

# 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 2015"/>
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"/>

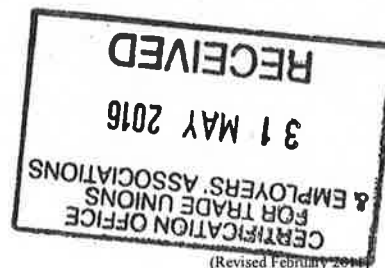
**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**

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 2015**

<b>Title of Office</b>	<b>Name of Officer</b>	<b>Title of Office</b>	<b>Name of Officer</b>
National President	Ralph Patel	National Councillor	Josie Dixon
National Vice President	Raymond Monelle	National Councillor	Mark Dudden
National Deputy Vice President	Linda Sood	National Councillor	Peter Robinson
Immediate Past President	Martyn Brown	National Councillor	Martin Ballinger
Trustee, Finance Committee	Tom Searle	National Councillor	John Jackson
Trustee, Finance Committee	Sam Whiteside	National Councillor	Valerie Chung
National Councillor, Finance Committee	Pradip Amin	National Councillor	Peter Wagg
National Councillor, Finance Committee	Omkar Patel	National Councillor	Omkar Patel
National Councillor, Executive Committee	Mike Mitchelson	National Councillor	Ranjan Patel
National Councillor, Executive Committee	Martin Mulligan	National Councillor	Pravin Shah
National Councillor, Executive Committee	John Parkinson	National Councillor	Devendra Patel
National Councillor, Executive Committee	Narinder Randhawa	National Councillor	Mukhtar Goraya
National Councillor, Executive Committee	Peter Wagg	National Councillor	Christine Southern
National Councillor, Executive Committee	David Woodrow	National Councillor	Pradip Amin
National Councillor	David Woodrow	National Councillor	Nigel Swan
National Councillor	Sharon Sisman	National Councillor	Roy Crawford
National Councillor	Abdul Qadar	National Councillor	Mike Eddowes
National Councillor	Shahid Razzaq	National Councillor	John McDowell
National Councillor	Jason Birks	National Councillor	Martin Mulligan
National Councillor	Mike Mitchelson	National Councillor	Peter Steemers
National Councillor	Martin Ward	National Councillor	John Parkinson
National Councillor	Jay Banning	National Councillor	David Thomas
National Councillor	Andrew Taylor	National Councillor	John Green
National Councillor	James Wilkinson	National Councillor	Sunil Patel
National Councillor	Muntazir Dipoti	National Councillor	Sukhdeep Balaghan
National Councillor	Hanif Khonat	National Councillor	Narinder Randhawa
National Councillor	Suleman Khonat	National Councillor	Manjit Sarma
National Councillor	Owen Church		

**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
	<b>13,982</b>	<b>649</b>	<b>332</b>	<b>79</b>	<b>15,042</b>

**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 M Brown	Mr R Patel	June 2015
National Vice President	Mr R Patel	Mr R Monelle	June 2015
Immediate Past President	Mr C Fletcher	Mr M Brown	June 2015
National Deputy Vice President	Mr R Monelle	Mrs L Sood	June 2015

## REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year (restated)			£
	<b>INCOME</b>		
	From Members:		
4,199,084	Subscriptions, levies etc.	4,021,285	
	Investment Income		
-	Bank Interest (gross)	-	
-	Other Interest	9,074	
	Other Income		
76,386	Rents received	79,560	
208,150	Publications/Seminars	200,000	
	Miscellaneous receipts (specify)		
8,317	Profit on sale of fixed assets	-	
27,412	Other	7,712	
4,519,349		<b>TOTAL INCOME</b>	4,317,631
	<b>EXPENDITURE</b>		
	Administrative Expenses		
2,194,437	Remuneration and expenses of staff	2,192,322	
511,714	Travel and subsistence	505,780	
163,470	Occupancy costs	148,991	
74,313	Printing, Stationery, Post & Telephones	81,878	
	Miscellaneous (specify)		
57,971	Computer costs	60,798	
131,522	Collection costs	135,059	
24,446	Sundries	9,749	
	Other charges		
19,195	Bank charges	16,591	
31,700	Depreciation	30,306	
839,493	Conference and meeting fees	846,012	
2,797	Members insurance	-	
153,455	Publications and promotional services	206,932	
137,098	Call centre	147,251	
164,658	Legal and Professional fees	124,196	
	Sums written off (specify)		
(25,000)	Release of provision against NFRN Commercial	(160,000)	
4,481,269			4,345,865
8,488	Taxation		12,618
4,489,757		<b>TOTAL EXPENDITURE</b>	4,358,483
29,592		Surplus / (Deficit) for year	(40,852)
2,866,605		Amount of fund at beginning of year	2,896,197
2,896,197		Amount of fund at end of year	2,855,345

# 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	62,092	
	Other income (specify)		
	Dividend	166,000	
	Profit on sale of investments	33,700	
	<b>Total Income</b>		261,792
<b>Expenditure</b>			
	Administrative expenses	13,165	
	Other expenditure (specify)		
	ROI office costs	4,532	
	Benefits paid	102,409	
	Legal advice line	63,692	
	Legal claims line	149,754	
	Interest payable	4,583	
	<b>Total Expenditure</b>		338,135
	Surplus / (Deficit) for year		(76,343)
	Add amount of fund at beginning of year		2,394,859
	Amount of fund at end of year (as Balance Sheet)		2,318,516

ACCOUNT 3		Fund Account	
Name:	Ratcliffe Fund	£	£
<b>Income</b>			
	From members	-	
	Investment income	56	
	Other income (specify)		
	Donations	26,496	
	<b>Total Income</b>		26,552
<b>Expenditure</b>			
	Administrative expenses	1,006	
	Other expenditure (specify)		
	Grants paid	7,982	
	Bad debts	9,665	
	<b>Total Expenditure</b>		18,653
	Surplus / (Deficit) for year		7,899
	Add amount of fund at beginning of year		209,537
	Amount of fund at end of year (as Balance Sheet)		217,436

# 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	401	
	<b>Total Income</b>		402
<b>Expenditure</b>			
	Administrative expenses	21	
	Other expenditure (specify)		
	Grants paid	1,600	
	<b>Total Expenditure</b>		1,621
	Surplus / (Deficit) for year		(1,219)
	Add amount of fund at beginning of year		175,655
	Amount of fund at end of year (as Balance Sheet)		174,436

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 2015

(see notes 19 to 20)

Previous Year		£	£
2,104,044	<b>Fixed Assets</b> (as at page 11)		2,317,227
	<b>Investments</b> (as per analysis on page 13)		
2,053,596	Quoted (Market value £2,563,902)	2,099,133	
565,006	Unquoted	540,006	
	<b>Total Investments</b>		2,639,139
	<b>Other Assets</b>		
887,309	Sundry debtors (excl £64,987 inter-fund)	836,467	
678,197	Cash at bank and in hand	714,659	
	Others (specify)		
3,180	Tax repayable	3,180	
	<b>Total of Other Assets</b>		1,554,306
6,291,332	<b>TOTAL ASSETS</b>		6,510,672
2,896,197	General fund (Revenue)		2,855,345
2,394,859	Benefits fund (Account 2)		2,318,516
209,537	Ratcliffe fund (Account 3)		217,436
175,655	Carl Bridgewater fund (Account 4)		174,436
5,676,248			5,565,733
	<b>Liabilities</b>		
11,426	Tax payable	13,142	
443,018	Sundry creditors (excl £64,987 inter-fund)	801,862	
160,640	Accrued expenses	129,935	
-	Provisions	-	
	<b>Total of Liabilities</b>		944,939
615,084	<b>TOTAL LIABILITIES</b>		6,510,672
6,291,332	<b>TOTAL ASSETS</b>		6,510,672
6,291,332			6,510,672

## FIXED ASSETS ACCOUNT

(see notes 19 to 20)

	Land & Buildings	Furniture & Equipment	Motor Vehicles	Total
	£	£	£	£
<b>Cost or Valuation</b>				
At start of year	1,997,408	1,184,590	7,407	3,189,405
Additions during year	187,244	49,190	8,259	244,693
Less: Disposals during year	-	-	(7,407)	(7,407)
At end of year	2,184,652	1,233,780	8,259	3,426,691
<b>Accumulated Depreciation</b>				
At start of year	-	1,077,954	7,407	1,085,361
Charges for year	-	30,306	1,204	31,510
Disposals	-	-	(7,407)	(7,407)
At end of year	-	1,108,260	1,204	1,109,464
Net book value at end of year	2,184,652	125,520	7,055	2,317,227
Freehold	2,134,913			2,134,913
Leasehold (50 or more years unexpired)	49,739			49,739
Leasehold (less than 50 years unexpired)	-			
<b>AS BALANCE SHEET</b>	2,184,652			2,184,652



## ANALYSIS OF INVESTMENTS

(see note 22)

		<b>Other Funds</b>
		<b>£</b>
<b>QUOTED</b>	British Government & British Government Guaranteed Securities	190,785
	British Municipal and County Securities	-
	Other quoted securities (to be specified)	
	Fixed interest securities	208,701
	Equities	1,163,190
	Managed property funds	118,074
	Emerging economies	92,017
	Other alternative assets	202,176
	Cash held for investment	99,190
	<b>TOTAL QUOTED (as Balance Sheet)</b>	<b>2,074,133</b>
	<b>*Market Value of Quoted Investments</b>	<b>2,633,750</b>
<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
<b>TOTAL UNQUOTED (as Balance Sheet)</b>	<b>565,006</b>	
<b>*Market Value of Unquoted Investments</b>	<b>565,006</b>	

\*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)

<b>Does the association, or any constituent part of the association, have a controlling interest in any limited company?</b>		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		
Newtrade Media Ltd	9338494		
<b>INCORPORATED EMPLOYERS' ASSOCIATION</b>			
<b>Are the shares which are controlled by the association registered in the association's name</b>		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>			
<b>Are the shares which are controlled by the association registered in the association's name</b>		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		
Newtrade Media Ltd	100% owned by Newtrade Publishing Ltd		

**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	4,021,285	-	4,021,285
From Investments	71,223	-	71,223
Other Income (including increases by revaluation of assets)	513,869	-	513,869
<b>Total Income</b>	4,606,377	-	4,606,377
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	4,716,892	-	4,716,892
<b>Surplus (Deficit) for the year</b>	(110,515)	-	(110,515)
<b>Funds at beginning of year</b> (including reserves)	5,676,248	-	5,676,248
<b>Funds at end of year</b> (including reserves)	5,565,733	-	5,565,733
<b>ASSETS</b>			
	Fixed Assets		2,317,227
	Investment Assets		2,639,139
	Other Assets (Excludes £64,987 Inter-Fund Balance)		1,554,306
	<b>Total Assets</b>		6,510,672
<b>LIABILITIES</b>			
	<b>Total Liabilities</b> (Excludes £64,987 Inter-Fund Balance)		944,939
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			<b>5,565,733</b>

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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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 the Financial Reporting Standard for Smaller Entities (FRSSE) effective January 2015.

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

- |                                 |                             |
|---------------------------------|-----------------------------|
| - General Fund - Yeoman House   | No depreciation is provided |
| - Benefits Fund - Durham office | No depreciation is provided |

##### Long leasehold property

- |                                       |                             |
|---------------------------------------|-----------------------------|
| - Benefits Fund - ROI district office | No depreciation is provided |
|---------------------------------------|-----------------------------|

##### Fixtures and fittings

0% - 20% per annum - straight line

##### Computers

33.33% per annum - straight line

##### Motor vehicles

25% per annum - straight line

- \* Freehold and long leasehold property 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) 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.

#### e) CAPITATION FEES

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

#### f) 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 2015

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### 1 ACCOUNTING POLICIES cont.

#### g) 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.

#### h) 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.

#### i) 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 2015

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

	£	2015 £	£	2014 £
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		31,510		31,700
Profit on disposal		-		(8,317)
Provisions and Fund Transfers:				
Provision against loan to NNN Ltd	12,500		-	
Release of provision against loan to NFRN Commercial Ltd	(160,000)		(25,000)	
		(147,500)		(25,000)
Hire of other assets - operating leases		124,001		164,203

### 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.

	2015 £	2014 £
<b>Domestic current year tax</b>		
U.K. corporation tax	12,716	11,000
Prior year adjustment	(98)	(2,512)
<b>Total current tax</b>	<u>12,618</u>	<u>8,488</u>

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

### 4 TANGIBLE FIXED ASSETS

#### (a) GENERAL FUND

	Freehold property £	Fixtures and fittings £	Computer £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2015	1,803,460	640,712	543,878	7,407	2,995,457
Additions	-	1,422	13,252	8,259	22,933
Disposals	-	-	-	(7,407)	(7,407)
At 31 December 2015	<u>1,803,460</u>	<u>642,134</u>	<u>557,130</u>	<u>8,259</u>	<u>3,010,983</u>
<b>Depreciation</b>					
At 1 January 2015	-	549,013	528,941	7,407	1,085,361
Charge for the year	-	19,078	11,228	1,204	31,510
Disposals	-	-	-	(7,407)	(7,407)
At 31 December 2015	<u>-</u>	<u>568,091</u>	<u>540,169</u>	<u>1,204</u>	<u>1,109,464</u>
<b>Net book value</b>					
At 31 December 2015	<u>1,803,460</u>	<u>74,043</u>	<u>16,961</u>	<u>7,055</u>	<u>1,901,519</u>
At 31 December 2014	<u>1,803,460</u>	<u>91,699</u>	<u>14,937</u>	<u>-</u>	<u>1,910,096</u>

Freehold property comprises Yeoman House. No depreciation has been charged in accordance with the statement of accounting policies.

#### (b) BENEFITS FUND

	Freehold property £	Long leasehold property £	Fixtures and fittings £	Computer £	Total £
<b>Cost</b>					
At 1 January 2015	144,209	49,739	-	-	193,948
Additions	187,244	-	31,882	2,634	221,760
At 31 December 2015	<u>331,453</u>	<u>49,739</u>	<u>31,882</u>	<u>2,634</u>	<u>415,708</u>
<b>Depreciation</b>					
At 1 January 2015	-	-	-	-	-
Charge for the year	-	-	-	-	-
At 31 December 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net book value</b>					
At 31 December 2015	<u>331,453</u>	<u>49,739</u>	<u>31,882</u>	<u>2,634</u>	<u>415,708</u>
At 31 December 2014	<u>144,209</u>	<u>49,739</u>	<u>-</u>	<u>-</u>	<u>193,948</u>

Freehold property comprises the Durham office. Long leasehold property comprises the Republic of Ireland office. No depreciation has been charged on either of these properties in accordance with the statement of accounting policies.

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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### 5 INVESTMENTS - BENEFITS FUND

	£
At lower of cost or valuation:	
Fixed interest	399,486
Equities	1,163,190
Managed property funds	118,074
Emerging Economies	92,017
Other Alternative Assets	202,176
Cash	99,190
NFRN Credit Union	25,000
At 31 December 2015	<u>2,099,133</u>
At 31 December 2014	<u>2,078,596</u>
Market Value (excluding NFRN Credit Union)	
At 31 December 2015	<u>2,632,005</u>
At 31 December 2014	<u>2,633,750</u>

The above investments include a provision for diminution in value of £40,009 (2014: £40,009).



# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

### 6 TRADE INVESTMENTS

#### (a) GENERAL FUND

	2015 £	2014 £
NFRN Commercial Ltd		
- 390,003 Ordinary shares of £1 each	390,003	390,003
	<u>390,003</u>	<u>390,003</u>

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

National Newsagents Network Limited is a company registered in England and Wales and limited by guarantee. It was incorporated on 2 December 2014. The General Fund is a member of the company.

The summary financial statements of NFRN Commercial at 31 December are shown below:

	2015 £	2014 £
Profit and loss account		
Turnover	1,198,155	1,482,269
Profit on ordinary activities before taxation	21,592	68,370
Tax on profit on ordinary activities	(5,273)	(12,719)
Profit for the financial year	16,319	55,651
Retained loss brought forward	(265,294)	(320,945)
Retained loss carried forward	<u>(248,975)</u>	<u>(265,294)</u>
Balance sheet		
Called up share capital	390,003	390,003
Profit and loss account	<u>(248,975)</u>	<u>(265,294)</u>
Shareholders' funds	<u>141,028</u>	<u>124,709</u>

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

### 6 TRADE INVESTMENTS cont.

#### (b) BENEFITS FUND

	2015 £	2014 £
Newtrade Publishing Ltd *	150,000	150,000
NFRN Holdings Ltd	3	3
	<u>150,003</u>	<u>150,003</u>

#### Holdings of more than 20%

The fund holds more than 20% of the share capital of the following companies and the aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

Company	Country of registration or incorporation	Principal activity	Shares held Class	%	Capital and reserves £	Profit and loss for the year £
<b>Subsidiary undertakings</b>						
NFRN Holdings Limited	UK	Holding	Ordinary	100	3	166,000
Newtrade Publishing Limited *	UK	Publishing	Ordinary	100	1,887,320	295,395
Newtrade Media Limited **	UK	Dormant	Ordinary	100	1	-

\* Shares held via NFRN Holdings Limited

\*\* Shares held via Newtrade Publishing Limited

The summary financial statements of Newtrade Publishing Limited at 31 December are shown below:

	2015 £	2014 £
<b>Profit and loss account</b>		
Turnover	3,924,288	3,888,725
Operating profit	365,156	276,652
Other interest and similar income	8,742	5,379
Profit before taxation	373,898	282,031
Tax on profit on ordinary activities	(78,503)	(65,452)
Profit for the financial year	<u>295,395</u>	<u>216,579</u>
<b>Profit and loss reserve</b>		
At 1 January 2015	1,601,925	1,485,346
Profit for the year	295,395	216,579
Dividends paid	(166,000)	(100,000)
At 31 December 2015	<u>1,731,320</u>	<u>1,601,925</u>
<b>Balance sheet</b>		
Called up share capital	150,000	150,000
Share premium account	6,000	6,000
Profit and loss account	1,731,320	1,601,925
Shareholders' funds	<u>1,887,320</u>	<u>1,757,925</u>

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

### 7 DEBTORS AND PREPAYMENTS - GENERAL FUND

	2015	2014
	£	£
Amounts due in less than one year:		
Newtrade Publishing Limited	16,035	21,615
NFRN Commercial Limited	214,546	259,392
Newsagents Convalescence Fund	7,000	4,000
National Newsagents Network Limited	35,458	29,528
Carl Bridgewater Fund	100	-
Benefits Fund	1,322	155,759
Ratcliffe Fund	3,565	-
Other debtors	38,460	37,495
Prepayments	126,317	100,971
	<u>442,803</u>	<u>608,760</u>
Amounts falling due after more than one year and included in debtors above are:	2015	2014
	£	£
NFRN Commercial Limited	124,237	79,613
National Newsagents Network Limited	<u>35,458</u>	<u>29,528</u>

NFRN Commercial Limited balance is stated net of a provision of £60,000 (2014: £220,000) against the total debt.

### 8 CREDITORS AND ACCRUED EXPENSES - GENERAL FUND

	2015	2014
	£	£
Amounts due in less than one year:		
Superannuation Fund	16,738	20,138
Taxation	12,716	11,000
Other taxes and social security costs	50,971	56,052
VAT	126,609	108,602
NFRN Staff Benefits Pension Fund	12,762	2,116
Other creditors	255,950	256,110
Accrued expenses	129,935	142,713
	<u>605,681</u>	<u>596,731</u>

**NATIONAL FEDERATION OF RETAIL NEWSAGENTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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

	2015 £	2014 £
At 1 January 2015	1,910,096	1,880,894
Transfer to income and expenditure account	(8,577)	29,202
	<u>1,901,519</u>	<u>1,910,096</u>

**10 INVESTMENT RESERVE - GENERAL FUND**

	2015 £	2014 £
At 1 January 2015 and at 31 December 2015	<u>3</u>	<u>3</u>

**11 REVENUE ACCOUNT - GENERAL FUND**

	2015 £	2014 £
Deficit for the year after taxation	(40,852)	29,592
Less Reserve transfers:		
Transfer from/(to) Property & Equipment reserve	8,577	(29,202)
Transfer from/(to) Strategic reserve	50,000	-
Transfer from/(to) Yeoman House Refurbishment Reserve	30,000	-
Transfer (to) / from Yeoman House Development Reserve	(105,000)	-
Transfer from/(to) Development reserve	<u>20,000</u>	<u>-</u>
	<u>3,577</u>	<u>(29,202)</u>
Surplus for the year after reserve transfers	(37,275)	390
Balance at 1 January 2015	<u>761,098</u>	<u>760,708</u>
Balance at 31 December 2015	<u><u>723,823</u></u>	<u><u>761,098</u></u>

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

### 12 RESERVES - GENERAL FUND

	2015 £	2014 £
a) STRATEGIC RESERVE		
At 1 January 2015	150,000	150,000
Transfer (to)/from income and expenditure account	(50,000)	-
At 31 December 2015	<u>100,000</u>	<u>150,000</u>
b) YEOMAN HOUSE REFURBISHMENT RESERVE		
At 1 January 2015	30,000	30,000
Transfer (to)/from income and expenditure account	(30,000)	-
At 31 December 2015	<u>-</u>	<u>30,000</u>
c) YEOMAN HOUSE DEVELOPMENT RESERVE		
At 1 January 2015	-	-
Transfer (to)/from income and expenditure account	105,000	-
At 31 December 2015	<u>105,000</u>	<u>-</u>
d) DEVELOPMENT RESERVE		
At 1 January 2015	45,000	45,000
Transfer (to)/from income and expenditure account	(20,000)	-
At 31 December 2015	<u>25,000</u>	<u>45,000</u>

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

### 13 STAFF COSTS - GENERAL FUND

	2015 £	2014 £
a) Wages and salaries	1,793,484	1,987,344
Employers' National Insurance contributions	186,930	228,408
Pension contributions	99,131	108,873
	<u>2,079,545</u>	<u>2,324,625</u>
b) The average monthly number of full and part time employees during the year was made up as follows:		
	2015 No.	2014 No.
Head Office	23	27
Districts	49	47
	<u>72</u>	<u>74</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 £73,492 (2014: £78,411).

#### 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 £25,639 (2014: £30,462).

# NATIONAL FEDERATION OF RETAIL NEWSAGENTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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### 15 LEASING COMMITMENTS

At 31 December 2015 the Federation had annual commitments under non-cancellable operating leases as follows:

	<b>Land and Building 2015 £</b>	<b>Other 2015 £</b>	<b>Land and Building 2014 £</b>	<b>Other 2014 £</b>
Within 1 year	5,000	20,800	6,660	21,509
In 2 to 5 years inclusive	-	24,474	-	57,562
Greater than 5 years	-	-	-	-
	<u>5,000</u>	<u>45,274</u>	<u>6,660</u>	<u>79,071</u>

### 16 CAPITAL COMMITMENTS

At 31 December 2015 the Federation had capital commitments as follows:

	<b>BENEFITS FUND 2015 £</b>	<b>BENEFITS FUND 2014 £</b>
Contracted but not provided for in the financial statements	-	161,930

### 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 2015

### 18 RELATED PARTY TRANSACTIONS

#### (a) GENERAL FUND

During the year the General Fund undertook the following transactions with related undertakings:

	2015	2014
	£	£
Net recharge to/(from):		
NFRN Commercial Limited	172,005	267,334
Newtrade Publishing Limited	190,051	144,051
National Newsagents Network Limited	35,458	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 (NNN) transactions related to the recharge of expenses. NNN is a company limited by guarantee of which the General Fund is a member.

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

	2015	2014
	£	£
NFRN Commercial Limited *	214,546	259,392
Newtrade Publishing Limited	16,035	21,615
National Newsagents Network Limited	35,458	29,528

\* NFRN Commercial Limited balance is stated net of a provision of £60,000 (2014: £220,000) against the total debt.

#### (b) BENEFITS FUND

The Benefits Fund received dividends of £166,000 (2014: £100,000) from NFRN Holdings Limited.

### 19 CONTINGENT LIABILITIES

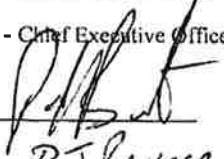
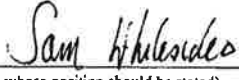
The Federation acts as guarantor in respect of loans advanced by the NFRN Credit Union. At the balance sheet date, the value of loans advanced is £2,000 (2014: £2,000).



**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>25/5/16</u></p>	<p>Trustee</p> <p>Signature: <u></u></p> <p>(or other official whose position should be stated)</p> <p>Name: <u>S WHITESIDE.</u></p> <p>Date: <u>26/5/16</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
- (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

(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 2015 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 2015 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):

*Goodman Jones LLP*

Name(s):

GOODMAN JONES LLP

Qualifications:

Registered Auditors

Address(es):

29/30 Fitzroy Square  
London  
W1T 6LQ

Date:

27-05-2016

Contact name and telephone number:

Amit Sharma 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.