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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:

Period ended:

List No:

Head or Main Office:

Website address (if available)

Has the address changed during the year to which the return relates?

Yes

No

(Tick as appropriate)

Director

General Secretary:

Contact name for queries regarding the completion of this return:

Telephone Number:

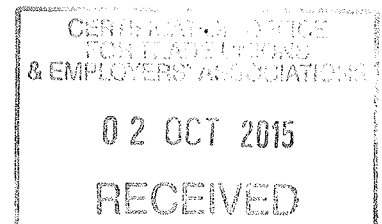
e-mail:

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



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

AR27 – the Newspaper Society

Annexe to page 2: Officers in post

Officers in post for the financial period ending 16th June 2014

President Adrian Jeakings

Honorary Treasurer Paul Hunter

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	INCOME		
1,500,186	From Members	610,531	
54,779	Subscriptions, levies, etc		
	PERA	16,509	
605,548	Commercial/Marketing	148,330	
149,600	Investment income	120,736	
	Interest and dividends (gross)		
	Bank interest (gross)	22	
	Other (specify) /Dividend		
	Other income		
	Rents received		
	Insurance commission		
	Consultancy fees		
	Publications/Seminars		
	Miscellaneous receipts (specify)		
460,000	Other Revenue	199,672	
21,000	Net Gain related to Pension		
2,791,113	TOTAL INCOME		1,095,800
	EXPENDITURE		
	Administrative expenses		
1,147,054	Remuneration and expenses of staff	665,480	
350,492	Occupancy costs	3,069	
16,318	Printing, Stationery, Post	12,424	
9,195	Telephone	3,273	
236,049	Legal and Professional fees	105,926	
	Miscellaneous (specify)		
54,452	Information Sources	29,425	
36,770	Website/Computer Costs	38	
1,419	Promotion	3,977	
	Other charges		
	Bank charges	13,772	
3,538	Depreciation	1,432	
	Sums written off	0	
349,835	Affiliation fees	153,897	
15,100	Conference and meeting fees	10,982	
166,595	Expenses (Local & LBA)	31,232	
	Miscellaneous (specify)		
50,411	PERA/Market Research	19,839	
45,587	Sundry, Newspaper Sales etc.	17,770	
214,506	Taxation		
2,697,321	TOTAL EXPENDITURE		1,072,536
93,792	Surplus for year before taxation and exceptional items		23,264
	Exceptional items: loss on disposal of assets and liabilities to NOL		(2,565,851)
	Taxation		0
	deficit for the period after taxation		(2,542,587)
	Surplus brought forward as at 1/1/2014		1,390,704
	Revaluation reserve as at 1/1/2014		1,077,560
	Revaluation reserve movements up to 31 May 2014		74,323
	Balance as at 16 June 2014		0

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)		

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period			18,803	18,803
Additions during period			739	739
Less: Disposals during period			0	0)
Less: DEPRECIATION:			(12,024)	(12,024)
Disposal to NOL on 31/05/2014			(7,518)	(7,518)
Total to end of period			0	0
 BOOK AMOUNT at end of period			 0	 0
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET				0

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £	
QUOTED	British Government & British Government Guaranteed Securities		
	British Municipal and County Securities		
	3,146,309 Other quoted securities (to be specified)		
	(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).		
	3,146,309	TOTAL QUOTED (as Balance Sheet)	0
	3,146,309	*Market Value of Quoted Investments	0
UNQUOTED	British Government Securities		
	British Municipal and County Securities		
	Mortgages		
	625,242 Other unquoted securities (to be specified) Subsidiary		
	13,064 Works of Art		
	638,306	TOTAL QUOTED (as Balance Sheet)	0
	*Market Value of Unquoted Investments	0	

* 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	NO X
If YES name the relevant companies:			
COMPANY NAME	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	610,531		610,531
From Investments	120,736		120,736
Other Income (including increases by revaluation of assets)	364,533		364,533
Total Income	1,095,800		1,095,800
EXPENDITURE (Including exception items)			
Total Expenditure	(3,638,387)		(3,638,387)
Revaluation of Investments	74,323		74,323
Funds at beginning of year (including reserves)	2,468,264		2,468,264
Revaluation reserve movements Trf to NOL on 31 st May	(2,468,264)		(2,468,264)
Funds at end of year (including reserves)	0.00		0.00
ASSETS			
Fixed Assets			0.00
Investment Assets			0.00
Other Assets			0.00
		Total Assets	0.00
LIABILITIES			
		Total Liabilities	0.00
NET ASSETS (Total Assets less Total Liabilities)			0.00

NOTES TO THE ACCOUNTS

(see note 36)

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

Notes to the account see attachment 1.

- i) The accounts have been prepared as at 16 June 2014, which is the date when the Newspaper Society ceased to exist. However on 31 May 2014 all the Assets, Liabilities, Commitments and personnel of the Newspaper Society were transferred to the Newspaper Organisation Limited, a company limited by Guarantee.
- ii) Staff costs include £214,000 pension recovery plan. The payment was affected by the Newspaper Society in February 2014
- iii) Occupancy costs decrease significantly in 2014 due to the relocation of the Newspaper Society to new premises. Up to September 2013 the Newspaper Society was the Lessee of the office premises and the costs were shared with those companies for which the Lessee carried out administrative tasks by charging part of the rent through the management fee process. In September 2013 the function of Lessee was assumed by one of the companies to which Newspaper Society provided administrative support. As a result of this Management fees revenue decreased by approximately £100,000 per annum and occupancy costs decreased by approximately £350,000.

ACCOUNTING POLICIES

(see notes 37 and 38)

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>24/7/2015</u>	Chairman's Signature: <u>J. Spooner</u> (or other official whose position should be stated) Name: <u>Jeremy Spooner</u> Date: <u>24-07-15</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 43 and 44)

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 43)

YES/NO

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/NO

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)

SEE ATTACHMENT TWO

AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:	<i>Grant Thornton UK LLP</i>	
Name(s):	Grant Thornton UK LLP	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es):	Grant Thornton House Melton Street London NW1 2EP	
Date:	29 September 2015	
Contact name and telephone number:	Jenny Brown +44 (0)207 728 2316	

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

The Newspaper Society

Notes to the Financial Statements

For the period ended 16 June 2014

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.

Going concern

As mentioned in the directors' report the company ceased its activity on the 16 June 2014 following the transfer of its assets, liabilities, contractual commitments and personnel to the Newspaper Organisation Limited (NOL) a company limited by guarantee with effect from 31 May 2014. These accounts have been prepared to satisfy the obligations of the Newspaper Society and only represent the activity of the Society up to the transfer date. The basis of preparation of these accounts is the breakup basis, however the directors have determined that there is no material difference between the transfer and book value.

1.2 Income recognition

Member's 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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1.5 Investments

Listed investments are held at market value which is reassessed at each month end with unrealised gains taken to the revaluation reserve and unrealised losses, to the extent that gains on that asset have previously been recorded. Losses in excess of previous gains are recognised in the income and expenditure account. The subsidiary, Adstream Limited is held at value based on net book value.

Works of art are held at cost.

Notes to the Financial Statements

For the period ended 16 June 2014

1. Accounting Policies (continued)

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:

	Period ended 16 June 2014 £	Year ended 31 December 2013 £
Subscription income	610,531	1,500,186
Other income	485,247	1,269,927
	<u>1,095,778</u>	<u>2,770,113</u>

Notes to the Financial Statements

For the period ended 16 June 2014

3. Other income

Other income comprises:

	Period ended 16 June 2014 £	Year ended 31 December 2013 £
Pera revenue	16,509	54,779
Commercial revenue	110,582	236,804
Investment income	120,736	149,600
Other management charge	45,832	40,000
Local revenue	36,484	161,857
Other revenue	1,264	6,887
NPA service charge	153,840	420,000
Local Business Accelerator	-	200,000
	<u>485,247</u>	<u>1,269,927</u>

4. Interest receivable and similar income

	Period ended 16 June 2014 £	Year ended 31 December 2013 £
Net finance income	<u>22</u>	<u>21,000</u>

5. Taxation

	Period ended 16 June 2014 £	Year ended 31 December 2013 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on surplus for the year	-	14,804
Deferred tax		
Origination and reversal of timing differences	-	147,638
Effect of increased tax rate on opening liability	-	52,064
Adjustments in respect of prior periods	-	-
Total deferred tax	<u>-</u>	<u>199,702</u>
Tax on surplus on ordinary activities	<u>-</u>	<u>214,506</u>

Tax obligations arising on Newspaper Society transactions completed up to the transfer of its activities to NOL have been assumed by NOL as part of the transfer agreement.

Notes to the Financial Statements

For the period ended 16 June 2014

6. Tangible fixed asset

	Office equipment £
Cost	
At 1 January 2014	18,803
Additions	739
Disposal to NOL	(19,542)
At 16 June 2014	<u>-</u>
Depreciation	
At 1 January 2014	10,592
Charge for the year	1,432
Disposal to NOL	(12,024)
At 16 June 2014	<u>-</u>
Net book value	
At 16 June 2014	<u>-</u>
At 31 December 2013	<u>8,211</u>

7. Investments

	Works of art £	Subsidiary £	Listed investments £	TOTAL £
Cost or valuation				
At 1 January 2014	13,064	625,242	3,146,309	3,784,615
Additions			530,643	530,643
Disposals			(582,046)	(582,046)
Revaluation			58,193	58,193
Movement on amounts held and deposit			(29,575)	(29,575)
Transfer to NOL	(13,064)	(625,242)	(3,123,524)	(3,761,830)
At 16 June 2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Listed investments

Listed investments were transferred at market value.

Works of art

Works of art were transferred at cost.

Subsidiary

The subsidiary, Adstream Limited, was transferred at market value.

Notes to the Financial Statements

For the period ended 16 June 2014

8. Debtors

	As at 16 June 2014 £	As at 31 December 2013 £
Trade debtors	-	135,873
Other debtors	-	133,578
Prepayments and accrued income	-	174,130
	<hr/>	<hr/>
	-	443,581

9. Creditors: Amounts falling due within one year

	As at 16 June 2014 £	As at 31 December 2013 £
Bank overdraft	"	12,303
Trade creditors	"	398,914
Corporation tax	"	14,804
Other taxation and social security	"	7,772
Other creditors	-	9,092
Accruals and deferred income	"	206,262
	<hr/>	<hr/>
	-	649,147

10. Provisions

	Dilapidation provision £
At 1 January 2014	124,000
Provided during the year	4,166
Disposal to NOL	<u>(128,166)</u>
At 16 June 2014	<hr/> <hr/>

Dilapidation provision

Amounts are transferred from the income and expenditure account in order to provide for expected costs of refurbishment under leases for office accommodation. Actual expenditure is charged directly to these provision accounts. This amount relates to the office accommodation where dilapidations charges are included in the lease contract.

Notes to the Financial Statements

For the period ended 16 June 2014

11. Deferred taxation

Deferred tax on investments

	As at 16 June 2014 £	As at 31 December 2013 £
Opening balance (restated)	215,512	158,245
Disposal to NOL	<u>(215,512)</u>	<u>57,267</u>
	<u> -</u>	<u>215,512</u>

Tax obligations arising on Newspaper Society transactions completed up to the transfer of its activities to NOL on 31 May 2014 have been assumed by NOL as part of the transfer agreement.

12. Pension

The Society operated a Defined benefit pension scheme.

During the year the Newspaper Society (NS), principal employer of the scheme, as part of the transfer agreement with NOL, signed a deed of substitution by which NOL would assume the role of sponsoring employer of the pension scheme once the assets and liabilities of the NS had transferred to NOL and the NS had been wound up.

As the actuarial estimated liabilities of the scheme exceed its assets, the NS also agreed, with the trustees of the scheme, a recovery plan for the purpose of rectifying the funding deficiency of the scheme.

NS members covenanted to the trustees of the pension fund, for the benefit of the scheme, an annual sum, as specified in the deed of covenant, in full and final settlement of any schedule of contributions relating to the scheme. The total annual covenanted sum amounts to £428,000 to be paid at specified dates and terminated by 31 December 2038 or by such date as the pension assets are equal to the estimated debt on a buy-out basis. These agreements came into effect immediately on signature and the first payments to the trustee by the relevant local members were made in July 2014.

The assets of the scheme are held separately from those of the sponsoring employer, being invested with an insurance company or held in the trustees' bank account. The amount charged to the income and expenditure account represents the contributions payable by the company for the five month period. 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.

As this obligation passed to NOL at book value at 31 May 2014 (not at an updated actuarial value) no actuarial movements have been shown for this period and pension costs are shown on a cash basis.

Notes to the Financial Statements

For the period ended 16 June 2014

14. Related party transactions

Up to 31 May 2014 the Newspaper Society levied a service charge of £153,840 (2013: £420,000) to the Newspaper Publishers Association ('NPA'), a related party under the common control of Newspaper Society Director David Newell.

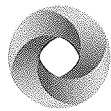
Up to 31 May 2014 Newspaper Society levied a management charge to Adstream Limited, a wholly owned subsidiary, of £16,666 (2013: £40,000). Adstream also provided a short term loan to the Newspaper Society amounting to £100,000 (2013: £NIL).

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 £270,280 (2013: £316,901) for subscription and other services rendered up to 31 May 2014.

All outstanding balances with the related parties were transferred to NOL at 31 May 2014 at their book value.

15. Reserves

	Revaluation reserve	Accumulated surplus	Total
Opening balances at 1 January 2014	1,077,560	1,390,704	2,468,264
Revaluation	74,323		74,323
Deficit for the period		(2,542,587)	(2,542,587)
Transfer from revaluation reserve and realisation of gain on disposal to NOL	(1,151,883)	1,151,883	-
Closing balance at 16 June 2014	=====	=====	=====



Independent auditor's report to the members of The Newspaper Society

We have audited the financial statements of The Newspaper Society ("the Society") for the period from 1 January to 16 June 2014 which comprise the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Members' Funds, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Society's members, as a body, in accordance with our engagement letter dated 25 September 2015. Our audit work has been 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. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Board and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the Board are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Society's affairs as at 16 June 2014 and of its deficit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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:

- whether proper accounting records have not been kept in accordance with section 28 of the 1992 Act; or
- whether it has not maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
- whether the financial statements are not in agreement with the accounting records and returns; we have not received all the information and explanations we require for our audit.

Emphasis of matter – basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in Note 1.1 Basis of accounting. As described in the basis of accounting, the company ceased its activity on 31 May 2014 and all of its assets and liabilities were transferred to a newly incorporated entity, Newspaper Organisation Limited at that date. As explained in the basis of accounting, the accounts have been prepared on the breakup basis, however, as all assets and liabilities were transferred at their carrying amounts no material adjustments were required to be made.

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
London

29 SEPTEMBER 2015