

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS  
FORM AR27**

**Trade Union and Labour Relations (Consolidation) Act 1992**

**ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION**

Name of Employers' Association:	<input type="text" value="National Federation of Retail Newsagents"/>
Year ended:	<input type="text" value="31 December 2014"/>
List No:	<input type="text" value="67E"/>
Head or Main Office:	<input type="text" value="Yeoman House&lt;br/&gt;Sekforde Street&lt;br/&gt;London&lt;br/&gt;EC1R 0HF"/>
Website address (if available):	<input type="text" value="http://www.nfrnonline.com/"/>
Has the address changed during the year to which the return relates?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Tick as appropriate)
General Secretary:	<input type="text" value="P Baxter (CEO)"/>
Contact name for queries regarding the completion of this return:	<input type="text" value="M Jenkins"/>
Telephone Number:	<input type="text" value="020 7253 4225"/>
e-mail:	<input type="text" value="Michael@nfrn.org.uk"/>

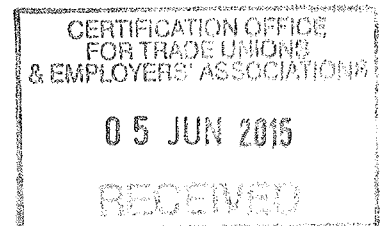
**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**

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



**National Federation of Retail Newsagents  
Officers in post at 31 December 2014**

<b>Title of Office</b>	<b>Name of Officer</b>
National President	Martyn Brown
National Vice President	Ralph Patel
National Deputy Vice President	Raymond Monelle
Immediate Past President	Colin Fletcher
Trustee, Finance Committee	Naresh Purohit
Trustee, Finance Committee	Jim Maitland
Trustee, Finance Committee	Tom Searle
National Councillor, Finance Committee	John McDowell
National Councillor, Finance Committee	Sam Whiteside
National Councillor, Executive Committee	Kieran McDonnell
National Councillor, Executive Committee	Mike Mitchelson
National Councillor, Executive Committee	Linda Sood
National Councillor, Executive Committee	Peter Steemers
National Councillor, Executive Committee	Peter Wagg
National Councillor, Executive Committee	David Woodrow
National Councillor	Robert Baillie
National Councillor	Sharon Sisman
National Councillor	Abdul Qadar
National Councillor	Jason Birks
National Councillor	Gordon Bird
National Councillor	Andrew Taylor
National Councillor	James Wilkinson
National Councillor	Hanif Khonat
National Councillor	Suleman Khonat
National Councillor	Adrian Watts
National Councillor	John Parkinson
National Councillor	John Green
National Councillor	Alan Smith
National Councillor	Julia Bywater
National Councillor	Narinder Randhawa
National Councillor	Manjit Sarma
National Councillor	Owen Church
National Councillor	Josie Dixon
National Councillor	Dee Goberdhan
National Councillor	Peter Robinson
National Councillor	Martin Ballinger
National Councillor	John Jackson
National Councillor	Valerie Chung
National Councillor	Omkar Patel
National Councillor	Mukesh Patel
National Councillor	Pravin Shah
National Councillor	Kamal Thaker
National Councillor	Nick Southern
National Councillor	Christine Southern
National Councillor	Pradip Amin
National Councillor	John Cotsell
National Councillor	Mike Eddowes
National Councillor	Judith Mercer
National Councillor	Joe Sweeney

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS**  
**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
	14,164	663	358	59	15,244

15,244

**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 Appointed ceasing to hold office	Name of Officer Appointed	Date of Change
National President	Mr C Fletcher	Mr M Brown	June 2014
National Vice President	Mr M Brown	Mr R Patel	June 2014
Immediate Past President	Mr A Smith	Mr C Fletcher	June 2014
National Deputy Vice President	Mr R Patel	Mr R Monelle	June 2014

## REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year (restated)	£		
	<b>INCOME</b>		
4,378,626	From Members: Subscriptions, levies etc.	4,199,084	
-	Investment Income Bank Interest (gross)	-	
76,386	Other Income Rents received	76,386	
125,000	Publications/Seminars	208,150	
89,886	Miscellaneous receipts (specify) Profit on sale of fixed assets	8,317	
6,123	Other	27,412	
4,676,021		<b>TOTAL INCOME</b>	4,519,349
	<b>EXPENDITURE</b>		
2,073,050	Administrative Expenses Remuneration and expenses of staff	2,194,437	
522,903	Travel and subsistence	511,714	
201,885	Occupancy costs	163,470	
58,251	Printing, Stationery, Post & Telephones	74,313	
50,470	Miscellaneous (specify) Computer costs	57,971	
136,119	Collection costs	131,522	
11,241	Sundries	24,446	
16,130	Other charges Bank charges	19,195	
34,826	Depreciation	31,700	
3,600	Donations	-	
819,331	Conference and meeting fees	839,493	
238,937	Members insurance	2,797	
358,671	Publications and promotional services	153,455	
110,872	Call centre	137,098	
161,832	Legal and Professional fees	164,658	
(127,000)	Sums written off (specify) Release of provision against NFRN Commercial	(25,000)	
-	Other bad debts	-	
-	Provision for legal fees	-	
4,671,118			4,481,269
4,995	Taxation		8,488
4,676,113		<b>TOTAL EXPENDITURE</b>	4,489,757
(92)		Surplus / (Deficit) for year	29,592
2,866,697		Amount of fund at beginning of year	2,866,605
2,866,605		Amount of fund at end of year	2,896,197

## ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		Fund Account	
Name:	Benefits fund	£	£
<b>Income</b>			
	From members	-	
	Investment income	56,666	
	Other income (specify)		
	Dividend	100,000	
	Profit on sale of investments	63,238	
	<b>Total Income</b>		219,904
<b>Expenditure</b>			
	Administrative expenses	12,558	
	Other expenditure (specify)		
	ROI office costs	5,664	
	Benefits paid	121,288	
	Legal advice line	55,549	
	Legal claims line	139,206	
	<b>Total Expenditure</b>		334,265
	Surplus / (Deficit) for year		(114,361)
	Add amount of fund at beginning of year		2,509,220
	Amount of fund at end of year (as Balance Sheet)		2,394,859

ACCOUNT 3		Fund Account	
Name:	Ratcliffe Fund	£	£
<b>Income</b>			
	From members	-	
	Investment income	-	
	Other income (specify)		
	Donations	39,017	
	<b>Total Income</b>		39,017
<b>Expenditure</b>			
	Administrative expenses	262	
	Other expenditure (specify)		
	Grants paid	8,392	
	Bad debts	3,900	
	<b>Total Expenditure</b>		12,554
	Surplus / (Deficit) for year		26,463
	Add amount of fund at beginning of year		183,074
	Amount of fund at end of year (as Balance Sheet)		209,537

## ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4		Fund Account	
Name:	Carl Bridgewater	£	£
<b>Income</b>			
From members		-	
Investment income		1	
Other income (specify)			
Donations		400	
	<b>Total Income</b>		401
<b>Expenditure</b>			
Administrative expenses		52	
Other expenditure (specify)			
Grants paid		1,760	
	<b>Total Expenditure</b>		1,812
	Surplus / (Deficit) for year		(1,411)
	Add amount of fund at beginning of year		177,066
	Amount of fund at end of year (as Balance Sheet)		175,655

ACCOUNT 5		Fund Account	
Name:		£	£
<b>Income</b>			
From members		-	
Investment income		-	
Other income (specify)			
	<b>Total Income</b>		-
<b>Expenditure</b>			
Administrative expenses		-	
Other expenditure (specify)			
	<b>Total Expenditure</b>		-
	Surplus / (Deficit) for year		-
	Add amount of fund at beginning of year		
	Amount of fund at end of year (as Balance Sheet)		-

## BALANCE SHEET AS AT 31 December 2014

(see notes 19 to 20)

Previous Year		£	£
2,020,633	<b>Fixed Assets</b> (as at page 11)		2,104,044
	<b>Investments</b> (as per analysis on page 13)		
2,002,611	Quoted (Market value £2,563,902)	2,053,596	
175,006	Unquoted	565,006	
	<b>Total Investments</b>		2,618,602
	<b>Other Assets</b>		
1,178,447	Sundry debtors (excl £155,759 inter-fund)	887,309	
1,032,668	Cash at bank and in hand	678,197	
	Others (specify)		
2,711	Tax repayable	3,180	
	<b>Total of Other Assets</b>		1,568,686
6,412,076		<b>TOTAL ASSETS</b>	6,291,332
2,866,605	General fund (Revenue)		2,896,197
2,509,220	Benefits fund (Account 2)		2,394,859
183,074	Ratcliffe fund (Account 3)		209,537
177,066	Carl Bridgewater fund (Account 4)		175,655
5,735,965			5,676,248
	<b>Liabilities</b>		
13,602	Tax payable	11,426	
483,458	Sundry creditors (excl £155,759 inter-fund)	443,018	
179,051	Accrued expenses	160,640	
	Provisions	-	
676,111	<b>Total of Liabilities</b>		615,084
6,412,076		<b>TOTAL LIABILITIES</b>	6,291,332
6,412,076		<b>TOTAL ASSETS</b>	6,291,332

## FIXED ASSETS ACCOUNT

(see notes 19 to 20)

	Land & Buildings	Furniture & Equipment	Motor Vehicles	Total
	£	£	£	£
<b>Cost or Valuation</b>				
At start of year	1,899,347	1,167,540	41,437	3,108,324
Additions during year	98,061	17,050	-	115,111
Less: Disposals during year		-	(34,030)	(34,030)
At end of year	1,997,408	1,184,590	7,407	3,189,405
<b>Accumulated Depreciation</b>				
At start of year		1,046,254	41,437	1,087,691
Charges for year		31,700		31,700
Disposals		-	(34,030)	(34,030)
At end of year	-	1,077,954	7,407	1,085,361
Net book value at end of year	1,997,408	106,636	-	2,104,044
Freehold	1,947,669			1,947,669
Leasehold (50 or more years unexpired)	49,739			49,739
Leasehold (less than 50 years unexpired)	-			
<b>AS BALANCE SHEET</b>	1,997,408			1,997,408



## ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds
<b>QUOTED</b>		<b>£</b>
	British Government & British Government Guaranteed Securities	191,920
	British Municipal and County Securities	-
	Other quoted securities (to be specified)	
	Fixed interest securities	185,815
	Equities	1,211,727
	Emerging Economies	90,767
	Property	82,410
	Other Alternative assets	223,872
	Cash held for investment	67,085
	TOTAL QUOTED (as Balance Sheet)	2,053,596
	*Market Value of Quoted Investments	2,633,750
<b>UNQUOTED</b>	British Government Securities	-
	British Municipal and County Securities	-
	Mortgages	-
	Other unquoted investments (to be specified)	
	NFRN Holdings	3
	Newtrade Publishing Ltd	150,000
	NFRN Commercial Ltd	390,003
	NFRN Credit Union Ltd	25,000
TOTAL UNQUOTED (as Balance Sheet)	565,006	
*Market Value of Unquoted Investments	565,006	

\*Market value of investments to be stated where they are different from the figures quoted on the balance sheet.

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS  
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	NO
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
NFRN Holdings Ltd	4588787		
Newtrade Publishing Ltd	454555		
NFRN Commercial Ltd	2907750		
<b>INCORPORATED EMPLOYERS' ASSOCIATION</b>			
Are the shares which are controlled by the association registered in the association's name		YES	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
<b>UNINCORPORATED EMPLOYERS' ASSOCIATION</b>			
Are the shares which are controlled by the association registered in the association's name		YES	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
NFRN Holdings Ltd	100% owned by Trustees of the Benefits Fund		
Newtrade Publishing Ltd	100% owned by NFRN Holdings Ltd		
NFRN Commercial Ltd	100% owned by Trustees of the General Fund		

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS**  
**SUMMARY SHEET**

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	4,199,084	-	4,199,084
From Investments	56,667	-	56,667
Other Income (including increases by revaluation of assets)	522,920	-	522,920
<b>Total Income</b>	<b>4,778,671</b>	<b>-</b>	<b>4,778,671</b>
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	<b>4,838,388</b>	<b>-</b>	<b>4,838,388</b>
<b>Surplus (Deficit) for the year</b>	<b>(59,717)</b>	<b>-</b>	<b>(59,717)</b>
<b>Funds at beginning of year</b> (including reserves)	<b>5,735,965</b>	<b>-</b>	<b>5,735,965</b>
<b>Funds at end of year</b> (including reserves)	<b>5,676,248</b>	<b>-</b>	<b>5,676,248</b>
<b>ASSETS</b>			
	Fixed Assets		2,104,044
	Investment Assets		2,618,602
	Other Assets (Excludes £12,186 Inter-Fund Balance)		1,568,686
	<b>Total Assets</b>		<b>6,291,332</b>
<b>LIABILITIES</b>			
	<b>Total Liabilities</b> (Excludes £155,759 Inter-Fund Balance)		<b>615,084</b>
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			<b>5,676,248</b>

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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### 1 ACCOUNTING POLICIES

#### a) BASIS OF ACCOUNTING

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

Expenditure has been classified to reflect the activities of the National Federation of Retail Newsagents, and where necessary, comparative figures have been restated for consistency; there have been no changes to the accounting policies adopted.

#### b) FOREIGN EXCHANGE CONVERSIONS

All foreign exchange balances at the year end have been converted at the rate ruling at the balance sheet date. Foreign exchange transactions during the year have been converted at the rate ruling at the date of the transaction.

#### c) TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Freehold Property	- Yeoman House	No depreciation is provided
	- ROI district office	No depreciation is provided
Fixtures, fittings and equipment		0% - 20% per annum - straight line
Computers		33.33% per annum - straight line
Motor vehicles		25% per annum - straight line

\* Yeoman House and the District Office in Republic of Ireland which is held as an investment property of the Benefits Fund will only be depreciated if, in the opinion of the Trustees, it is considered that the residual value is materially lower than historic cost.

#### d) INVESTMENT PROPERTY

The investment property is under construction, and is valued at the transferred cost from the Benefit Fund. No change in value is required whilst undergoing construction. No depreciation is provided in respect of these properties.

#### e) LEASING AND RENTAL TRANSACTIONS

Where assets are financed under leasing and hire purchase agreements that give rights approximating to ownership (i.e. finance leases), the amount representing the outright purchase price of such assets is capitalised under tangible fixed assets for material amounts and the corresponding leasing commitments are shown as obligations to the lessor. The relevant assets are depreciated in accordance with the company's depreciation policy. Net finance charges, calculated on a reducing balance basis, are included in interest charges.

Where assets are financed under leasing agreements that do not give rights approximating to ownership (i.e. operating leases), rentals paid in the period are charged to the profit and loss account.

#### f) CAPITATION FEES

Capitation fees represent contributions receivable from members for the year. General Fund capitation fees include benefit member fees.

#### g) VALUATION OF INVESTMENTS

Investments held as fixed assets are stated at cost less any provision for permanent impairment in valuation. Investments held as current assets are stated at the lower of cost and net realisable value.

Trade investments are stated at historic cost.

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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### 1 ACCOUNTING POLICIES cont.

#### h) INCOME FUNDS

- i) Property and equipment reserve -  
represents the total amount (at cost less depreciation) invested in freehold property, furniture, fittings and equipment, computers and motor vehicles used for the functional purpose of the Federation.
- ii) Investment reserve -  
represents surpluses and deficits arising on sales of investments along with adjustments to provision against diminution in value.
- iii) Revenue account -  
represents un-restricted funds retained to provide the working capital to enable the Federation to carry out its activities.
- iv) Strategic reserve -  
represents funds set aside to meet the Federation's strategic and contingency needs.
- v) Yeoman House Refurbishment reserve -  
represents a refurbishment reserve for Yeoman House.
- vi) Durham Refurbishment reserve -  
represents a refurbishment reserve for property in Durham.
- vii) Development reserve -  
represents funds set aside for member-store development.

#### i) CONSOLIDATION

The Trustees do not consider it appropriate to consolidate the results of the wholly owned trade investments of the General and Benefits Fund since the activities of the companies concerned is so dissimilar from those of the two funds. Details regarding the financial position of the trade investments are given in note 6.

#### j) PENSIONS

The Federation participates in a pension scheme providing benefits on a final pensionable salaries. The scheme is now closed to new members. The assets of the scheme are held separately from those of the Federation. The contributions are determined by an actuary and are charged to the profit and loss as they are incurred.

The Federation also operates a stakeholder pension scheme for members of staff. The contributions to this scheme are charged to the profit and loss account as they are incurred.

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

**2 SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAXATION AND RESERVE TRANSFERS - GENERAL FUND**

	2014		2013	
	£	£	£	£
Surplus for the year is after charging/(crediting):				
Auditors Remuneration		26,000		26,000
Depreciation and amounts written off tangible fixed assets:				
Charge for the year		31,700		34,826
Profit on disposal		(8,317)		(89,886)
Provisions and Fund Transfers:				
Provision against loan to NFRN Commercial Ltd	(25,000)		(127,000)	
		(25,000)		(127,000)
Hire of other assets - operating leases		164,203		164,081
		<u>164,203</u>		<u>164,081</u>

**3 TAXATION**

The National Federation of Retail Newsagents (excluding the Benefits Fund) is liable to corporation tax on trading profits, investment income, and gains arising on the disposal of chargeable assets. For this purpose, funds derived from members (contributions, entrance fees, levies, fines etc.) do not rank as taxable income.

	2014	2013
	£	£
<b>Domestic current year tax</b>		
U.K. corporation tax	11,000	11,000
Prior year adjustment	(2,512)	(6,005)
	<u>8,488</u>	<u>4,995</u>
<b>Total current tax</b>	<u>8,488</u>	<u>4,995</u>

NATIONAL FEDERATION OF RETAIL NEWSAGENTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

4 TANGIBLE FIXED ASSETS - GENERAL FUND

	Freehold properties £	Fixtures, fittings and equipment £	Computer £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2014	1,759,608	630,980	536,560	41,437	2,968,585
Additions	43,852	9,732	7,318	-	60,902
Disposals	-	-	-	(34,030)	(34,030)
At 31 December 2014	<u>1,803,460</u>	<u>640,712</u>	<u>543,878</u>	<u>7,407</u>	<u>2,995,457</u>
<b>Depreciation</b>					
At 1 January 2014	-	528,760	517,494	41,437	1,087,691
Charge for the year	-	20,253	11,447	-	31,700
Disposals	-	-	-	(34,030)	(34,030)
At 31 December 2014	<u>-</u>	<u>549,013</u>	<u>528,941</u>	<u>7,407</u>	<u>1,085,361</u>
<b>Net book value</b>					
At 31 December 2014	<u>1,803,460</u>	<u>91,699</u>	<u>14,937</u>	<u>-</u>	<u>1,910,096</u>
At 31 December 2013	<u>1,759,608</u>	<u>102,220</u>	<u>19,066</u>	<u>-</u>	<u>1,880,894</u>

Freehold property comprises:

	Yeoman House* £	Total £
<b>Cost</b>		
At 1 January 2014	1,759,608	1,759,608
Disposals	-	-
At 31 December 2014	<u>1,759,608</u>	<u>1,759,608</u>
<b>Depreciation</b>		
At 1 January 2014 and At 31 December 2014	<u>-</u>	<u>-</u>
<b>Net book value</b>		
At 31 December 2014	<u>1,759,608</u>	<u>1,759,608</u>
At 31 December 2013	<u>1,759,608</u>	<u>1,759,608</u>

\* No depreciation has been charged on Yeoman House in accordance with the Statement of Accounting Policies.

NATIONAL FEDERATION OF RETAIL NEWSAGENTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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5 INVESTMENTS

	BENEFITS FUND £
At lower of cost or valuation:	
Fixed interest	377,736
Equities	1,231,384
Managed property funds	82,410
Emerging Economies	90,767
Other Alternative Assets	204,213
Cash	67,086
NFRN Credit Union	25,000
At 31 December 2014	<u>2,078,596</u>
At 31 December 2013	<u>2,027,611</u>
Market Value	
At 31 December 2014	<u>2,633,750</u>
At 31 December 2013	<u>2,563,902</u>

The above investments include a provision for diminution in value of £40,009 (2013: £40,009).



# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2014

#### 6 TRADE INVESTMENTS

(a) GENERAL FUND	2014 £	2013 £
NFRN Commercial Ltd - 390,003 Ordinary shares of £1 each	390,003	3
	<u>390,003</u>	<u>3</u>

National Newsagents Network Limited is a company incorporated on 2 December 2014, registered in England and Wales, and is a company limited by guarantee. The General Fund hold the voting power and own the ultimate control rights to the company.

NFRN Commercial is a company registered in England and Wales and is wholly owned by the General Fund.

During the year, £390,000 of loan debt (2013: £nil) was capitalised for 390,000 of £1 ordinary shares.

The summary financial statements of NFRN Commercial at the end of their latest accounting period are shown below:

#### 1) NFRN Commercial Limited for the year ended 31 December 2014:

	2014 £	2013 £
Profit and loss account		
Turnover	1,482,269	1,649,831
Profit / (loss) before taxation	68,370	53,696
Taxation	(12,719)	(3,335)
Profit / (loss) after taxation	55,651	50,361
Retained loss brought forward	(320,945)	(371,306)
Retained loss carried forward	<u>(265,294)</u>	<u>(320,945)</u>
Balance sheet		
Share capital	390,003	3
Profit and loss account	(265,294)	(320,945)
Shareholders' funds	<u>124,709</u>	<u>(320,942)</u>

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

### 6 TRADE INVESTMENTS cont.

#### (b) BENEFITS FUND

	2014	2013
	£	£
Newtrade Publishing Ltd *		
-150,000 Ordinary shares of £1 each	150,000	150,000
NFRN Holdings Ltd		
-3 Ordinary shares of £1 each	3	3
	<u>150,003</u>	<u>150,003</u>

\* Shares held via NFRN Holdings Limited

The above companies are registered in England and Wales and are wholly owned by the Benefits Fund.

The summary financial statements of the companies at the end of their latest accounting period are shown below:

#### 1) Newtrade Publishing Limited for the year ended 31 December 2014:

	2014	2013
	£	£
Profit and loss account		
Turnover	3,888,725	3,411,032
Trading profit	276,652	387,950
Other income	5,379	6,161
Profit before taxation	282,031	394,111
Taxation	(64,276)	(87,889)
Profit after taxation	<u>217,755</u>	<u>306,222</u>
Profit and loss reserve		
Balance at 1 January 2014	1,485,346	1,529,124
Retained profit for the year	217,755	306,222
Dividends paid	(100,000)	(350,000)
Balance at 31 December 2014	<u>1,603,101</u>	<u>1,485,346</u>
Balance sheet		
Share capital	150,000	150,000
Share premium account	6,000	6,000
Profit and loss account	1,603,101	1,485,346
Shareholders' funds	<u>1,759,101</u>	<u>1,641,346</u>

#### 2) NFRN Holdings Limited acted as a holding company throughout the year to 31 December 2014, but did not trade.

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

### 7 DEBTORS AND PREPAYMENTS - GENERAL FUND

	2014	2013
	£	£
Amounts due in less than one year:		
Newtrade Publishing Limited	21,615	95,063
NFRN Commercial Limited	259,392	480,024
Newsagents Convalescence Fund	4,000	-
National Newsagents Network Limited	29,528	-
Benefits Fund	155,759	-
NFRN Staff Benefits Pension Fund	-	14,942
Other debtors	37,495	38,566
Prepayments	100,971	109,803
	<u>608,760</u>	<u>738,398</u>
Amounts falling due after more than one year and included in debtors above are:	2014	2013
	£	£
NFRN Commercial Limited	79,613	127,000
National Newsagents Network Limited	<u>29,528</u>	<u>-</u>

NFRN Commercial Limited balance is stated net of a provision of £220,000 (2013: £245,000) against the total debt.

### 8 CREDITORS AND ACCRUED EXPENSES - GENERAL FUND

	2014	2013
	£	£
Amounts due in less than one year:		
Superannuation Fund	20,138	23,538
Ratcliffe Fund	-	5,464
Benefits Fund	-	6,722
Taxation	11,000	13,414
Other taxes and social security costs	56,052	53,419
VAT	108,602	126,989
NFRN Staff Benefits Pension Fund	2,116	-
Other creditors	256,110	267,558
Accrued expenses	142,713	178,810
	<u>596,731</u>	<u>675,914</u>

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

**9 PROPERTY & EQUIPMENT RESERVE - GENERAL FUND**

	2014 £	2013 £
At 1 January 2014	1,880,894	1,887,503
Transfer to income and expenditure account	29,202	(6,609)
	<u>1,910,096</u>	<u>1,880,894</u>

**10 INVESTMENT RESERVE - GENERAL FUND**

	2014 £	2013 £
At 1 January 2014 and at 31 December 2014	<u>3</u>	<u>3</u>

**11 REVENUE ACCOUNT - GENERAL FUND**

	2014 £	2013 £
Deficit for the year after taxation	29,592	(92)
Less Reserve transfers:		
Transfer from/(to) Property & Equipment reserve	(29,202)	6,609
Transfer from/(to) Strategic reserve	-	(10,000)
Transfer from/(to) Yeoman House Refurbishment reserve	-	26,218
Transfer from/(to) Durham Refurbishment reserve	-	22,735
Transfer from/(to) Development reserve	-	(45,000)
	<u>(29,202)</u>	<u>562</u>
Surplus for the year after reserve transfers	390	470
Balance at 1 January 2014	760,708	760,238
Balance at 31 December 2014	<u>761,098</u>	<u>760,708</u>

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

**12 RESERVES - GENERAL FUND**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
a) STRATEGIC RESERVE		
At 1 January 2014	150,000	140,000
Transfer (to)/from income and expenditure account	-	10,000
At 31 December 2014	<u>150,000</u>	<u>150,000</u>
b) YEOMAN HOUSE REFURBISHMENT RESERVE		
At 1 January 2014	30,000	56,218
Transfer (to)/from income and expenditure account	-	(26,218)
At 31 December 2014	<u>30,000</u>	<u>30,000</u>
c) DURHAM REFURBISHMENT RESERVE		
At 1 January 2014	-	22,735
Transfer (to)/from income and expenditure account	-	(22,735)
At 31 December 2014	<u>-</u>	<u>-</u>
d) DEVELOPMENT RESERVE		
At 1 January 2014	45,000	-
Transfer (to)/from income and expenditure account	-	45,000
At 31 December 2014	<u>45,000</u>	<u>45,000</u>

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

### 13 STAFF COSTS - General Fund

	2014 £	2013 £
a) Wages and salaries	1,987,344	1,853,013
Employers' National Insurance contributions	228,408	212,485
Pension contributions	108,873	133,650
	<u>2,324,625</u>	<u>2,199,148</u>

b) The average monthly number of full and part time employees during the year was made up as follows:	2014 No.	2013 No.
Head Office	27	33
Districts	47	34
	<u>74</u>	<u>67</u>

### 14 PENSION COSTS

#### Defined Benefits

The Federation operates a pension scheme for staff of the Federation and of subsidiary companies, which provides benefits based on final pensionable salaries. The Federation is unable to identify its share of the underlying assets or liabilities of the scheme, and therefore it is accounted for as a defined contribution scheme.

The Scheme was closed to new entrants at 31 March 2002.

The assets of the scheme are held separately from those of the Federation. Contributions to the scheme are charged to the profit and loss account. The contributions of the Federation and employees are 20.8% and 8.0% of earnings respectively.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the Attained Age Method.

The last valuation was carried out as at 1 April 2013. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 5.3% per annum and that salary increases would average 4.5% per annum.

The last actuarial valuation showed assets of the scheme of £6,583,000 and liabilities on an on-going basis of £6,476,000. The deficit has been met by way of additional contributions by the Federation, Newtrade Publishing Limited and NFRN Commercial Limited.

Pension contributions to the Federation pension scheme for the year amounted to £78,411 (2013: £122,702).

#### Defined Contribution

The Federation also operates a money purchase stakeholder scheme for members of staff which was introduced on 1 April 2002.

Contributions payable by the Federation for the year amounted to £30,462 (2013: £10,948).

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**15 LEASING COMMITMENTS**

At 31 December 2014 the Federation had annual commitments under non-cancellable operating leases as follows:

	<b>Land and Building 2014 £</b>	<b>Other 2014 £</b>	<b>Land and Building 2013 £</b>	<b>Other 2013 £</b>
Within 1 year	6,660	21,509	5,000	9,547
In 2 to 5 years inclusive	-	57,562	-	96,124
Greater than 5 years	-	-	-	2,606
	<u>6,660</u>	<u>79,071</u>	<u>5,000</u>	<u>108,277</u>

**16 CAPITAL COMMITMENTS**

At 31 December 2014 the Federation had capital commitments as follows:

	<b>BENEFITS FUND 2014 £</b>	<b>BENEFITS FUND 2013 £</b>
Contracted but not provided for in the financial statements	<u>161,930</u>	<u>-</u>

**17 CONTROL**

Control of the Federation is vested in the individual members. No one member has overall control.

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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### 18 RELATED PARTY TRANSACTIONS

During the year the National Federation of Retail Newsagents General Fund undertook the following transactions with related undertakings:

	2014	2013
	£	£
Net recharge to/(from):		
NFRN Commercial Limited	267,334	225,630
Newtrade Publishing Limited	144,051	109,721
National Newsagents Network Limited	29,528	-

NFRN Commercial Limited transactions related to management fees, publishing services, sponsorship and other costs charged to NFRN Commercial Limited.

Newtrade Publishing Limited transactions related to management fees, sponsorship and other costs charged both to and from Newtrade Publishing Limited.

National Newsagents Network Limited transactions related to legal expenses associated with the incorporation of the company on 2 December 2014 paid for by National Federation of Retail Newsagents General Fund.

The balances outstanding from those undertakings at the year end are as follows:

	2014	2013
	£	£
NFRN Commercial Limited *	259,392	480,024
Newtrade Publishing Limited	21,615	95,063
National Newsagents Network Limited	29,528	-

\* NFRN Commercial Limited balance is stated net of a provision of £220,000 (2013: £245,000) against the total debt.

The Benefits fund received dividends of £100,000 (2013: £350,000) from NFRN Holdings Limited.

### 19 CONTINGENT LIABILITIES

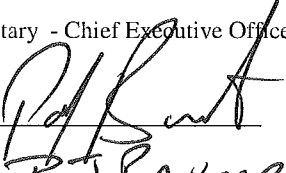
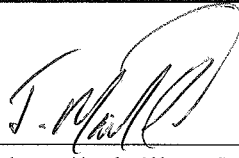
The Federation acts as guarantor in respect of loans advanced by the NFRN Credit Union.  
At the balance sheet date, the value of loans advanced is £2,000 (2013: £nil).



**NATIONAL FEDERATION OF RETAIL NEWSAGENTS  
SIGNATURES TO THE ANNUAL RETURN**

(see notes 39 to 40)

including the accounts and balance sheet contained in the return.

<p>General Secretary - Chief Executive Officer</p> <p>Signature: <u></u></p> <p>Name: <u>P J BAXTER</u></p> <p>Date: <u>26 / 5 / 2015</u></p>	<p>Trustee</p> <p>Signature: <u></u></p> <p>(or other official whose position should be stated)</p> <p>Name: <u>JAMES MATLAND</u></p> <p>Date: <u>26 MAY 2015</u></p>
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**CHECK LIST**

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	<input checked="" type="checkbox"/>	NO	
IS A RULE BOOK ENCLOSED?	YES	<input checked="" type="checkbox"/>	NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	<input checked="" type="checkbox"/>	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 43 and 44)

YES

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 43)

YES

If "No" please explain below.

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 note 43)

YES

If "No" please explain below.

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 45)

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS**

**AUDITOR'S REPORT**

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL FEDERATION OF RETAIL NEWSAGENTS**

We have audited the financial statements of National Federation of Retail Newsagents for the year ended 31 December 2014 which comprise: the General Fund Income and Expenditure Account, Balance Sheet and Cash Flow; the Benefit Fund Income and Expenditure Account and Balance Sheet; the Ratcliffe Benevolent Fund Income and Expenditure Account and Balance Sheet; the Carl Bridgewater Fund Income and Expenditure Account and Balance Sheet; and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the members of the Federation, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the members of the National Federation of Retail Newsagents 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 members of the National Federation of Retail Newsagents, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES**

As explained more fully in the Statement of Trustee's Responsibilities, National Council and the Trustees are responsible for the preparation of the financial statements which 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 regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the federation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the board; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION OF THE FINANCIAL STATEMENTS**

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of Federation's affairs at 31 December 2014 and of its results for the year then ended.

In our opinion the financial statements have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992.

In our opinion the information given in the Trustees' Report is consistent with the financial statements.

NATIONAL FEDERATION OF RETAIL NEWSAGENTS


**AUDITOR'S REPORT** (Continued)

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the federation has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

Signature(s):	
Name(s):	GOODMAN JONES LLP
Qualifications:	Registered Auditors
Address(es):	29/30 Fitzroy Square London W1T 6LQ
Date:	28/5/2010
Contact name and telephone number:	Maurice Austin 020 7388 2444

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