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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:

Year ended:

List No:

Head or Main Office:

Has the address changed during the year to which the return relates? (Tick as appropriate)

General Secretary:

Contact name for queries regarding the completion of this return:

Telephone Number:

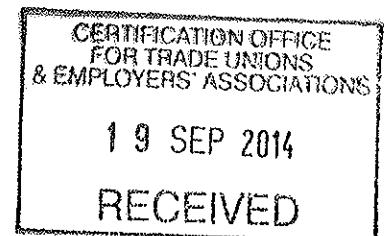
e-mail:

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.
Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 020 7210 3734

The address to which returns and other documents should be sent are:

For Employers' Associations based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Employers' Associations based in Scotland:
Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG



Officers in Post to end December 2013

Adrian Jeakings President

Paul Hunter Honorary Treasurer

RETURN OF MEMBERS

(see note 9)

NUMBER OF MEMBERS AT THE END OF THE YEAR				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
31	2	0		33

OFFICERS IN POST

(see note 10)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
President	Adrian Jeakings	Adrian Jeakings	01-07-13
Hon. Treasurer	Paul Hunter	Paul Hunter	01-07-13

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year			£	£
	INCOME			
1,400,844	From Members	Subscriptions, levies, etc	1,500,186	
114,935		PERA	54,779	
421,342		Commercial/Marketing	605,548	
63,716	Investment income	Interest and dividends (gross) Bank interest (gross) Other (specify) /Dividend	149,600	
	Other income	Rents received Insurance commission Consultancy fees Publications/Seminars Miscellaneous receipts (specify) Other Revenue Net Gain related to Pension	460,000 21,000	
500,000				
128,000				
2,628,837		TOTAL INCOME		2,791,113
	EXPENDITURE			
	Administrative expenses			
1,355,341		Remuneration and expenses of staff	1,147,054	
321,417		Occupancy costs	350,492	
11,472		Printing, Stationery, Post	16,318	
10,980		Telephone	9,195	
91,875		Legal and Professional fees Miscellaneous (specify)	236,049	
59,775		Information Sources	54,452	
47,053		Website/Computer Costs	36,770	
5,190		Promotion Impairment	1,419	
815	Other charges	Bank charges Depreciation Sums written off Affiliation fees Donations Conference and meeting fees Expenses (ILocal & LBA) Miscellaneous (specify) PERA/Market Research Sundry, Newspaper Sales etc.	3,538 349,835 15,100 166,595 50,411 45,587	
266,514				
18,311				
208,474				
45,907				
34,123				
122,398	Taxation		214,506	
2,599,645		TOTAL EXPENDITURE		2,697,321
29,192		Surplus/Deficit for year		93,792
		Amount of fund at beginning of year		1,589,363
		Gain from FRS 17 Calc		200,800
		Revaluation of Investments		584,309
		Amount of fund at end of year		2,468,264

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
		Total Income	
Expenditure	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 3		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
		Total Income	
Expenditure	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
Total Income			
Expenditure	Administrative expenses		
	Other expenditure (specify)		
Total Expenditure			
Surplus (Deficit) for the year			
Amount of fund at beginning of year			
Amount of fund at the end of year (as Balance Sheet)			

ACCOUNT 5		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
Total Income			
Expenditure	Administrative expenses		
	Other expenditure (specify)		
Total Expenditure			
Surplus (Deficit) for the year			
Amount of fund at beginning of year			
Amount of fund at the end of year (as Balance Sheet)			

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 6		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNT 7		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

BALANCE SHEET AS AT 31st December 2013
(see notes 19 and 20)

1

Previous Year		£	£
1,249	Fixed Assets (as at page 8)	8,211	
	Investments (as per analysis on page 9)		
2,784,487	Quoted (Market value)	3,146,309	
272,003	Unquoted	638,306	
3,056,490	Total Investments	3,784,615	
	Other Assets		
645,513	Sundry debtors	443,581	
96,035	Cash at bank and in hand	45,998	
	Stocks of goods		
	Others (specify) Rev Impairment Charge		
	Please note that Investments have been restated to reflect market value and not cost. PY data has been restated accordingly.		
741,548	Total of other assets	489,579	
3,799,287	TOTAL ASSETS		4,282,405
	Liabilities		
	Fund (Account)		
	Fund (Account)		
	Fund (Account)		
	Revaluation Reserve		
	Tax payable		
652,053	Sundry creditors	649,147	
	Accrued expenses		
63,333	Provisions	124,000	
1,336,293	Other liabilities (Pension)	825,482	
158,245	Deferred Taxation	215,512	
2,209,924	TOTAL LIABILITIES		1,814,141
1,589,363	TOTAL ASSETS		2,468,264

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period		-	8,303	8,303
Additions during period			10,500	10,500
Less: Disposals during period				
Less: DEPRECIATION:				
Total to end of period			10,592	10,592
Add Disposals during Period				
BOOK AMOUNT at end of period			8,211	8,211
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET			8,211	8,211

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £	
QUOTED	British Government & British Government Guaranteed Securities		
	British Municipal and County Securities		
	2,784,487	Other quoted securities (to be specified) Investment in listed companies	3,146,309
		(The accounting policy for listed investments has been changed in the 2013 Financial year from cost to market value. The impact is also included in the figure of the investments for the previous year.	
	2,784,487	TOTAL QUOTED (as Balance Sheet)	3,146,309
	2,784,487	*Market Value of Quoted Investments	3,146,309
UNQUOTED	British Government Securities		
	British Municipal and County Securities		
	Mortgages		
	258,939	Other unquoted securities (to be specified) Subsidiary	625,242
	13,064	Works of Art	13,064
		TOTAL QUOTED (as Balance Sheet)	638,306
	*Market Value of Unquoted Investments		

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 23 to 25)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?		YES X	NO
If YES name the relevant companies:			
COMPANY NAME Adstream Ltd	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
INCORPORATED EMPLOYERS' ASSOCIATIONS			
Are the shares which are controlled by the association registered in the association's name		YES	NO X
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS Sir Ray Tindle Robin Burgess David Newell		
UNINCORPORATED EMPLOYERS ASSOCIATIONS			
Are the shares which are controlled by the association registered in the names of the association's trustees?		YES	NO
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	1,500,186		1,500,186
From Investments	149,600		149,600
Interest from FRS17	21,000		21,000
Other Income (including increases by revaluation of assets)	1,120,327		1,120,327
Total Income	2,791,113		2,791,113
EXPENDITURE (including decreases by revaluation of assets)	2,697,321		2,697,321
Total Expenditure	2,697,321		2,697,321
Revaluation of Investments	584,309		584,309
Gain from FRS 17	200,800		200,800
Funds at beginning of year (including reserves)	1,589,363		1,589,363
Funds at end of year (including reserves)	2,468,264		2,468,264
ASSETS			
Fixed Assets			8,211
Investment Assets			3,784,615
Other Assets			489,579
		Total Assets	4,282,405
LIABILITIES		Total Liabilities	1,814,141
NET ASSETS (Total Assets less Total Liabilities)			2,468,264

NOTES TO THE ACCOUNTS

(see note 36)

All notes to the accounts must be entered on or attached to this part of the return.

- i) Notes to the account see attachment 1.
- ii) Please note that the accounts as at 31 December 2012 were restated to reflect the change in accounting policy for investments from cost to market value.
- iii) Some categories of costs reported in 2012 have been adjusted to reflect the category analysis as for 2013 which better reflects the operation of the company or as a result of the restatement of investments. Below are explained the major changes.
 - a) Commercial/Marketing income changed from £189,015 to £421,342 the difference of £ 232k comprises £100k LBA revenue, 1 local revenue, etc. which last year was classified in Other revenue.
 - b) Investment income changes as result of the change in policy on Investments.
 - c) Staff cost has been changed to include restructuring costs of £ 91K previously included in Sundry expenditures.
- iv) Local Business Accelerator in the 2012 return was reported on a net result basis. In the 2013 return the costs and revenues relating to this activity have been separately reported.

ACCOUNTING POLICIES

(see notes 37 and 38)

See attachment 1

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>David Newell</u> Name: <u>David Newell</u> Date: <u>16/7/14</u>	Chairman's Signature: <u>Paul Hurker</u> <small>(or other official whose position should be stated)</small> Name: <u>Paul Hurker</u> Date: <u>17/7/14</u>
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CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES		NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES		NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES		NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES		NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES		NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES		NO	

AUDITOR'S REPORT

(see notes 42 to 47)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES/NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
(See section 36(3) of the 1992 Act, set out in note 83)

YES/NO

If "No" please explain below.

SEE PAGE 15 FOR SCOPE OF WORK DONE

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
(See section 36(4) of the 1992 Act set out in rule 83)

YES/NO

If "No" please explain below.

SEE PAGE 15 FOR SCOPE OF WORK DONE

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR27 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 85)

SEE ATTACHMENT 2

AUDITOR'S REPORT (continued)

Grant Thornton UK LLP were not requested to undertake an audit of the financial statements of The Newspaper Society for the year ended 31 December 2013 in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 and therefore our audit was neither planned nor conducted with the Trade Union and Labour Relations (Consolidation) Act 1992 in mind and our audit report does not address or reflect any specific requirements of that Act.

Our audit work is undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. Our audit of the Society's financial statements are not planned or conducted to address or reflect matters in which anyone other than such members as a body may be interested for such purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for our audit reports, or for the opinions we have formed in respect of those audits.

Our audit procedures were designed and created solely for the purpose of enabling Grant Thornton UK LLP to form and state an opinion to the Society's members as a body on whether the financial statements of the Society, which are the responsibility of the Council of the Society, give a true and fair view of the state of affairs of the Society as at the end of the relevant financial year and of the income and expenditure for the year then ended. Our audit was designed to enable Grant Thornton UK LLP to express an opinion on the Society's financial statements as a whole and not on individual account balances, financial amounts, financial information or the adequacy of financial, accounting or management systems.

Our audit was conducted under the scope of a financial statements audit, as set out on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm. As part of our audit, we obtain an understanding of the accounting system and internal control systems so that we can assess their adequacy as a basis for the preparation of the Society's financial statements. The nature and extent of our procedures will vary according to our assessment of the Society's accounting system and the internal control system. Our audit is not designed to identify all significant weaknesses in the Society's systems but is designed primarily for the purpose of expressing our opinion on the financial statements of the Society. In consequence, our work will not encompass a detailed review of all aspects of the systems and cannot be relied upon necessarily to disclose defalcations or other irregularities in internal control that a more extensive special examination might develop.

Signature(s) of auditor or auditors:	GRANT THORNTON UK LLP	
Name(s):	GRANT THORNTON UK LLP	
Profession(s) or Calling(s):	CHARTERED ACCOUNTANTS	
Address(es):	GRANT THORNTON HOUSE MELTON STREET LONDON NW1 2EP	
Date:	17 September 2014	
Contact name and telephone number:	JENNIFER BROWN 02077282316	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.



Grant Thornton

An instinct for growth™

Our Ref N00280119/JMB/HCB

The Management Committee
The Newspaper Society
292 Vauxhall Bridge Road
London
SW1V 1AE

23 July 2014

Dear Sirs



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Grant Thornton House
Melton Street
London NW1 2EP

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DX 2100 EUSTON
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Report of factual findings to the Council of The Newspaper Society

We have performed the procedures agreed with you and enumerated below in relation to the terms and conditions of the Trade Union and Labour Relations (Consolidation) Act 1992 with respect to the compilation of the Form AR27 – Annual Return for an Employers Association (the "Annual Return") of the Newspaper Society.

Our engagement was undertaken in accordance with practices applicable to agreed-upon procedures engagements.

This report is provided pursuant to, and must be read in conjunction with, our engagement letter dated 8 March 2012 and is subject to the terms and limitations set out therein.

The procedures were performed solely to assist you in the compilation of the Annual Return and are summarised as follows:

- We cast the financial information included in the Annual Return to check mathematical accuracy
- For each financial line item presented in the Annual Return, we checked it was correctly extracted from the audited financial statements for the year ended 31 December 2013 and;
- We checked the return of members was correctly extracted from the accounting system that holds the information.

The information presented in the Annual Return is consistent with information contained within the Annual Report of the Newspaper Society for the year ended 31 December 2013.

The work procedures we have performed do not constitute either an audit or a review made in accordance with United Kingdom Auditing Standards or Bulletins issued by the Auditing Practices Board.

Had we performed additional work or procedures or had we performed an audit or review of the financial statements in accordance with such Auditing Standards or Bulletins, other matters might have come to our attention that would have been reported to you. Our report does not extend to any financial statements of the Newspaper Society taken as a whole.

We bring to your attention the comments on page 12 of Form AR27 with regard to the

Chartered Accountants

Member firm within Grant Thornton International Ltd

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No. OC307742. Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP
A list of members is available from our registered office.

Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business.

changes to the prior year figures reported.

Our report is prepared solely for the confidential use of The Newspaper Society and solely for the purpose set forth in the first paragraph of this report. Our report must not be recited or referred to in whole or in part in any other document. Our report must not be made available, copied or recited to any other party without our express written permission. Grant Thornton UK LLP neither owes nor accepts any duty to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by other parties' reliance on our report.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
LONDON

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting Policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Society's rules and applicable United Kingdom accounting standards under the historical cost convention.

These financial statements therefore present information about the Society as an individual undertaking and not about its group.

Prior year adjustment

The Society has changed its policy on listed investments to hold them at market value. The subsidiary, Adstream Limited is held at value based on net book value. This has resulted in a prior year adjustment as set out in note 17.

Going concern

The Society's members have agreed to incorporate the entity under Part 2 of the Companies Act 2006. As a result the assets and liabilities of the Newspaper Society will transfer to the newly incorporated entity, the Newspaper Organisation Limited, at which point the Newspaper Society will cease to exist. These financial statements are therefore prepared on the basis that technically the Newspaper Society will no longer be a going concern. No material adjustments arise as a result of applying a basis other than the going concern basis as all assets and liabilities will be transferred at their carrying amounts.

1.2 Income recognition

Members' subscriptions and marketing revenue are included in the accounts apportioned to the period to which they relate.

Sponsorship income is recognised as invoiced for the period to which it relates.

1.3 Donations

Income received by way of a donation is included in the income and expenditure account when the Society becomes entitled to the resources.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	25% straight line on cost
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1. Accounting Policies (continued)

1.5 Investments

Listed investments are held at market value. The subsidiary, Adstream Limited is held at value based on net book value.

Works of art are held at cost.

1.6 Operating leases

Rentals under operating leases are charged to the Income and expenditure account on a straight line basis over the lease term.

1.7 Pensions

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the Society.

The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are spread over the period until the benefit increases cost. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs/income. Actuarial gains and losses are reported in the statement of total recognised gains and losses.

1.8 Provisions

Amounts are transferred from the income and expenditure account in order to provide for expected costs of refurbishments under leases for the Society's office accommodation. Actual expenditure is charged directly to these provision accounts.

1.9 Taxation

The charge for taxation takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

When applicable, full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reserved by the balance sheet date, unless such provision is not permitted by FRS 19. Deferred tax assets would be recognised to the extent that it is regarded as more likely than not that they will be recovered.

2. Income

The income and surplus before tax are attributable to the one principal activity of the company. An analysis of income is given below:

	2013	2012
	£	Restated £
Subscription income	1,500,186	1,400,844
Other income	<u>1,269,927</u>	<u>1,099,993</u>
	<u><u>2,770,113</u></u>	<u><u>2,500,837</u></u>

3. Other income

Other income comprises:

	2013	2012
	£	Restated £
Pera revenue	54,779	114,935
Commercial revenue	236,804	227,856
Investment income	149,600	63,716
Adstream management charge	40,000	80,000
Local revenue	161,857	88,936
Other revenue	6,887	4,550
NPA service charge	420,000	420,000
Local Business Accelerators	200,000	100,000
	<u><u>1,269,927</u></u>	<u><u>1,099,993</u></u>

4. Interest receivable and similar income

	2013	2012
	£	£
Net finance income in respect of defined pension schemes	<u><u>21,000</u></u>	<u><u>128,000</u></u>

Report and Accounts

5. Taxation

	2013	2012
	£	Restated £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on surplus for the year	14,804	260
Deferred tax		
Origination and reversal of timing differences	147,638	99,890
Effect of increased tax rate on opening liability	52,064	18,060
Adjustments in respect of prior periods	-	4,188
	<u>199,702</u>	<u>122,138</u>
Total deferred tax		
	<u>199,702</u>	<u>122,138</u>
Tax on surplus on ordinary activities	<u>214,506</u>	<u>122,398</u>
Factors affecting tax charge for the year		
The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 20% (2012 - 20%). The differences are explained below:		
	2013	2012
	£	Restated £
Surplus on ordinary activities before tax	<u>308,298</u>	<u>151,590</u>
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 20%)	61,660	30,318
Effects of:		
Expenses not deductible for tax purposes	26,132	3,662
Defined benefit scheme timing differences	(90,372)	(67,311)
(Profit)/on investments	(79,496)	(2,582)
Capital allowances for period in excess of depreciation	(3,745)	(2,230)
Unrelieved tax losses	-	50,437
Adjustments to tax charge in respect of prior periods	-	260
Exempt dividend income	(16,830)	(13,841)
Other timing differences	59,719	1,547
Chargeable gains	57,736	-
	<u>14,804</u>	<u>260</u>
Current tax charge for the year (see note above)		
	<u>14,804</u>	<u>260</u>

6. Tangible fixed assets

	Office equipment £
Cost	
At 1 January 2013	8,303
Additions	<u>10,500</u>
At 31 December 2013	<u>18,803</u>
Depreciation	
At 1 January 2013	7,054
Charge for the year	<u>3,538</u>
At 31 December 2013	<u>10,592</u>
Net book value	
At 31 December 2013	<u>8,211</u>
At 31 December 2012	<u>1,249</u>

7. Investments

	Works of art £	Subsidiary £	Listed investments £	TOTAL £
Cost or valuation				
At 1 January 2013 as restated	13,064	258,939	2,784,487	3,056,490
Additions	-	-	1,606,218	1,606,218
Disposals	-	-	(1,452,750)	(1,452,750)
Revaluation	-	366,303	218,006	584,309
Movement on amounts held and deposit	<u>-</u>	<u>-</u>	<u>(9,652)</u>	<u>(9,652)</u>
At 31 December 2013	<u>13,064</u>	<u>625,242</u>	<u>3,146,309</u>	<u>3,784,615</u>

Listed investments

Listed investments were restated to market value to reflect a new accounting policy, see prior year adjustment note for details. Investments include £2,624,687 (2012: restated £2,173,236) in respect of the cost of stocks and shares listed on the London Stock Exchange. The market value of these investments at 31 December 2013 was £3,076,997 (2012: £2,705,523). Following a review of the current market values of individual listed investments, where indicators of impairment are present, management have reduced the value of these investments to an estimate of their recoverable amount. Fixed asset investments includes amounts held on deposit with the Society's broker of £69,312 (2012: £78,964).

Works of art

Works of art are held at cost.

Subsidiary

The subsidiary, Adstream Limited has been included at market value to reflect a new accounting policy, see prior year adjustment note for details. Market value has been approximated from net book value.

8. Debtors

	2013	2012
	£	£
Trade debtors	135,873	268,873
Other debtors	133,578	107,129
Prepayments and accrued income	174,130	269,511
	<u>443,581</u>	<u>645,513</u>

Trade debtors includes £nil (2012: £86,044) due from subsidiary undertaking Adstream Limited.

9. Creditors: Amounts falling due within one year

	2013	2012
	£	£
Bank overdraft	12,303	101,195
Trade creditors	398,914	264,772
Corporation tax	14,804	-
Other taxation and social security	7,772	16,872
Other creditors	9,092	-
Accruals and deferred income	206,262	269,214
	<u>649,147</u>	<u>652,053</u>

10. Provisions

	Dilapidation provision £
At 1 January 2013	63,333
Provided during the year	<u>60,667</u>
At 31 December 2013	<u>124,000</u>

Dilapidation provision

Amounts are transferred from the income and expenditure account in order to provide for expected costs of refurbishment under leases for the Societys' office accommodation. Actual expenditure is charged directly to these provision accounts. This amount relates to the office accommodation vacated during the year where the final dilapidations are under discussion.

11. Deferred taxation

Deferred tax on investments

	2013 £	2012 £
Opening balance (restated)	158,245	135,762
Movement in the year	<u>57,267</u>	<u>22,483</u>
	<u><u>215,512</u></u>	<u><u>158,245</u></u>

The Society also has unrecognised deferred tax assets of £100,711 (2012: £120,836) in respect of depreciation in excess of capital allowances, tax losses carried forward and other short term timing differences.

12. Pension commitments

The Society operates a defined benefit pension scheme.

The assets of the scheme are held separately from those of the Society, being invested with an insurance company. The amount charged to the income and expenditure account represents the contributions payable by the Society for the year. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected accrued benefit method.

The most recent valuation carried out at 1 December 2012 showed that the market value of the scheme's assets were £9,804,000 and that the actuarial value of those assets represented 69% of the benefits that had accrued to members after allowing for expected future increase in earnings.

The amounts recognised in the Balance sheet are as follows:

	2013 £	2012 £
Present value of funded obligations	(9,294,000)	(11,223,000)
Fair value of scheme assets	<u>8,262,000</u>	<u>9,488,000</u>
Deficit in scheme	(1,032,000)	(1,735,000)
Related deferred tax asset	<u>206,518</u>	<u>398,707</u>
Net liability	<u><u>(825,482)</u></u>	<u><u>(1,336,293)</u></u>

The amounts recognised in profit or loss are as follows:

	2013 £	2012 £
Current service cost	(84,000)	(125,000)
Interest on obligation	(469,000)	(507,000)
Expected return on scheme assets	<u>490,000</u>	<u>635,000</u>
Total	<u><u>(63,000)</u></u>	<u><u>3,000</u></u>

12. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2013 £	2012 £
Opening defined benefit obligation	11,223,000	10,894,000
Current service cost	84,000	125,000
Interest cost	469,000	507,000
Contributions by scheme participants	29,000	40,000
Actuarial losses	111,000	484,000
Benefits paid	<u>(2,622,000)</u>	<u>(827,000)</u>
Closing defined benefit obligation	<u>9,294,000</u>	<u>11,223,000</u>

Changes in the fair value of scheme assets were as follows:

	2013 £	2012 £
Opening fair value of scheme assets	9,488,000	9,991,000
Expected return on assets	490,000	635,000
Actuarial gains and (losses)	362,000	(685,000)
Contributions by employer	515,000	334,000
Contributions by scheme participants	29,000	40,000
Benefits paid	<u>(2,622,000)</u>	<u>(827,000)</u>
	<u>8,262,000</u>	<u>9,488,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(1,615,000) loss (2012 - £1,866,000).

The Society expects to contribute £322,275 to its defined benefit pension scheme in 2014. Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2013	2012
Discount rate at 31 December	4.55%	4.50%
Expected return on scheme assets at 31 December	6.50%	6.50%
Rate of increase in pension payments	3.50%	2.90%
Inflation (RPI)	3.50%	2.90%
Inflation (CPI)	2.50%	2.00%
Rate of increase in deferred pensions (CPI)	2.50%	2.00%

12. Pension commitments (continued)

Amounts for the current and previous four periods are as follows:

	2013 £	2012 £	2011 £	2010 £	2009 £
Defined benefit obligation	(9,294,000)	(11,223,000)	(10,894,000)	(9,947,000)	(8,319,000)
Scheme assets	<u>8,262,000</u>	<u>9,488,000</u>	<u>9,991,000</u>	<u>9,595,000</u>	<u>8,363,000</u>
(Deficit)/surplus	<u>(1,032,000)</u>	<u>(1,735,000)</u>	<u>(903,000)</u>	<u>(352,000)</u>	<u>44,000</u>
Experience adjustments on scheme liabilities	20,000	(14,000)	220,000	(577,000)	94,000
Experience adjustments on scheme assets	<u>362,000</u>	<u>(685,000)</u>	<u>246,000</u>	<u>611,000</u>	<u>(180,000)</u>

The post retirement mortality assumptions used to value the benefit obligation at 31 December 2013 are based on the PA92 table with a current year of use. The life expectancy of a male member reaching age 65 in 2033 is projected to be 24.6 years compared to 22.7 years for someone reaching 65 in 2013. The life expectancy of a female member reaching age 65 in 2033 is projected to be 27.0 years compared to 25.1 years for someone reaching 65 in 2013. The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since adoption of FRS17 is (£1,615,000).

13. Operating lease commitments

At 31 December 2013 the Society had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2013 £	2012 £
Expiry date:		
Within 1 year	<u>-</u>	<u>118,500</u>

14. Related party transactions

During the year the Newspaper Society levied a service charge of £420,000 (2012: £420,000) to the Newspaper Publishers Association ('NPA'), a related party under the common control of Newspaper Society Director David Newell. There was £2,234 due to the NPA at 31 December 2013 (2012: £nil).

Newspaper Society received a management charge from Adstream Limited, a wholly owned subsidiary, during the year of £40,000 (2012: £80,000). No amounts were due from Adstream at the year end (2012: £86,044).

The honorary treasurer, Paul Hunter, is the group finance director of Newsquest, a member of the Society. Newsquest pays subscriptions and purchases other services from the Society on the same terms as other members. Newsquest was charged an aggregate of £316,901 (2012: £297,686) for subscription and other services in the year and a balance of £3,853 (2012: £6,739) was outstanding at the year end.

17. Prior year adjustment

The Society has changed its policy for listed investments and now holds them at market value. A prior year adjustment affecting closing reserves in 2012 by £645,787 has been recognised as below:

Income and expenditure account	£	£
Opening income and expenditure reserves at 1 January 2012 as previously stated		1,794,294
Prior year adjustment		
release of impairments recognised		21,536
recognition of deferred tax		<u>(135,762)</u>
Opening income and expenditure reserves at 1 January 2012 as restated		1,680,068
Income and expenditure result for the year as previously stated	49,412	
Prior year adjustment		
restatement of disposal to value	10,882	
reversal of impairment release	(8,619)	
deferred taxation movement	<u>(22,483)</u>	
Income and expenditure result for the year as restated		29,192
Other movements		
Actuarial gain related to pension scheme		(1,169,000)
Deferred tax attributable to actuarial gain		268,870
Prior year restatement – Released loss on investments		<u>(10,994)</u>
Closing income and expenditure reserves at 31 December 2012 as restated		<u><u>798,136</u></u>
Revaluation reserve		
Opening revaluation reserve at 1 January 2012 as previously stated		-
Prior year adjustment		
Increase in investment to value		<u>678,812</u>
Opening revaluation at 1 January 2012 as restated		678,812
Prior year restatement - revaluation	101,421	
Prior year restatement – realised loss	<u>10,994</u>	
		<u>112,415</u>
		<u><u>791,227</u></u>