 27 December 2014

Company number 08114933

	Note	27 December 2014 £'000	27 December 2014 £'000	28 December 2013 £'000	28 December 2013 £'000
Fixed assets					
Intangible assets	12		26,167		27,145
Tangible assets	13		47,293		51,888
			<u>73,460</u>		<u>79,033</u>
Current assets					
Stocks	15	2,898		2,568	
Debtors	16	19,255		18,298	
Cash at bank and in hand		4,078		6,024	
		<u>26,231</u>		<u>26,890</u>	
Creditors: amounts falling due within one year	17	26,553		28,994	
		<u></u>		<u></u>	
Net current liabilities			(322)		(2,104)
			<u></u>		<u></u>
Total assets less current liabilities			73,138		76,929
Creditors: amounts falling due after more than one year	18	10,263		12,760	
Provisions for liabilities	19	1,561		1,652	
		<u></u>		<u></u>	
			11,824		14,412
			<u></u>		<u></u>
Net assets excluding pension scheme liabilities			61,314		62,517
Pension scheme liabilities	20		(30,668)		(33,684)
			<u></u>		<u></u>
Net assets including pension scheme liabilities			30,646		28,833
			<u></u>		<u></u>

The notes on pages 14 to 41 form part of these financial statements.

Claverley Holdings Limited

Consolidated balance sheet at 27 December 2014 (*continued*)

	Note	27 December 2014 £'000	27 December 2014 £'000	28 December 2013 £'000	28 December 2013 £'000
Capital and reserves					
Called up share capital	21		945		945
Profit and loss account	22		29,422		27,545
Shareholders' funds	23		30,367		28,490
Minority interests			279		343
			30,646		28,833

The financial statements were approved by the board of directors and authorised for issue on

23/04/15

G W Evers
Director

The notes on pages 14 to 41 form part of these financial statements.

Claverley Holdings Limited

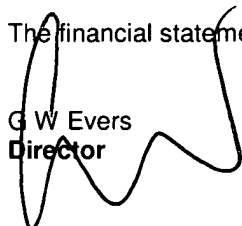
Company balance sheet at 27 December 2014

Company number 08114933

	Note	27 December 2014 £'000	28 December 2013 £'000
Fixed assets			
Fixed asset investments	14	31,200	31,200
Creditors: amounts falling due within one year	17	33	21
		<u> </u>	<u> </u>
Total assets less current liabilities		31,167	31,179
Creditors: amounts falling due after more than one year	18	32,572	31,642
		<u> </u>	<u> </u>
		(1,405)	(463)
		<u> </u>	<u> </u>
Capital and reserves			
Called up share capital	21	945	945
Profit and loss account	22	(2,350)	(1,408)
		<u> </u>	<u> </u>
Shareholders' deficit	23	(1,405)	(463)
		<u> </u>	<u> </u>

The financial statements were approved by the board of directors and authorised for issue on 23 April 2015

G W Evers
Director



The notes on pages 14 to 41 form part of these financial statements.

Claverley Holdings Limited

Consolidated cashflow statement for the period ended 27 December 2014

		52 week period ended 27 December 2014 £'000	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000	52 week period ended 28 December 2013 £'000
	Note				
Net cash inflow from operating activities	27		3,481		7,109
Returns on investments and servicing of finance					
Interest received		70		54	
Interest paid: bank loans		(668)		(865)	
Dividends received		904		162	
Net cash inflow/(outflow) from returns on investments and servicing of finance			306		(649)
Taxation					
Corporation tax paid			(22)		(21)
Capital expenditure and financial investment					
Payments to acquire intangible fixed assets		(165)		-	
Payments to acquire tangible fixed assets		(1,603)		(4,193)	
Receipts from sale of tangible fixed assets		327		494	
Net cash outflow from capital expenditure and financial investment			(1,441)		(3,699)
Acquisitions and disposals					
Sale of business operations		-		853	
Purchase of shares from minority interests		(40)		(40)	
Cash disposed of with business operation		-		(215)	
Net cash (outflow)/inflow from acquisitions and disposals			(40)		598
Cash inflow before use of financing			2,284		3,338
Financing					
New bank loans		-		685	
Bank loans repaid		(2,894)		(3,108)	
Capital element of finance leases repaid		-		(10)	
Net cash outflow from financing			(2,894)		(2,433)
(Decrease)/increase in cash	28		(610)		905

The notes on pages 14 to 41 form part of these financial statements.

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014

1 Accounting policies

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

The following principal accounting policies have been applied:

Fundamental accounting concept

The financial statements have been prepared on the going concern basis. As detailed in the Strategic Report on page 1 the Directors have considered the principal risks and uncertainties that apply to the business and believe that it is appropriate to continue to prepare the accounts on this basis.

Basis of consolidation

The group prepares its accounts on the historical cost basis of accounting, modified to include the revaluation of certain assets, in accordance with applicable accounting standards in the United Kingdom. They incorporate the results of the company and its subsidiary undertakings for the 52 weeks ended 27 December 2014 (2013 - 52 weeks ended 28 December 2013) using the acquisition method. In accordance with the concession under Section 408 of the Companies Act 2006, the profit and loss account of the holding company is not separately presented in these accounts.

Turnover

Revenue represents sales to external customers at invoiced amounts less value added tax. The following criteria must be met before revenue is recognised.

Publishing and printing - Advertising and circulation

Revenue is recognised upon publication and circulation revenue is recognised upon delivery.

Publishing and printing - Commercial printing

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales. Revenue is recognised upon dispatch of goods and where goods are dispatched in multiple batches, if the batches delivered represent 50% or more of the total delivery, revenue is recognised in proportion to the goods dispatched.

Technology

Revenue from the sales of third party licences are recognised upon delivery to a customer when there are no significant vendor obligations remaining and the collection of the resulting receivable is considered probable. In circumstances where a considerable vendor obligation exists, revenue recognition is delayed until the obligation has been satisfied.

Income from internally generated software is recognised over the period of the contract. Maintenance and support contracts are recognised rateably over the period of the contract. Where multiple element contracts are entered into and the constituent parts do not stand alone, all revenues are spread over the period of the contract and recognised according to the stage of completion and right to consideration, with attributable profit recognised where the outcome of the contract can be assessed with reasonable certainty. Where the constituent parts do stand alone then the contract is unbundled by attributing a fair value to each element and discounting each element where necessary.

Other professional services, such as training and consultancy, are recognised, when the services are performed.

Interest income

Interest income is recognised as interest accrues using the effective interest method.

Dividend income

Dividend income is recognised when the group's right to receive payment is established.

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014 (*continued*)

1 Accounting policies (*continued*)

Goodwill

Positive goodwill arising on acquisitions is capitalised at cost, being the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life, up to a presumed maximum of 20 years. It is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible fixed assets

Intangible fixed assets acquired separately from a business are capitalised at cost. Intangible fixed assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition, subject to the constraint that, unless the asset has a readily ascertainable market value, the fair value is limited to an amount that does not create or increase any negative goodwill arising on the acquisition. Intangible fixed assets created within the business are not capitalised unless they meet the criteria of development costs and expenditure is charged against profits in the period in which it is incurred.

Intangible fixed assets are amortised on a straight line basis over their estimated useful lives up to a maximum of 20 years. The carrying value of intangible fixed assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Development costs

Development costs are charged to the profit and loss account in the year of expenditure, unless individual projects satisfy all of the following criteria:

- the project is clearly defined and related expenditure is separately identifiable
- the project is technically feasible and commercially viable
- current and future costs are expected to be exceeded by future sales; and
- adequate resources exist for the project to be completed.

In such circumstances the costs are carried forward and amortised from the year the company starts to benefit from the expenditure over the useful economic life of the project.

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014 (*continued*)

1 Accounting policies (*continued*)

Tangible fixed assets

Land and buildings are included at either cost or professional valuation. Certain of the group's freehold and leasehold properties in the UK were valued on the basis of open market value for existing use at 1 August 1988. On adoption of FRS15, the group followed the transitional provisions to retain the book value of land and buildings which were revalued in 1988, but not to adopt a policy of revaluation in the future. All other tangible assets are included at cost. The annual depreciation charge is calculated on cost at annual rates to write off the acquisition cost of tangible assets over their working lives as follows:

Freehold buildings	- 2%
Leasehold buildings	- 2% or the period of the lease if shorter
Plant and machinery	- 5% - 33%
Motor vehicles	- 20%
Fittings and equipment	- 7.5% - 33%
Data processing systems	- 20% - 33.3%

Assets in the course of construction are not depreciated until they are completed.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that the directors consider 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.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Stocks

Stocks of raw materials, consumables and goods for resale are valued at the lower of cost and estimated net realisable value. Cost comprises the invoiced price of all supplies on a 'first-in, first-out' basis. Work-in-progress is valued at the lower of direct cost (including appropriate overheads) and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014 (*continued*)

1 Accounting policies (*continued*)

Pension costs

The service cost of providing retirement benefits to employees during the period is charged to the operating profit or loss in the period. The full cost of providing amendments to benefits in respect of past service and gains and losses arising on unanticipated settlements or curtailments are also charged to the operating profit or loss in the period. The expected return on the assets of the schemes during the period are based on the market value of the schemes' assets at the start of the period and expected increase in liabilities of the schemes. Differences between actual and expected returns on assets during the period are recognised in the statement of recognised gains and losses in the period together with differences arising from changes in assumptions. The deficit on the defined benefit pension schemes is reported on the group's balance sheet as pension liabilities, net of deferred taxation.

It is not possible to identify the company's share of the underlying assets in the schemes on a consistent and reasonable basis and therefore in accordance with FRS 17 multi-employer exemption the scheme is accounted for in the entity accounts of the company as if it were a defined contribution scheme.

For the defined contribution scheme, the amount charged to the profit and loss account in respect of pension costs is the contribution payable in the period. Differences between contributions payable in the period and contributions actually paid are shown either as accruals or prepayments in the balance sheet.

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Investments

Investments are held at cost. Provision is made for impairment of these investments where required.

Financial liability and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Onerous leases

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the lease.

Dilapidations provision

The provision is based on directors estimates of costs that will be incurred in the future to restore leasehold properties to their original condition at the end of their lease term.

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

2 Turnover

	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
Analysis by class of business:		
Publishing and printing	95,422	96,286
Technology	1,333	7,499
	<u>96,755</u>	<u>103,785</u>
Analysis by geographical market:		
United Kingdom	73,530	73,702
Europe	23,181	29,870
Rest of the world	44	213
	<u>96,755</u>	<u>103,785</u>

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

3 Net operating expenses

	Continuing 52 week period ended 27 December 2014 £'000	Discontinued 52 week period ended 27 December 2014 £'000	Total 52 week period ended 27 December 2014 £'000	Continuing 52 week period ended 28 December 2013 £'000	Discontinued 52 week period ended 28 December 2013 £'000	Total 52 week period ended 28 December 2013 £'000
Changes in stocks of work in progress and goods for resale	-	-	-	316	-	316
Purchase of goods for resale	4,178	-	4,178	4,213	2,144	6,357
Staff costs	38,906	-	38,906	40,150	2,143	42,293
Raw materials and consumables	28,342	-	28,342	26,936	-	26,936
Other operating charges	16,176	-	16,176	17,124	1,907	19,031
Depreciation of tangible fixed assets	6,189	-	6,189	6,437	319	6,756
Amortisation of intangible fixed assets	1,143	-	1,143	1,136	-	1,136
Exceptional items	1,172	-	1,172	642	-	642
	<u>96,106</u>	<u>-</u>	<u>96,106</u>	<u>96,954</u>	<u>6,513</u>	<u>103,467</u>

Included within net operating expenses are net exceptional costs of £1,172,000 (2013 - £642,000). This relates to severance payments of £1.2m (2013 - £0.5m) and costs in relation to the withdrawal of the employee car fuel benefit scheme of £Nil (2013 - £0.1m).

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 *(continued)*

4 Operating profit/(loss)

	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
This is arrived at after charging/(crediting):		
Hire of plant and machinery - operating leases	1,189	1,147
Hire of other assets - operating leases	328	390
Auditor's remuneration:		
Company and group's annual accounts	11	10
- auditing of accounts of subsidiary undertakings	124	140
- taxation services	59	57
- other services	109	75
Defined contribution pension cost	2,289	2,372
Defined benefit pension cost (see below)	330	410
Profit on disposal of tangible fixed assets	(318)	(11)
	<u> </u>	<u> </u>
 Current service cost	 330	 410
	<u> </u>	<u> </u>

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

5 Employees

Staff costs (including directors) consist of:

	Group 52 week period ended 27 December 2014 £'000	Group 52 week period ended 28 December 2013 £'000
Wages and salaries	33,323	36,212
Social security costs	2,964	3,299
Other pension costs	2,619	2,782
	<u>38,906</u>	<u>42,293</u>

The average number of full time equivalent employees (including directors) during the period was as follows:

	Group 52 week period ended 27 December 2014 Number	Group 52 week period ended 28 December 2013 Number
Publishing and printing	982	1,133
Technology	46	63
Administration	15	18
	<u>1,043</u>	<u>1,214</u>

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

6 Directors' remuneration

	52 week period ended 27 December 2014 £	52 week period ended 28 December 2013 £
Directors' emoluments	1,156,567	1,074,176
Company contributions to defined contribution pension schemes	45,000	43,740
	<u>1,201,567</u>	<u>1,117,916</u>

There were no directors in the group's defined benefit pension scheme (2013 - Nil). There were 2 directors in the group's defined contribution pension scheme (2013 - 2) during the period. Contributions were paid to an external pension scheme during the period on behalf of 1 director (2013 - 1).

The total amount payable to the highest paid director in respect of emoluments was £444,410 (2013 - £258,606). Company pension contributions of £Nil (2013 - £26,100) were made to a defined contribution scheme on their behalf.

7 Interest receivable and similar income

	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
Bank deposits	70	54
Dividends from unlisted investments	904	162
	<u>974</u>	<u>216</u>

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

8 Interest payable and similar charges

	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
Bank overdraft	82	121
Bank loan interest	586	739
Other interest	100	924
Amortisation of loan arrangement fee	84	84
	<u>852</u>	<u>1,868</u>

9 Other finance charges

	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
Expected return on pension scheme assets	(10,740)	(9,800)
Interest on pension scheme liabilities	12,230	12,110
	<u>1,490</u>	<u>2,310</u>

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

10 Taxation on loss on ordinary activities

	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
<i>UK Corporation tax - adjustments in respect of previous periods</i>		
Corporation tax and group relief	-	2,524
<i>Foreign tax</i>		
Current tax on foreign income for the period	28	15
	<hr/>	<hr/>
Total current tax	28	2,539
	<hr/>	<hr/>
<i>Deferred tax - adjustments in respect of previous periods</i>		
Movement on capital allowances and depreciation	18	(264)
<i>Deferred tax - adjustments in respect of current year</i>		
Short term timing differences	(17)	36
Depreciation in advance of capital allowances	(538)	(785)
Effect of changes in tax rate	-	169
	<hr/>	<hr/>
Movement in deferred tax provision	(537)	(844)
	<hr/>	<hr/>
Taxation on loss on ordinary activities	(509)	1,695
	<hr/>	<hr/>

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014 (*continued*)

10 Taxation on loss on ordinary activities (*continued*)

The tax assessed for the period is different to the standard rate of corporation tax in the UK applied to loss before tax. The differences are explained below:

	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
Loss on ordinary activities before tax	(626)	(3,615)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 21% (2013: 23%)	(131)	(831)
Effect of:		
Expenses not deductible for tax purposes	97	382
Losses utilised	(20)	-
Depreciation in excess of capital allowances	565	903
Short term timing differences	18	(42)
Difference between UK and overseas tax rates	(245)	(350)
Adjustments to tax charge in respect of previous years	-	2,523
Exempt income not chargeable to tax	(256)	(37)
Losses carried forward	-	(9)
Current tax charge for the period	28	2,539

Factors that may affect future tax charges

The Finance Act 2013 reduced the corporation tax rate to 20% to apply from 1 April 2015.

This announcement reduces the company's future current tax charge accordingly.

11 Profit for the financial year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The group loss for the period includes a loss after tax of £942,000 (2013 - £942,000) which is dealt with in the financial statements of the parent company.

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

12 Intangible fixed assets

Group

	Development costs £'000	Goodwill £'000	Mastheads £'000	Total £'000
<i>Cost</i>				
At 29 December 2013	1,751	814	51,327	53,892
Additions	165	-	-	165
	<hr/>	<hr/>	<hr/>	<hr/>
At 27 December 2014	1,916	814	51,327	54,057
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Amortisation</i>				
At 29 December 2013	466	814	25,467	26,747
Provided for the period	175	-	968	1,143
	<hr/>	<hr/>	<hr/>	<hr/>
At 27 December 2014	641	814	26,435	27,890
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 27 December 2014	1,275	-	24,892	26,167
	<hr/>	<hr/>	<hr/>	<hr/>
At 28 December 2013	1,285	-	25,860	27,145
	<hr/>	<hr/>	<hr/>	<hr/>

Mastheads are being amortised evenly over their useful economic lives of 20 years.

Goodwill is being amortised evenly over its useful economic life of up to 20 years.

Development costs are amortised over the useful economic life of the project.

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

13 Tangible fixed assets

Group

	Land and buildings £'000	Plant and machinery £'000	Fixtures and fittings £'000	Total £'000
<i>Cost or valuation</i>				
At 29 December 2013	44,597	104,783	6,757	156,137
Additions	14	1,291	298	1,603
Disposals	(15)	(2,701)	(22)	(2,738)
	<hr/>	<hr/>	<hr/>	<hr/>
At 27 December 2014	44,596	103,373	7,033	155,002
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 29 December 2013	17,777	80,604	5,868	104,249
Provided for the period	532	5,397	260	6,189
Disposals	(11)	(2,696)	(22)	(2,729)
	<hr/>	<hr/>	<hr/>	<hr/>
At 27 December 2014	18,298	83,305	6,106	107,709
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 27 December 2014	26,298	20,068	927	47,293
	<hr/>	<hr/>	<hr/>	<hr/>
At 28 December 2013	26,820	24,179	889	51,888
	<hr/>	<hr/>	<hr/>	<hr/>

The net book value of land and buildings may be further analysed as follows:

	Group 27 December 2014 £'000	Group 28 December 2013 £'000
Long leasehold	6	12
Short leasehold	24	29
Freehold	26,268	26,779
	<hr/>	<hr/>
	26,298	26,820
	<hr/>	<hr/>

The aggregate amount of capital expenditure for the Group authorised and contracted for by the Directors at 27 December 2014 was £603,000 (2013 - £398,000). There were no capital commitments for the company at the end of the current or prior period.

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

14 Fixed asset investments

Company

	Group undertakings £'000
<i>Cost</i>	
At 29 December 2013 and 27 December 2014	31,200

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the company's interest at the period end is 20% or more are as follows:

	Proportion of voting rights and ordinary share capital held	Nature of business
<i>Subsidiary undertakings</i>		
Guiton Group Limited	100%	Holding company
Claverley Company Limited	100%	Holding company
Claverley Group Limited*	100%	Holding company
Press Computer Systems Limited*	100%	Marketing of computer systems
Precision Colour Printing Limited*	100%	Commercial printers
Roughton Insurances Limited*	100%	Insurance
Nurton Holdings Limited*	100%	Holding company
Jersey Evening Post Limited*	100%	Newspaper publishers
CI Newsagents Limited*	100%	Retail
Guernsey Press Company Limited*	100%	Newspaper publishers
The Midland News Association Limited*	99.3%	Holding company
Express and Star Limited*	99.3%	Newspaper publishers
Shropshire Newspapers Limited*	99.3%	Newspaper publishers
MNA Leasing Limited*	99.3%	Dormant
MNA Properties Limited *	99.3%	Property management
MNAIP Limited*	99.3%	Intellectual property management

* Indirectly held

Guiton Group Limited, Roughton Insurances Limited, Jersey Evening Post Limited, CI Newsagent Limited and Guernsey Press Company Limited are registered in Guernsey and Jersey. All other companies in the group are registered in England and Wales.

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

15 Stocks

	Group 27 December 2014 £'000	Group 28 December 2013 £'000	Company 27 December 2014 £'000	Company 28 December 2013 £'000
Raw materials and consumables	1,951	1,621	-	-
Work in progress	828	812	-	-
Goods for resale	119	135	-	-
	<u>2,898</u>	<u>2,568</u>	<u>-</u>	<u>-</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

16 Debtors

	Group 27 December 2014 £'000	Group 28 December 2013 £'000	Company 27 December 2014 £'000	Company 28 December 2013 £'000
Trade debtors	13,283	12,300	-	-
Prepayments and accrued income	2,379	2,243	-	-
Other debtors	1,267	1,981	-	-
Deferred taxation	2,326	1,774	-	-
	<u>19,255</u>	<u>18,298</u>	<u>-</u>	<u>-</u>

All amounts shown under debtors fall due for payment within one year except for deferred tax which is expected to unwind after more than one year.

	Group Deferred taxation £'000	Company Deferred taxation £'000
At 29 December 2013	1,774	-
Credited to profit and loss account	552	-
	<u>2,326</u>	<u>-</u>
At 27 December 2014	<u>2,326</u>	<u>-</u>

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

16 Debtors (*continued*)

Deferred taxation

	Group 27 December 2014 £'000	Group 28 December 2013 £'000
The amount of deferred tax provided for is as follows:		
Accelerated capital allowances	2,178	1,661
Sundry timing differences	148	113
	<u>2,326</u>	<u>1,774</u>

17 Creditors: amounts falling due within one year

	Group 27 December 2014 £'000	Group 28 December 2013 £'000	Company 27 December 2014 £'000	Company 28 December 2013 £'000
Bank overdrafts and loans (secured see note 18)	4,642	6,349	-	-
Trade creditors	8,054	7,325	-	-
Amounts owed to group undertakings	-	-	24	12
Corporation tax	5,340	5,449	-	-
Other taxation and social security	826	1,671	-	-
Other creditors	1,688	2,131	-	-
Accruals and deferred income	6,003	6,069	9	9
	<u>26,553</u>	<u>28,994</u>	<u>33</u>	<u>21</u>

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

18 Creditors: amounts falling due after more than one year

	Group 27 December 2014 £'000	Group 28 December 2013 £'000	Company 27 December 2014 £'000	Company 28 December 2013 £'000
Bank loans (secured see below)	9,281	11,648	-	-
Amounts owed to group undertakings	-	-	31,717	30,787
Other creditors	127	257	-	-
9.21% preference shares	855	855	855	855
	<u>10,263</u>	<u>12,760</u>	<u>32,572</u>	<u>31,642</u>

Maturity of debt:

	Loans and overdrafts 27 December 2014 £'000	Loans and overdrafts 28 December 2013 £'000
In one year or less, or on demand	<u>4,642</u>	<u>6,349</u>
In more than one year but not more than two years	3,879	4,459
In more than two years but not more than five years	<u>5,402</u>	<u>7,189</u>
	<u>9,281</u>	<u>11,648</u>

The bank loan and overdrafts with Lloyds TSB and HSBC are secured by a fixed and floating charge over the assets of the group.

The maximum dividend payable on preference shares is 9.21% of the nominal value of the shares and a maximum of 150p per share is payable on the winding up of the company. The company has 900,000 95p preference shares, authorised and in issue.

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

19 Provisions for liabilities

Group

	Dilapidation provision £'000	Onerous lease provision £'000	Total £'000
At 29 December 2013	338	1,314	1,652
Utilised in period	-	(91)	(91)
	<hr/>	<hr/>	<hr/>
At 27 December 2014	338	1,223	1,561
	<hr/>	<hr/>	<hr/>

The dilapidations provision is expected to be utilised in 2-5 years, but this may vary dependent on lease renewals.

The onerous lease provision is expected to be utilised by 2023.

There is an unrecognised deferred tax asset for the group of £0.3m (2013 - £0.3m) in respect of trading and non-trading losses.

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014 (continued)

20 Pensions

The group provides pensions for its current and past employees through various pension schemes.

Defined Contribution Schemes

The Claverley Holdings Group operates various defined contribution pension schemes for employees. The total pension cost for the period amounted to £2,289,000 (2013: £2,372,000) which represents contributions payable to the fund.

Defined benefit schemes

The Claverley Holdings Group operates three pension schemes (A, C & D). The three schemes provide benefits based on either final pensionable pay or defined contributions for employees of this and certain other group companies. The assets of schemes A and D are held in separate trustee administered funds whilst the assets of scheme C are held under contract with an insurer.

The schemes are subject to independent valuation at least every three years, on the basis of which the rates of the employers' contributions are determined, which, together with the specified contributions payable by the employees and proceeds from the schemes' assets, are sufficient to fund the benefits payable under the schemes. Employers' contributions in respect of all schemes have been paid throughout the period.

The company has closed Scheme A to future accruals and therefore expects to make reduced contributions in the future.

Details of the most recent formal valuations of the Schemes are as follows:

	Scheme A	Scheme C	Scheme D
Valuation date	05.04.14	24.12.13	01.01.14
Actuarial method	Projected Unit	Attained Age	Projected Unit
Market value of assets	£230.2m	£24.3m	£12.5m
Funding level	93.1%	92%	80%

The major FRS17 assumptions used by the qualified independent actuaries are:

	27.12.14 % p.a.	28.12.13 % p.a.	29.12.12 % p.a.
Claverley Schemes (A)			
Price Inflation	2.85	3.30	3.00
Rate of increase of salaries - employees	N/A	N/A	N/A
Rate of increase of salaries - executives	N/A	N/A	N/A
Rate of increase in pensions	1.65 - 2.75	1.85 - 3.10	2.00 - 3.00
Rate of increase in deferred pensions	1.75 - 2.20	2.05 - 2.20	2.00 - 3.00
Discount rate	3.60	4.55	4.50
Guiton Schemes (C&D)			
Price Inflation	3.35	4.10	4.20
Rate of increase of salaries - employees	3.00 - 4.10	3.00 - 4.10	5.20
Rate of increase of salaries - executives	3.00 - 4.10	3.00 - 4.10	5.20
Rate of increase in pensions	1.65 - 2.75	2.50 - 3.00	2.50 - 3.00
Rate of increase in deferred pensions	1.75 - 2.20	0.00 - 3.00	0.00 - 3.00
Discount rate	3.60	4.40	5.70

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

20 Pensions (*continued*)

	27 December 2014 £m	28 December 2013 £m
<i>Reconciliation of present value of plan liabilities</i>		
At the beginning of the period	(275.3)	(274.3)
Current service cost	(0.3)	(0.4)
Interest cost	(12.2)	(12.1)
Contributions by participants	(0.2)	(0.3)
Actuarial (losses)/gains	(19.4)	0.9
Benefits paid	10.6	10.9
	<hr/>	<hr/>
At the end of the period	(296.8)	(275.3)
	<hr/>	<hr/>
	27 December 2014 £m	28 December 2013 £m
<i>Composition of plan liabilities</i>		
Schemes wholly or partly funded	296.8	275.3
	<hr/>	<hr/>
	27 December 2014 £m	28 December 2013 £m
<i>Reconciliation of fair value of plan assets</i>		
At the beginning of the period	235.4	240.7
Expected rate of return on plan assets	10.7	9.8
Actuarial gains/(losses)	22.3	(7.0)
Contributions by group	2.8	2.5
Contributions by participants	0.2	0.3
Benefits paid	(10.6)	(10.9)
	<hr/>	<hr/>
At the end of the period	260.8	235.4
	<hr/>	<hr/>

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

20 Pensions (*continued*)

	27 December 2014 £m	28 December 2013 £m
<i>Reconciliation to balance sheet</i>		
Present value of funded obligations	(296.8)	(275.3)
Fair value of plan assets	260.8	235.4
	<hr/>	<hr/>
Plan deficit	(36.0)	(39.9)
Related deferred tax asset	5.3	6.3
	<hr/>	<hr/>
Net liability	(30.7)	(33.6)
	<hr/>	<hr/>
	52 week period ended 27 December 2014 £m	52 week period ended 28 December 2013 £m
<i>The amounts recognised in profit and loss are as follows:</i>		
Current service cost	0.3	0.4
<i>Included in other finance (income)/expense:</i>		
Interest cost	12.2	12.1
Expected return of plan assets	(10.7)	(9.8)
	<hr/>	<hr/>
	1.8	2.7
	<hr/>	<hr/>
	52 week period ended 27 December 2014 £m	52 week period ended 28 December 2013 £m
<i>Analysis of amount recognised in statement of total recognised gains and losses</i>		
Actual return less expected return on pension plan assets	22.3	(7.0)
Experience gains and losses arising on the scheme liabilities	3.6	(1.3)
Changes in assumptions underlying the present value of the scheme liabilities	(23.0)	2.1
	<hr/>	<hr/>
Actuarial gains/(losses) recognised in the statement of total recognised gains and losses	2.9	(6.2)
	<hr/>	<hr/>

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014 (*continued*)

20 Pensions (*continued*)

	52 week period ended 27 December 2014 £m	52 week period ended 28 December 2013 £m
<i>Cumulative amount of gains/(losses) recognised in the statement of total recognised gains and losses</i>	(42.5)	(44.5)
	<u> </u>	<u> </u>
	27 December 2014 £m	28 December 2013 £m
<i>Composition of plan assets</i>		
European equities	23.2	23.6
European bonds and gilts	195.9	168.5
Property	6.2	7.6
Cash and other	35.5	35.7
	<u> </u>	<u> </u>
Total plan assets	260.8	235.4
	<u> </u>	<u> </u>

Narrative description of the basis used to determine the overall expected rate of return of assets

The rate of return on each asset class has been determined as follows:

Equities

A nominal rate of 6.85% p.a. based upon historical returns of similar equities.

Bonds

The group have based their bond return assumption on bond yields at 27 December 2014. The government bond yields have been derived using the returns on fixed interest and index-linked bond (>15 year) terms, the corporate bond yield has been based on iBoxx AA corporate bond yields (>15 years).

Property

The rate adopted is mid-way between that assumed for equities and corporate bonds.

Other assets

Based on long term annuity rates.

	27 December 2014 £m	28 December 2013 £m
<i>Actual return on plan assets</i>	33.0	2.8
	<u> </u>	<u> </u>

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014 (*continued*)

20 Pensions (*continued*)

	27 December 2014 %	28 December 2013 %
<i>Principle actuarial assumptions used at the balance sheet date</i>		
Expected rates of return on plan assets		
European equities	N/A	8.00
European bonds and gilts	N/A	3.83
Property	N/A	5.65
Cash and other	N/A	4.95

In future periods FRS102 will be applied, under which expected return on assets will be the same as the discount rate applied to the scheme liabilities.

	27 December 2014	28 December 2013	31 December 2011	1 January 2011	2 January 2010
<i>Five year history</i>					
Asset (gain)/loss during the period					
- amount (£m)	(22.26)	7.02	(6.06)	(2.54)	(10.36)
- % of scheme assets	(8.50%)	2.98%	(2.52%)	(1.09%)	(4.58%)
Liability (gain)/loss during the period					
- amount (£m)	19.36	1.28	1.90	(23.66)	(1.47)
- % of the present value of scheme liabilities	6.50%	(0.46%)	(0.69%)	(9.29%)	(0.54%)
Total actuarial gain/(loss)					
- amount (£m)	2.90	(6.17)	(12.04)	(27.16)	(0.22)
- % of the present value of scheme liabilities	1.00%	(2.24%)	(4.39%)	(10.7%)	(0.08%)
Schemes' surplus/deficit					
- Actuarial value of scheme's liabilities (£m)	(296.81)	(275.42)	(274.30)	(254.70)	(270.58)
Fair value of the plan assets	260.83	235.49	240.70	233.00	226.07
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Deficit on the pension plans	(35.98)	(39.93)	(33.60)	(21.70)	(44.51)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The group's best estimate of the contributions expected to be paid in the period beginning on 28 December 2014 is £2.06m.

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014 (*continued*)

21 Share capital

	27 December 2014 £'000	28 December 2013 £'000
<i>Allotted, called up and fully paid</i>		
900,000 Ordinary shares of £1 each	900	900
900,000 Voting shares of 5p each	45	45
	<u>945</u>	<u>945</u>

The Ordinary shares have no voting rights, but have unlimited right to declared dividends and other distributions.

The Voting shares have no right to any distribution other than a maximum of 5p per share on the winding up of the company, after the payment of the maximum amount to the preference shareholders as indicated above and £10,000 per share to the ordinary shareholder. The company has in issue 900,000 5p voting shares.

The preference shares issued by the company are shown in note 18 as a result of the adoption of FRS 25.

22 Reserves

Group

	Profit and loss account £'000
At 29 December 2013	27,545
Loss for the period	(93)
Actuarial gain on pension scheme liabilities net of related taxation	1,970
	<u>29,422</u>
At 27 December 2014	<u>29,422</u>

Company

	Profit and loss account £'000
At 29 December 2013	(1,408)
Loss for the period	(942)
	<u>(2,350)</u>
At 27 December 2014	<u>(2,350)</u>

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (*continued*)

23 Reconciliation of movements in shareholders' funds/(deficit)

	Group 27 December 2014 £'000	Group 28 December 2013 £'000	Company 27 December 2014 £'000	Company 28 December 2013 £'000
Loss for the period	(93)	(5,290)	(942)	(942)
Other net recognised gains and losses relating to the period				
- Actuarial profit/(loss) on pension scheme	2,890	(6,171)	-	-
- Taxation in respect of profit/(loss) on pension scheme	(920)	397	-	-
	<u>1,877</u>	<u>(11,064)</u>	<u>(942)</u>	<u>(942)</u>
Net additions to/(deductions from) shareholders' funds/(deficit)	1,877	(11,064)	(942)	(942)
Opening shareholders' funds/(deficit)	28,490	39,554	(463)	479
	<u>30,367</u>	<u>28,490</u>	<u>(1,405)</u>	<u>(463)</u>
Closing shareholders' funds/(deficit)	30,367	28,490	(1,405)	(463)

24 Contingent liabilities

Certain subsidiaries within the group are subject to an HMRC enquiry into the tax implications of transactions that these subsidiaries entered into in prior years. Similar transactions are the subject of litigation for another tax payer and the group is a follower of that case. That other case was lost at the Upper Tribunal in April 2014 with the prospect of an additional taxation liability which is regarded as double taxation for the relevant tax payer. Such double taxation would be unusual. An appeal to the Court of Appeal by the lead tax payer has been scheduled for 23 June 2015. The group's subsidiaries have previously fully provided for tax and interest in connection with the transactions although this liability is contested and the basis for this is also part of the proposed appeal. As a consequence of the decision the Midland News Association group made a further central provision of £2.5m in the prior period for the additional contingent double taxation liability pending the determination of the appeal. A provision for interest in the current and prior period is also included. It is not possible at this point to allocate amounts to individual subsidiaries. Full consideration has also been given to the group's overall ability to settle such an amount should it fall due.

Claverley Holdings Limited

Notes forming part of the financial statements for the period ended 27 December 2014 (continued)

25 Commitments under operating leases

The group had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings	Other	Land and buildings	Other
	27 December	27 December	28 December	28 December
	2014	2014	2013	2013
	£'000	£'000	£'000	£'000
Operating leases which expire:				
Within one year	16	424	16	-
In two to five years	106	500	69	1,024
After five years	440	-	411	-
	<u>562</u>	<u>924</u>	<u>496</u>	<u>1,024</u>

26 Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with its wholly owned subsidiaries within the group.

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

	52 week period ended	52 week period ended
	27 December	28 December
	2014	2013
	£'000	£'000
Operating profit	742	318
Depreciation, amortisation and impairments	7,332	7,892
Amortisation of professional fees	72	72
Profit on sale of tangible fixed assets	(318)	(11)
Movement in provisions	(91)	(179)
Increase in stocks	(330)	(279)
(Increase)/decrease in debtors	(406)	1,483
(Decrease)/increase in creditors	(970)	533
Difference between pension charge and cash contribution	(2,550)	(2,720)
	<u>3,481</u>	<u>7,109</u>
Net cash inflow from operating activities		

Claverley Holdings Limited

Notes forming part of the financial statements
for the period ended 27 December 2014 (continued)

28 Reconciliation of net cash flow to movement in net debt

	52 week period ended 27 December 2014 £'000	52 week period ended 28 December 2013 £'000
(Decrease)/increase in cash	(610)	905
Cash outflow from changes in debt	2,894	2,433
Movement in net debt resulting from cash flows	2,284	3,338
Amortisation of FRS 4 costs	(156)	(150)
Movement in net debt	2,128	3,188
Opening net debt	(11,973)	(15,161)
Closing net debt	(9,845)	(11,973)

29 Analysis of net debt

	At 29 December 2013 £'000	Cashflow £'000	Non cash movements £'000	At 27 December 2014 £'000
Cash at bank and in hand	6,024	(1,946)	-	4,078
Bank overdrafts	(3,267)	1,336	-	(1,931)
		(610)		
Debt due within one year	(3,082)	2,894	(2,523)	(2,711)
Debt due after one year	(11,648)	-	2,367	(9,281)
Total	(11,973)	2,284	(156)	(9,845)